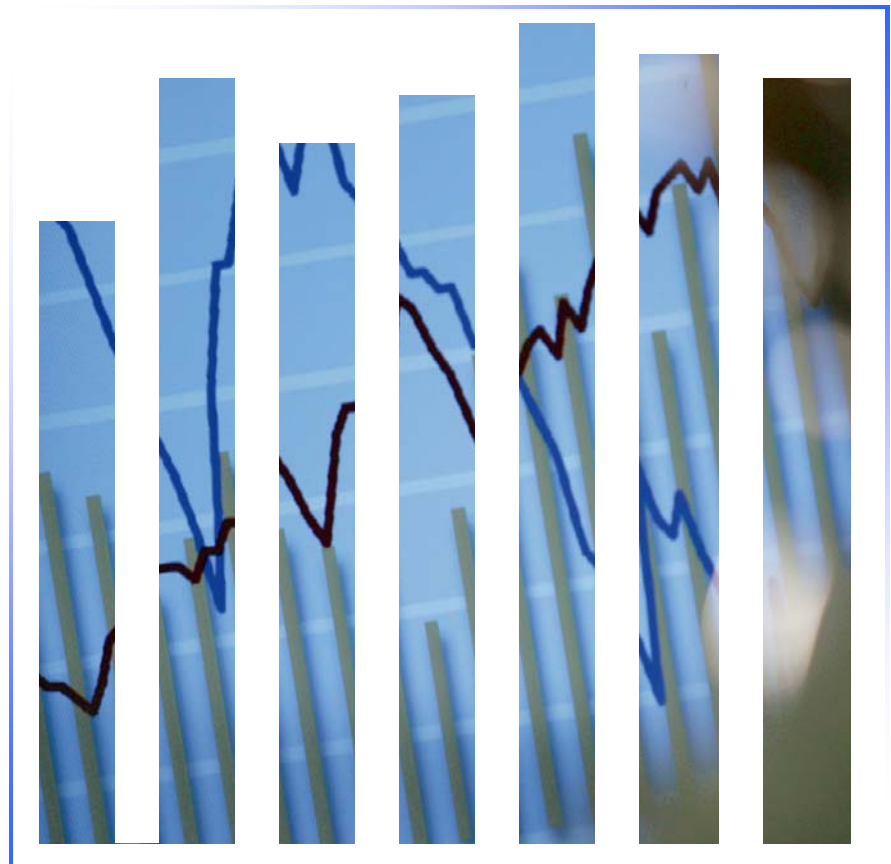


Analysis of Nevada General Fund Revenue and Expenditure Distributions

Prepared for Clark County, Nevada

April 2009



Nevadans often voice displeasure with the fact we receive fewer dollars back from the federal government than we, as a state, pay in federal taxes (*see, 2008 Tax Foundation* study suggesting Nevada received only 73 cents in federal spending for every dollar that its residents paid in federal income taxes). The question presented here is whether the same circumstance occurs within Nevada. More specifically, Applied Analysis has been asked by Clark County to estimate the contribution of Clark County residents and businesses to the state general fund in the form of revenue available for appropriation by the Nevada State Legislature (the “Legislature”) compared to the return received in the form of state services provided or allocations of money for public services within Clark County.

This is a preliminary analysis; the stated objective was to determine whether the diversity in Nevada’s economy combined with Nevada’s budgeting policies have, over time, combined to produce conditions worthy of further discussion.

Approach and Methodology

In approaching this assignment, we considered whether to analyze the state’s fiscal condition as it continues to deteriorate daily, or to analyze the general fund budget enacted in 2007 for the fiscal years 2007-08 and 2008-09, as that budget embodies the most recent fiscal policies officially adopted by the Legislature. We took the latter approach for several reasons. First, the assignment was to analyze the state’s adopted policies, not its success in estimating its budget. Second, the officially adopted budget, in setting forth all general fund revenues and expenditures as of one point in time, is the most comprehensive statement of policy available. Third, Nevada’s current economic condition is not a reflection of any “policy” established by public officials or the electorate. Therefore, the approach taken in this study was to estimate the budgeted amounts likely to be allocated for state-funded services in and out of Clark County as of the time the 2007-09 state budget was adopted.

This analysis is based on operating appropriations, as these expenditures support the state’s core programs, and are generally not conditioned on allocation of “one-time” surpluses or residual fund balances. While exact categorization of appropriations as either for ongoing operations or as “one-time” might be argued by some, the official reports published by Legislative Counsel Bureau specifically designate certain appropriations as “one-time”, providing the definition used for this analysis.¹ Finally, we believe the focus on operating appropriations more reliably reveals the state’s embedded policies, as opposed to expenditures made episodically from money considered to be surplus at the time.

¹ Legislative Appropriations Report 2007, Legislative Counsel Bureau Fiscal Division, October 2007.

State revenues were also examined; and, some differences between relative population and relative contribution to the state general fund were found. In estimating state revenues by county of origin when the 2007-09 biennial budget was formulated, statistics for the year ended June 30, 2007 were used except where noted in the appendices. On the whole, this method captures the revenue and expenditure patterns prevalent when the full Legislature last codified both its tax structure and its appropriations.

Also included on this review are the impacts of state-mandated payments from Clark County on which the Legislature relies to help balance its Medicaid budget. These allocations are related to the Disproportionate Share Hospital or “DSH” program associated with Nevada’s state Medicaid budget.

Findings of the Analysis

As of the finalization of the 2007-09 biennial state budget, Clark County, with 71.9 percent of the state’s population, was generating approximately 76.1 percent of state general fund revenue.² Based on projected public school funding, Nevada Medicaid caseloads, and appropriation patterns evident in higher education and health and human services, Clark County, at that time, would have been allocated approximately 66.5 percent of state appropriations in the form of either state-provided services or in funding for the state’s K-12 education system.³ The difference, including percentage of revenue provided and percentage of funding expected to be allocated represents approximately \$658.0 million, the sum of the estimated appropriations and revenues under the columns headed “Estimated Export as if Per Capita” in Table 1 on the following page. Since Clark County’s percentage of statewide full time equivalent K-12 and higher education students differs from its percentage of general population, Table 1 also includes similarly calculated allocations by student population (allocations for health and human services do not vary by student count). Detail for the appropriations allocation is shown in Appendix 1, where most appropriations are allocated as if per capita, except where noted for elementary and secondary education, higher education, and health and human services. Finally, Table 1 incorporates the impact of Nevada’s Medicaid “DSH” allocations to hospitals throughout the state. The “DSH” program, described later in this report, is not a tax revenue to the state, nor does it result in appropriations from the general fund. Rather, it is a unique transaction resulting in a gain to the state and representing an estimated displacement of \$58.9 million from Clark County. Combining the state general fund analysis and “DSH” allocations brings the total estimated export from Clark County to \$716.9 million over the two-year period.

² Nevada State Demographer, <http://nsbdc.org>. Also see Appendix 2 for revenue distribution detail.

³ See Appendix 1 for expenditure distribution detail.

Table 1
Comparison of Per Capita vs. Estimated Share of Expenditures and Revenues for Clark County
State General Fund Budget and DSH Hospital Funding - Fiscal Years 2008 and 2009

Purpose of Appropriations	Total Operating Appropriations FY 2008 and 2009	Est. Clark County Share Actual Appropriations	If Per FTE Student		If Per Capita	
			Clark County Share Appropriations	Estimated Export	Clark County Share Appropriations	Estimated Export
Elementary & Secondary Education	\$2,352,287,470	\$1,505,111,299	\$1,700,383,278	\$195,271,979	\$1,691,152,270	\$186,040,970
Nevada System of Higher Education	\$1,316,385,472	\$791,381,024	\$842,714,888	\$51,333,864	\$946,401,453	\$155,020,428
Health and Human Services	\$1,927,008,728	\$1,357,798,061	\$1,385,402,603	N/A	\$1,385,402,603	\$27,604,542
Other GF Operating Appropriations	\$1,206,439,738	\$867,357,127	\$867,357,127	\$0	\$867,357,127	\$0
Total Appropriations	\$6,802,121,408	\$4,521,647,512	\$4,795,857,896	\$274,210,384	\$4,890,313,452	\$368,665,940
Appropriation Shortfall As If Per Capita or Per Capita Adjusted for Enrollment				\$274,210,384		\$368,665,940

State General Fund Revenue	Total Estimated Revenue FY 2008 and 2009	Clark Revenue Contribution Estimated 2007	If Per Capita	
			Clark County Share Revenues	Estimated Export
State General Fund 2007-09 Budget	\$6,812,458,652	\$5,187,032,907	\$4,897,745,305	\$289,287,603
Appropriation Shortfall As If Per Capita				\$368,665,940
DSH Hospital Funding Program				\$58,935,721
Total Difference Per Capita vs. Estimated				\$716,889,264

Examining these distribution issues solely on a point-of-origin basis might lead to quick conclusions that the state should immediately revise its budget to (1) add \$368.7 million in services in Clark County; (2) to relieve Clark County individuals and businesses of \$289.3 million in state taxes each biennium, and (3) to modify the matching requirements and net benefits in the “DSH” program by \$58.9 million in Clark County’s favor. While such arguments can be persuasive, each of these issues has a different background and is subject to separate consideration. First, it is noteworthy that the two largest expenditure disparities – K-12 and higher education, have specific histories which underlie the current conditions. Second, the single largest revenue disparity – in gaming and entertainment – arises from a unique industry which is licensed and closely regulated by the state. Third, the “DSH” allocations to hospitals are direct redistributions unrelated to the differential costs of delivering public services. This analysis includes a section on each topic.

Factors Influencing Distribution of General Fund Appropriations

The difference in K-12 funding is by design, and based on a formula including relative costs of education and relative tax revenue available to pay those costs in each school district.⁴ Essentially, the larger the district, the greater the economies of scale, and the fewer dollars allocated per student. Likewise, districts with higher property, sales, and other tax revenues per student receive fewer dollars per student. The resulting cost and wealth factors in the Nevada Plan for School Finance have been justified in past studies as providing equity of educational opportunity for students regardless of the district in which they attend. While this approach is generally thought to promote equity for students, it does not purport to address sufficiency for any Nevada school district. Equity is typically benchmarked by educational analysts through comparisons of student access to educational services, and some landmark court cases have affected distribution of school funding in other states.⁵ On the other hand, sufficiency is generally determined through a political process or, on occasion, in the courts.

These arguments aside, the transfer of tax wealth from Clark County to other counties reflected in Table 1 (page 3) is significant from both an equity standpoint, and in terms of local control of education funding. The profound effect of the differentiation in funding for Nevada’s school districts is demonstrated in Table 2 below in the FY 2007-08 state support per student, which includes state payments, local school support tax, and 25 cents of the 75 cent school ad valorem (property) tax levy. The combination of cost and wealth factors in the school formula results in the Clark County School District receiving the second-lowest basic support per

⁴ NRS 387.121.

⁵ *Roosevelt Elementary School District v. Bishop* (Arizona), *Skeen v. State* (Minnesota), *Serrano v. Priest* (California), *Tennessee Small School Systems v. McWherter* (Tennessee).

student. Only Eureka, with its enormous tax receipts from net proceeds of mining, was assigned a lower support number.

Table 2
FY 2008 State Support per K-12 Student

School District	FY 2008 State Support Per Student
Esmeralda	\$11,358
Lincoln	\$9,644
Pershing	\$7,770
Mineral	\$7,518
Storey	\$6,907
Lyon	\$6,704
White Pine	\$6,696
Nye	\$6,661
Elko	\$6,574
Churchill	\$6,526
Humboldt	\$6,437
Carson City	\$6,037
Lander	\$5,987
Douglas	\$5,383
Washoe	\$5,131
Clark	\$4,891
Eureka	\$4,058
Weighted Average	\$5,122

Source: Assembly Bill 627, 2007 Legislature.

Examining funding for the Nevada System of Higher Education (the “NSHE”) should be undertaken only with considerable caution for several reasons. First, the fact that Clark County surpassed Washoe County in population only in the only the most recent one-third of the state’s history is important. When Nevada Southern University, predecessor to the University of Nevada, Las Vegas (“UNLV”) opened in 1957 as a two-year institution, the Reno campus had already been functioning since 1887.⁶ The press toward maturity at UNLV has been tremendous; and development and funding of recognized graduate and research programs, which typify older institutions is, for UNLV, a work in rapid progress. Second, rather than being organized under separate jurisdictions; NSHE is state-wide and governed by one Board of Regents, subject to significant financial control by the Legislature. Third, it is not universally expected that students’ educational opportunity be exactly “equalized” from one region to another. In fact, institutions based in one area of the state, such as the School of Medicine, also conduct programs in other areas. Another example, the Boyd School of Law, currently offers the only program of its kind in the system, its location largely driven by significant private

⁶ See University of Nevada Reno, <http://www.unlv.edu>, and University of Nevada Las Vegas, <http://www.unlv.edu>.

contributions when it was founded. Yet another, the Desert Research Institute with no enrollment, is based in Reno; but has a very significant presence in Clark County. Additionally, some institutions offer learning opportunities in neighboring counties via satellite locations or audiovisual communication. Taking these factors together, it is not surprising that appropriations remain differentiated when considered solely on a county-by-county basis, and complete uniformity of programs would beg questions regarding unnecessary duplication of programming and costs. That said, distribution of resources among NSHE institutions has been, and is likely to remain, worthy of periodic study.⁷

Recognizing that enrollment in NSHE institutions in Clark County is notably less in proportion to total NSHE enrollment than Clark County's share of the state's total population, Table 1 also includes a hypothetical distribution of appropriations adjusted for enrollment reflecting "export" of \$103.7 million less than that calculated based only on general population. It should be pointed out that drawing conclusions regarding NSHE appropriations solely based on enrollment vastly oversimplifies a very complex issues and does not account for the availability of educational opportunities system-wide for a population of students who are more mobile than K-12 students, whose attendance is generally restricted to county of residence. The result of that calculation is presented here simply as another comparison to distribution based on general population. Again, the result of any analysis regarding distribution of resources within the system are subject to the qualifications mentioned herein, but the issue of origin as opposed to destination of state general fund dollars remains open.

Health and Human Services represents a far smaller difference between the percentage of appropriations allocable to Clark County (70.5 percent) and general population (71.9 percent). However, it is notable this percentage difference appears almost entirely attributable to appropriations for mental health, developmental services, and child welfare integration. While the great majority of health and human services appropriations could be considered allocable by population on the premise that the same programs are available statewide, those with fixed, state-funded facilities or programs from which services are available represent only 64.3 percent of total appropriations for these purposes. This is evident comparing appropriations for Southern Nevada Adult Mental Health, Desert Regional Center, Southern Nevada Child and Adolescent Services, and Clark County Child Welfare Integration to those for Northern Nevada Adult Mental Health, the Sierra and Rural Regional Centers, Northern Nevada Child and Adolescent Services, and Washoe County Child Welfare Integration.

⁷ See Legislative Counsel Bureau Bulletin 87-30, August 1986, and Legislative Counsel Bureau Bulletin 01-04, January, 2001.

Revenue Comparisons

As to state general fund revenue, the percentage of taxable sales occurring in Clark County (73.4 percent in 2007) exceeded its share of statewide population (71.9 percent in 2007), a logical observation given southern Nevada's generation of significant retail sales to tourists. Since nearly one-third of state general fund revenue comes from taxable sales, this is one component of the revenue disparity.

However, by far the greater source of disparity arises from gaming taxation. Of the state-wide total non-restricted gaming win, which drives gaming percentage fee receipts, 82.2 percent emanated from Clark County in 2007, a difference of 10.3 percent over Clark County's share of statewide population. This means that per-resident gaming win in Clark County is nearly twice that for all other counties combined, clearly reflecting the difference in Clark County's economy as compared to other regions of the state. In addition, it was noted that live entertainment tax collected from gaming venues in Clark County represented 97.1 percent of the state total, an even more disproportionate contribution to state general fund revenue. Real property transfer tax was also significant, with 80.6 percent of collections in 2007 sourced to Clark County. The revenue analysis is shown in Appendix 2.

Nevada Medicaid "DSH" Allocations to Hospitals

In addition to the foregoing relationships between revenue contributed and funding received, the state uniquely requires Clark County to remit almost all the required state match for federal DSH allocations to hospitals throughout the state. Table 2 below summarizes this matching mechanism and Clark County's contribution to Nevada's statewide system of health care. Although Clark County comprised 71.9 percent state population, Clark is required to pay 97.6 percent of the match, but only receives 41.9 percent of the net benefit—clearly a disproportionately large contribution for a disproportionately small benefit. Table 3 on the following page shows how the state requires virtually all matching dollars to be remitted from Clark County, while neither other counties nor the state general fund are required to match in proportion to population or other measure of magnitude related to provision of health care. In addition, even though the in-state match draws significant federal funding, the net benefit of combined redistribution of federal money and in-state match is also disproportionately small in Clark County. The table illustrates how the matching requirements combined with the scheme by which benefit is distributed are expected to displace \$29.5 million from Clark County in FY

2009.⁸ At this rate, Clark County could be expected to “export” \$58.9 million over a biennium in the DSH program alone.⁹

The matching funds remitted by Clark County to the state are not recorded as a state tax revenue, nor do they result in an appropriation from the general fund. Rather, “DSH” is a unique transaction resulting in a gain for the state through supplantation of state appropriations, with an effect similar to that of a tax levied predominantly on Clark County residents and businesses. Since the redistributive effects of state appropriations for Medicaid are separately accounted for in the general fund analysis, the DSH loss is in addition to the transfer implicit in state general fund revenues and expenditures.

Table 3
Match Requirements and Distribution of “DSH” Hospital Funding

Nevada Matching Contributions	NRS 422 Contribution		Contribution As If By Population	Percentage of Population
	Amount	Percent		
Clark County	\$60,760,040	97.6%	\$44,761,199	71.9%
Washoe County	\$1,500,000	2.4%	\$9,575,157	15.4%
Rural Counties	\$0	0.0%	\$7,923,684	12.7%
State General Fund	\$0	0.0%	N/A	N/A
Total Nevada Matching	\$62,260,040	100.0%	\$62,260,040	100.0%
Plus Federal Funding	\$44,870,714			
Total Available for Distribution	\$107,130,754			

Distributions to Hospitals	NRS 422 Distribution		Distribution As If By Population	Percentage of Population
	Amount	Percent		
State Benefit	\$18,481,731	17.3%		
Renown Medical Center - Reno	\$5,116,226	4.8%	\$16,475,958	15.4%
Rural Nevada Hospitals	\$3,982,450	3.7%	\$13,634,270	12.7%
Private Hospitals Clark County	\$1,516,226	1.4%	N/A	N/A
UMC Clark County	\$78,034,121	72.8%	\$77,020,526	71.9%
Total Distributed to Hospitals	\$107,130,754	100.0%	\$107,130,754	100.0%

⁸ Note: The estimate for the DSH program is based on a FY 2009 analysis by Clark County.

⁹ Note: The estimate for the DSH program is based on a FY 2009 analysis by Clark County.

Table 3
Match Requirements and Distribution of “DSH” Hospital Funding
(continued)

Net Benefit Distribution	NRS 422 Net Benefit		Net Benefit As If By	Net Benefit As If By
	Amount	Percent	Population	Population
State General Fund	\$18,481,731	41.2%	N/A	N/A
Washoe County	\$3,616,226	8.1%	\$6,900,801	15.4%
Rural Counties	\$3,982,450	8.9%	\$5,710,586	12.7%
Clark County	\$18,790,307	41.9%	\$32,259,327	71.9%
Total Net Benefit	\$44,870,714	100.0%	\$44,870,714	100.0%

DSH Gain or (Loss) By Population	Gain or (Loss)		Total Gain or (Loss)
	in Net Benefit	in Matching	
State General Fund	\$18,481,731	N/A	\$18,481,731
Washoe County	(\$3,284,575)	\$8,075,157	\$4,790,582
Rural Counties	(\$1,728,136)	\$7,923,684	\$6,195,547
Clark County	(\$13,469,020)	(\$15,998,841)	(\$29,467,860)
Sum of Net Gains and (Losses)	\$0	\$0	\$0

Source: Clark County Commission budget workshop staff presentation March 31, 2009. Calculations by Applied Analysis.

Conclusion

Analyzing the distribution of state general fund appropriations against the county of origin of state general fund revenues, Clark County could have expected to receive \$658.0 million less in state-distributed revenue for public services than it generated on the state’s behalf in the 2007-2009 Legislatively approved budget. Adding the effect of approximately \$58.9 million in transfers and distributions, partially funded by the federal government, over a two-year period through the “DSH” program; the displacement of revenue from Clark County to other counties is estimated at \$716.9 million over the biennium, or approximately \$358.4 million per year. Although this analysis may suggest that at closer look at state spending equity is warranted, consideration of this issue also calls for examination of some of the historical factors influencing the state’s appropriation practices.

It is believed by many, as much by anecdote as by analysis, that Clark County “subsidizes” the remainder of the state. This preliminary analysis suggests that this is true. The most common responses to concerns over this fiscal asymmetry have been that state services, in general, have had difficulty keeping pace with southern Nevada’s rapidly growing population; the practical realities of the Nevada Plan for School Finance require differential distributions in an attempt to maintain educational equity in K-12 education programs; and Clark County institutions in the

Nevada System of Higher Education are a comparatively recent development in the system's history, allowing less time for full maturation of graduate and research programs.

Taxes are a transfer of wealth. At a policy level, there is certainly some expectation of a transfer or dislocation of tax revenues - a tax returned to its exact point of origin (i.e., the taxpayer) would be no tax at all. However, while such arguments may help explain how Nevada's budget came to be as it is today, they are not necessarily justification for maintenance of status quo, particularly if distinct differences are not associated with any policy rationale, and simply result in some paying more so others are allowed to pay less.

Today, Clark County's economy is generating a disproportionate share of state general fund revenues, a substantial share of which is spent in other parts of the state. This preliminary analysis suggests the degree of this shift is significant and is worthy of additional study.

Applicability of Findings and Limitations on Data

This analysis hypothetically compares estimated state general fund appropriations allocable to Clark County and state general fund revenues from Clark County as if they were collected and allocated on a per capita basis to the estimated actual appropriations and revenues taking into account K-12 school funding formulas and location of certain state-funded institutions. The calculations by which these conclusions were derived focused on the state's two largest areas of appropriations and major categories of revenue; based on data reported by Nevada Department of Taxation for sales, cigarette, liquor, and real property transfer tax; by Nevada Gaming Control Board for non-restricted gaming win and live entertainment tax; by NSHE for higher education enrollments; and by Department of Health and Human Services for Medicaid and Temporary Assistance for Needy Families caseloads.. We did not undertake an apportionment of appropriations for the state prison system as that would have required data on prisoner placement and county of sentencing. In some cases, a general index of business activity within a sector was applied to other revenue, such as gaming win to the Higher Education Capital Construction contribution in the state general fund from dedicated gaming taxes. As such, these allocations are not exact. Other analyses may produce varying results, but the magnitude of these differences, primarily arising from codified distributions and their underlying working documents, indicates the general conclusion that Clark County does heavily "subsidize" the remainder of the state in the state's budget process is beyond credible rebuttal.

As with any analysis, there are limitations that must be considered when drawing conclusions from the data utilized, including without limitation the fact that information contained in this report is subject to change due to timing of reporting and future events, especially given the effects of the current recession on state revenues and expenditures.

Appendix 1 - FY 2008 and 2009 State General Fund Appropriations

	FY 2008 Operating	FY 2008 One-Time	FY 2009 Operating	Estimated Allocation Clark County	Notes on Distribution
Elected Officials					
Appropriations Subject to Proration All	\$93,218,502		\$100,812,488	\$139,496,534	
Regional Facilities or Programs None	\$0		\$0	\$0	
Programs Not Serving Clark County None	\$0		\$0	\$0	
Subtotal Elected Officials	\$93,218,502		\$100,812,488	\$139,496,534	
Finance and Administration					
Appropriations Subject to Proration All	\$52,600,759		\$71,984,127	\$89,568,990	
Regional Facilities or Programs None	\$0		\$0	\$0	
Programs Not Serving Clark County None	\$0		\$0	\$0	
Subtotal Finance and Administration	\$52,600,759		\$71,984,127	\$89,568,990	
Elementary and Secondary Education					
Appropriations Subject to Proration					
Distributive School Account (DSA)	\$1,041,380,667		\$1,090,814,060	\$1,346,877,943	→ <u>Distributed by DSA formula</u>
Remediation Trust	\$60,375,718		\$85,539,038	\$104,903,875	
Other State Programs	\$23,932,297		\$27,688,181	\$37,111,998	\$1,541,286,218 Uniform per student support state-wide
Education State Programs	\$3,046,782		\$3,188,144	\$4,482,534	\$156,870,876 Less difference in basic support amount
Education Support Services	\$1,167,308		\$1,223,825	\$1,719,080	\$37,537,399 Less estimated deductions inside formula
Proficiency Testing	\$5,001,991		\$5,345,708	\$7,439,369	\$1,346,877,943 Estimated payment to Clark Co. schools
Teacher Licensing	\$100		\$100	\$144	
Student Incentive	\$380,789		\$382,876	\$549,029	
Career & Technical	\$379,612		\$392,500	\$555,102	
Continuing Education	\$614,015		\$617,430	\$885,334	
Nutrition	\$305,075		\$315,286	\$446,002	
Disabilities	\$96,609		\$99,359	\$140,889	
Regional Facilities or Programs None	\$0		\$0	\$0	
Programs Not Serving Clark County None	\$0		\$0	\$0	
Subtotal Elementary and Secondary Education	\$1,136,680,963		\$1,215,606,507	\$1,505,111,299	63.99% Estimated allocation to Clark County

Appendix 1.1 - FY 2008 and 2009 State General Fund Appropriations (continued)

	FY 2008 Operating	FY 2008 One-Time	FY 2009 Operating	Estimated Allocation Clark County	Notes on Distribution
Postsecondary Education Commission					
Appropriations Subject to Proration					
Postsecondary Commission	\$331,900		\$386,721	\$516,645	
Regional Facilities or Programs					
None	\$0		\$0	\$0	
Programs Not Serving Clark County					
None	\$0		\$0	\$0	
Subtotal Postsecondary Education Commission	\$331,900		\$386,721	\$516,645	
Nevada System of Higher Education (NSHE)					
Appropriations Subject to Proration					
System Administration	\$5,466,936		\$5,622,271	\$7,972,468	
Salary Adjustments	\$8,660,829		\$26,906,578	\$25,570,812	
Special Projects	\$2,739,482		\$2,751,729	\$3,947,848	
University Press	\$875,630		\$916,397	\$1,288,359	
System Computing	\$22,763,460		\$23,162,289	\$33,017,833	
National Direct Student Loan	\$50,904		\$50,904	\$73,194	
School of Medical Sciences	\$33,883,844		\$34,753,277	\$49,345,934	
NSHE Health Lab and Research	\$2,008,216		\$2,046,391	\$2,915,017	
Cooperative Extension	\$9,062,442		\$9,410,306	\$13,280,787	
Desert Research Institute	\$9,361,843		\$9,795,172	\$13,772,734	
Agricultural Experiment	\$8,991,117		\$9,249,670	\$13,114,021	
Regional Facilities or Programs					
University of Nevada Reno	\$132,264,763		\$136,590,971	\$0	
UNR Athletics	\$6,690,710		\$6,902,237	\$0	
Statewide Programs UNR	\$8,282,094		\$8,509,466	\$0	
Business Center North	\$2,467,263		\$2,550,450	\$0	
Truckee Meadows Community College	\$40,132,380		\$41,002,040	\$0	
Great Basin College	\$16,363,069		\$16,997,300	\$0	
Western Nevada Community College	\$20,769,184		\$21,251,842	\$0	
University of Nevada Las Vegas	\$168,614,876		\$172,988,843	\$341,603,719	
UNLV Athletics	\$8,891,619		\$9,103,052	\$17,994,671	
Statewide Programs UNLV	\$1,410,413		\$1,458,566	\$2,868,979	
UNLV Law School	\$8,853,595		\$9,126,630	\$17,980,225	
UNLV Dental School	\$8,105,386		\$8,431,499	\$16,536,885	
Business Center South	\$2,096,071		\$2,171,463	\$4,267,534	
Community College Southern Nevada	\$95,156,439		\$97,672,554	\$192,828,993	
Nevada State College	\$15,330,975		\$17,670,035	\$33,001,010	
Subtotal NSHE	\$639,293,540		\$677,091,932	\$791,381,024	60.12% Estimated allocation to Clark County

Appendix 1.2 - FY 2008 and 2009 State General Fund Appropriations (continued)

	FY 2008 Operating	FY 2008 One-Time	FY 2009 Operating	Estimated Allocation Clark County	Notes on Distribution
Western Interstate Compact for Higher Education (WICHE)					
Appropriations Subject to Proration					
Administration	\$365,789		\$422,146	\$566,478	
Loan & Stipends	\$703,450		\$700,048	\$1,009,030	
Regional Facilities or Programs					
None	\$0		\$0	\$0	
Programs Not Serving Clark County					
None	\$0		\$0	\$0	
Subtotal WICHE	\$1,069,239		\$1,122,194	\$1,575,508	
Other Education and Culture					
Appropriations Subject to Proration					
All	\$14,203,920		\$15,482,555	\$21,342,778	
Regional Facilities or Programs					
None	\$0		\$0	\$0	
Programs Not Serving Clark County					
None	\$0		\$0	\$0	
Subtotal Other Education and Culture	\$14,203,920		\$15,482,555	\$21,342,778	
Commerce and Industry					
Appropriations Subject to Proration					
All	\$52,051,310		\$53,122,390	\$75,613,522	
Regional Facilities or Programs					
None	\$0		\$0	\$0	
Programs Not Serving Clark County					
None	\$0		\$0	\$0	
Subtotal Commerce and Industry	\$52,051,310		\$53,122,390	\$75,613,522	
Health and Human Services					
Appropriations Subject to Proration					
Director's Office	\$1,457,123		\$1,478,574	\$2,110,588	
Developmental Disabilities	\$171,409		\$172,068	\$246,939	
Community Based Services	\$6,550,389		\$7,080,067	\$9,799,473	
Healthy Nevada	\$383,319		\$388,726	\$555,054	
HHS Grants Management	\$3,244,142		\$3,902,285	\$5,137,848	
Health Care Financing	\$1,299,069		\$1,502,672	\$2,014,282	
Medicaid	\$428,004,223		\$480,536,607	\$668,179,690	Distributed by Medicaid Caseload 2008
Nevada Checkup	\$10,889,033		\$12,585,449	\$16,876,731	
HIFA Holding	\$2,543,319		\$4,130,803	\$4,798,290	
(continued on following page)					

Appendix 1.3 - FY 2008 and 2009 State General Fund Appropriations (continued)

	FY 2008 Operating	FY 2008 One-Time	FY 2009 Operating	Estimated Allocation Clark County	Notes on Distribution
Health and Human Services (continued)					
MHDS Administration	\$3,483,928		\$3,546,681	\$5,054,582	
Lakes Crossing Center	\$9,603,196		\$10,114,277	\$14,175,669	
Family Preservation	\$2,135,672		\$2,319,305	\$3,202,859	
Mental Health Information System	\$1,475,959		\$1,517,461	\$2,152,088	
Alcohol And Drug Rehab	\$9,566,312		\$12,048,716	\$15,539,896	
Health Administrator	\$1,039,815		\$1,092,261	\$1,532,834	
Minority Health	\$121,490		\$128,870	\$179,994	
Vital Statistics	\$855,943		\$967,157	\$1,310,699	
Community Health	\$683,116		\$714,539	\$1,004,829	
Maternal Child Health	\$1,272,963		\$1,287,690	\$1,840,954	
Early Intervention	\$14,584,903		\$15,315,094	\$21,496,288	
Welfare Administration	\$7,656,057		\$7,656,457	\$11,008,770	
Welfare Field Services	\$23,514,422		\$25,049,481	\$34,914,506	
Welfare TANF	\$24,607,852		\$24,607,852	\$40,031,363	Distributed by TANF Caseload 2008
Assistance to Aged and Blind	\$6,898,497		\$7,115,004	\$10,074,859	
Child Assistance	\$9,033,701		\$9,033,701	\$12,989,368	
Older Americans	\$3,422,727		\$3,629,400	\$5,070,052	
Senior Services	\$1,807,068		\$1,927,999	\$2,685,287	
Homemakers	\$285,541		\$400,181	\$492,993	
Senior Citizens Property Tax	\$4,861,484		\$5,412,531	\$7,386,395	
Child and Family Services Administration	\$4,979,171		\$5,178,985	\$7,303,099	
DCFS Juvenile Justice	\$729,205		\$729,205	\$1,048,508	
Unity SACWIS	\$3,329,902		\$3,341,037	\$4,796,001	
Youth Alternative Placement	\$1,685,050		\$1,704,979	\$2,437,226	
Summit View Correctional	\$7,321,260		\$7,643,558	\$10,758,798	
Caliente Youth Center	\$7,655,209		\$7,994,790	\$11,251,402	
Nevada Youth Training Center	\$9,982,182		\$10,308,059	\$14,587,455	
Youth Parole	\$6,066,012		\$6,127,061	\$8,766,081	
Wraparound	\$2,956,974		\$3,146,056	\$4,387,709	
Indian Affairs	\$190,583		\$191,225	\$274,497	
Equal rights	\$1,227,539		\$1,269,311	\$1,795,084	
Rehabilitation Administration	\$23,301		\$24,213	\$34,160	
Vocational Rehabilitation	\$3,273,713		\$3,324,848	\$4,743,966	
Services to Blind	\$1,212,454		\$1,229,817	\$1,755,845	
Consumer Health	\$1,002,060		\$1,036,963	\$1,465,934	
Communicable Disease	\$801,168		\$805,030	\$1,154,759	
STD's	\$1,790,254		\$1,805,620	\$2,585,216	
Immunization	\$1,042,378		\$1,074,408	\$1,521,841	
Child Care Services	\$59,090		\$67,037	\$90,678	
Emergency Medical	\$917,930		\$948,548	\$0	
Regional Facilities or Programs					
Northern Nevada Adult Mental	\$33,223,654		\$36,657,399	\$0	
Rural Clinics	\$13,371,579		\$13,976,717	\$0	
Sierra Regional	\$20,479,394		\$22,422,315	\$0	
Rural Regional	\$9,769,786		\$10,963,863	\$0	
Washoe County Integration	\$12,636,969		\$14,503,827	\$0	
Rural Child Welfare	\$6,106,651		\$6,994,552	\$0	
Northern Nevada Child and Adolescent	\$3,452,345		\$3,517,412	\$0	
Southern Nevada Adult Mental					
Desert Regional	\$43,985,851		\$53,153,934	\$97,139,785	
Clark County Integration	\$33,373,591		\$38,870,325	\$72,243,916	
Southern Nevada Child and Adolescent	\$10,489,192		\$10,854,527	\$21,343,719	
Programs Not Serving Clark County					
Public Defender	\$1,221,617		\$1,223,260	\$0	
Subtotal Health and Human Services	\$915,286,382		\$1,011,722,346	\$1,357,798,061	70.46% County

Estimated allocation to Clark
County

Appendix 1.4 - FY 2008 and 2009 State General Fund Appropriations (continued)

	FY 2008 Operating	FY 2008 One-Time	FY 2009 Operating	Estimated Allocation Clark County	Notes on Distribution
Public Safety					
Appropriations Subject to Proration All	\$319,823,935		\$346,580,972	\$479,104,780	
Regional Facilities or Programs None	\$0		\$0	\$0	
Programs Not Serving Clark County None	\$0		\$0	\$0	
Subtotal Public Safety	\$319,823,935		\$346,580,972	\$479,104,780	
Infrastructure					
Appropriations Subject to Proration All	\$35,952,417		\$33,537,044	\$49,958,715	
Regional Facilities or Programs None	\$0		\$0	\$0	
Programs Not Serving Clark County None	\$0		\$0	\$0	
Subtotal Infrastructure	\$35,952,417		\$33,537,044	\$49,958,715	
Special Purpose Agencies					
Appropriations Subject to Proration All	\$6,480,205		\$7,679,060	\$10,179,654	
Regional Facilities or Programs None	\$0		\$0	\$0	
Programs Not Serving Clark County None	\$0		\$0	\$0	
Subtotal Special Purpose Agencies	\$6,480,205		\$7,679,060	\$10,179,654	
Grand Total General Fund Operating Appropriations	\$3,266,993,072		\$3,535,128,336	\$4,521,647,512	66.47% Estimated allocation to Clark County

Appendix 2 - General Fund Revenues - Legislatively Approved FY 2008 and FY 2009

	FY 2008 General Fund 2007 Leg. Est.	FY 2009 General Fund 2007 Leg. Est.	FY 2008 Estimated Clark County Contribution	FY 2009 Estimated Clark County Contribution	Percent of Total
Sales	1,086,457,000	1,162,783,000	797,073,701	853,069,886	73.36%
Gaming	900,492,620	969,718,143	740,319,681	797,231,882	82.21%
Property (mining)	22,873,000	22,789,000	300	300	0.00%
Live Entertainment	139,258,248	152,939,248	135,195,466	148,477,330	97.08%
Insurance Premium	291,014,000	320,546,900	209,221,446	230,453,813	71.89%
Liquor	40,589,000	41,807,000	29,044,921	29,916,505	71.56%
Cigarette	115,700,000	116,200,000	82,783,990	83,141,742	71.55%
Tobacco	9,407,000	10,066,000	6,730,761	7,202,279	71.55%
HECC Transfer	5,000,000	5,000,000	4,110,637	4,110,637	82.21%
Bus License Fee	19,404,000	19,987,000	13,950,301	14,369,443	71.89%
Bus License Tax	50,000		35,947	0	71.89%
Modified Business Non-Financial	276,292,000	297,566,000	198,637,220	213,931,938	71.89%
Modified Business Financial	24,277,000	25,977,000	17,453,693	18,675,890	71.89%
Branch Bank	3,047,000	3,190,000	2,190,609	2,293,417	71.89%
Real Property Transfer	124,166,000	134,880,000	100,082,684	108,718,590	80.60%
Licenses - Sec State & Other	127,016,700	134,926,400	91,317,317	97,003,912	71.89%
Fees and Fines	37,575,500	38,532,600	27,014,509	27,702,606	71.89%
Interest & Use of Property	46,310,630	35,939,263	33,294,539	25,838,154	71.89%
Unclaimed Property & Other	25,260,700	25,420,700	18,160,914	18,275,944	71.89%
Total General Fund	3,294,190,398	3,518,268,254	2,506,618,637	2,680,414,271	76.14%

Note: Basis of distribution for sales tax is FY 2007 taxable sales; for gaming taxes and HECC transfer is FY 2007 unrestricted gaming win; for mining tax is Department of Taxation 2007 net proceeds distribution; for live entertainment is Gaming Control Board 2007 distribution of tax in gaming venues; for liquor, cigarette, tobacco, and real property transfer taxes is Nevada Department of Taxation Consolidated Tax distribution and related reports. For remaining taxes, distribution is assumed to be uniform by population.