



TRUCKEE MEADOWS FIRE PROTECTION DISTRICT STAFF REPORT

Board Meeting Date: March 2, 2021

DATE: February 16, 2021

TO: Truckee Meadows Fire Protection District Board of Fire Commissioners

FROM: Cindy Vance, CFO
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THROUGH: Charles A. Moore, Fire Chief
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SUBJECT: Recommendation to adopt a Resolution of Intent, proposing the issuance of, and authorizing the publication of notices relating to General obligation (limited tax) Capital Improvement Bonds (Additionally Secured by Pledged Revenues) in the maximum principal amount of \$7,000,000 to finance the acquisition of properties for stations and administration authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefor; and providing the effective date hereof. The proposal to issue these bonds was approved by the Washoe County Debt Management Commission per NRS 350.014 et. seq. on February 19, 2021. (All Commission Districts) FOR POSSIBLE ACTION

SUMMARY

Staff is recommending that the Board of Fire Commissioners adopt a Resolution of Intent to issue general obligation capital improvement bonds in the maximum principal amount of \$7,000,000 to finance the acquisition of properties for stations and administration authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefor. The Resolution of Intent is the next step in a series of steps in the financing process for these bonds, which requires a future public hearing, and Board of Fire Commissioners' adoption of a Bond Resolution.

PREVIOUS ACTION

On February 2, 2021, the Board of Fire Commissioners adopted a resolution directing the Clerk to notify the Washoe County Debt Management Commission of the District's proposal to issue its Truckee Meadows Fire Protection District, Nevada General Obligation (Limited Tax) Capital Improvement Bonds (Additionally Secured by Pledged Revenues) in the maximum principal amount of \$7,000, to finance the acquisition of properties for stations and administration authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefor; and providing the effective date hereof.

On February 19, and as required per NRS 350.014, the Washoe County Debt Management Commission (DMC) approved a resolution concerning the submission to the DMC of a proposal to issue Truckee Meadows Fire Protection District, Nevada General Obligation (Limited Tax) Capital Improvement Bonds (Additionally Secured by Pledged Revenues) in the maximum principal amount of \$7,000,000; and approving certain details in connection therewith.

BACKGROUND

The Board is being asked today to adopt a Resolution of Intent to issue bonds as a necessary step in the bonds' authorization. With the DMC's approval of the proposed bond issuance, the next step in the process is for the Board to adopt this Resolution of Intent. Upon adoption, a Public Notice of Intent will be published, and a 90-day petition period begins. During that period a public hearing will be held, and the Board may adopt a Bond Resolution, to be effective upon completion of the 90-day period.

FISCAL IMPACT

The maximum principal amount of the proposed bonds is \$7,000,000. The proposed bonds will be general obligations of the District. The proposed bonds are additionally secured by a lien upon 15% of the District's receipt of Consolidated Taxes. Estimated annual debt service on the proposed bonds is \$416,000 per year for 25 years, beginning in fiscal year 2021-22, and the estimated interest rate for the bonds is 3.35%. The District currently pays approximately \$361,000 annually in lease payments and property taxes for the administration building at 3663 Barron Way with annual increases. Most of this bond issue will be used to purchase the administration building and perform building improvements. Exhibit B to the proposed resolution contains the Revenue Study outlining the Capital Improvement Bond Funding Model with estimated total annual debt service, which includes debt service coverage. Attached to this staff report is the financial information presented to the DMC on February 19.

RECOMMENDATION

It is recommended that the Board adopt a Resolution of Intent, proposing the issuance of, and authorizing the publication of notices relating to its General Obligation (Limited Tax) Capital Improvement Bonds (Additionally Secured by Pledged Revenues) in the maximum principal amount of \$7,000,000 to finance the acquisition of properties for stations and administration authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefore, and providing the effective date hereof. The proposal to issue these bonds was approved by the Washoe County Debt Management Commission per NRS 350.014 et. seq. on February 19, 2021.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion could be:

"I move to adopt a Resolution of Intent, proposing the issuance of, and authorizing the publication of notices relating to General Obligation (Limited Tax) Capital Improvement Bonds (Additionally Secured by Pledged Revenues) in the maximum principal amount of \$7,000,000 to finance the acquisition of properties for stations and administration authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefore and providing the effective date hereof. The proposal to issue these bonds was approved by the Washoe County Debt Management Commission per NRS 350.014 et. seq. on February 19, 2021."