



TRUCKEE MEADOWS FIRE PROTECTION DISTRICT STAFF REPORT

Board Meeting Date: May 4, 2021

DATE: April 19, 2021

TO: Truckee Meadows Fire Protection District Board of Fire Commissioners

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SUBJECT: NRS 350.020 Public hearing on the proposed issuance of the Truckee Meadows Fire Protection District's 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 proposed bonds will be secured by a pledge of 15% of the District's receipt of Consolidated Taxes. Budgeted Consolidated Taxes in fiscal year 2021 are \$7,806,607, and the corresponding amount pledged to repayment of the proposed bonds is \$1,170,991. Maximum annual debt service on the proposed bonds is estimated to be \$416,000, and debt service will be repaid over a 25-year period. (All Commission Districts) PUBLIC HEARING

SUMMARY

NRS 474.511 authorizes the acquisition of property by a Fire District, and NRS 474.512 authorizes the issuance of bonds to defray the costs of such acquisitions. NRS 350.020(3) requires that a public hearing be held before the issuance of such a bond. This is a public hearing regarding the issuance of Truckee Meadows Fire Protection District, Nevada General Obligation (Limited Tax) Capital Improvement Bonds (Additionally Secured by Pledged Revenues), Notice was published in the Reno Gazette Journal on April 9, 2021, April 16, 2021, and April 23, 2021 indicating the District's intent to hold this public hearing.

PREVIOUS ACTION

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 \$7,000,000 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.

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.

March 2, 2021, and as required per NRS 350.020(3), the Board of Fire Commissioners adopted a resolution of intent, proposing the issuance of, and authorizing the publication of notices related to general obligation (limited tax) capital improvement bonds (additionally secured by pledged revenues), in the aggregate principal amount not to exceed \$7 million.

April 9, 2020, notice of adoption of the resolution of intent by the Board of Fire Commissioners was published in the Reno Gazette Journal, which began the 90-day petition period required per NRS 350.020(3) prior to issuing the bonds. The petition period will end on June 4, 2021.

BACKGROUND

This is a Public Hearing as required by NRS 350.020(3) on the proposed issuance of the Truckee Meadows Fire Protection District's 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.

FISCAL IMPACT

Public Hearing only. 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. Pledged revenues are expected to be sufficient to pay the required principal and interest on the existing and proposed bonds and to meet debt service coverage requirements.

RECOMMENDATION

No Recommendation. The Chairman of the Board will open the public hearing, take public comment and then close the public hearing.

POSSIBLE MOTION

None