



# JNA Consulting Group, LLC

*Independent Public Finance Advisors*

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## MEMORANDUM

DATE: May 7, 2019

TO: Washoe County Debt Management Commission

FROM: JNA Consulting Group, LLC

RE: \$200,000,000 (estimated) Washoe County School District, Nevada, General Obligation (Limited Tax) School Improvement Bonds

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Attached is an electronic copy of the financial information in support of Washoe County School District's request to issue general obligation school improvement bonds. This information also serves as an update to the District's Capital Improvement Plan, Debt Management Policy and Statement of Current and Contemplated Debt which were previously filed to the Washoe County Debt Management Commission and the State Department of Taxation.

Please contact Marty Johnson at JNA Consulting Group, LLC if you have questions or need additional information.

Thank you for your assistance.

cc: Department of Taxation  
Mark Mathers  
Kendra Follett  
Ryan Henry  
Martin Johnson  
John Peterson  
(all w/encl.)

**FINANCIAL INFORMATION PRESENTED  
TO THE DEBT MANAGEMENT COMMISSION OF  
WASHOE COUNTY, NEVADA**

**IN SUPPORT OF THE PROPOSED**

**\$200,000,000  
Washoe County School District, Nevada  
General Obligation (Limited Tax)  
School Improvement Bonds**

## EXECUTIVE SUMMARY

The 2015 State Legislature approved legislation allowing Washoe County School District (the "District") to issue general obligation bonds over a ten-year period via "rollover" authorization which allows the District to utilize revenues from the existing \$0.3885 tax rate to repay bonds and provide funding for capital projects if the following conditions are met.

1. The District finds the revenues from the existing property tax debt levy of \$.3885 will be sufficient to pay debt service on all outstanding and proposed general obligation bonds.
2. At the time of the issuance of the bonds, the District establishes and maintains a balance in the debt service reserve fund equal to the lesser of 25 percent of the next fiscal year's debt service or 10 percent of the District's outstanding and proposed par amount of bonds.
3. The District receives approval of the Debt Management Commission and Oversight Panel for School Facilities (scheduled for May 29<sup>th</sup>) prior to issuing the bonds.

The District is seeking authorization to issue \$200,000,000 of general obligation bonds (the "Proposed Bonds") over the next three years. The information contained herein demonstrates compliance with the criteria contained in NRS 350.0051 and imposed by the election question.

1. Debt Limit (pg. 5) - After issuance of the Proposed Bonds, in excess of \$1,289,000,000 of debt limit will be remaining.
2. Property Tax (pg. 9) - The District has made the finding that no increase in its property tax rate is anticipated to be necessary to repay the Proposed Bonds.
3. The District has made the finding that the existing property tax debt levy of \$0.3885 will be sufficient to pay debt service on all outstanding bonds and the Proposed Bonds (pg. 9).
4. The balance in the District's Debt Service Reserve Account will be equal to or greater than the lesser of 25 percent of the next fiscal year's debt service or 10 percent of the total outstanding and Proposed Bonds at the time of issuance (pg. 10).

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## **EXHIBIT I**

### **PROJECT SUMMARY**

The District intends to use the proceeds of the Proposed Bonds to acquire, construct, improve and equip school facilities within the District (collectively the "Project"). The District anticipates funding projects based on need, project cost, and available funds. The projects are not part of the Debt Management Commission criteria but as a courtesy these projects are shown in Appendix C.

## EXHIBIT II

### CRITERIA FOR CONSIDERATION (NRS 350.015)

#### **NRS 350.015 Criteria for approval or disapproval of certain proposals; requests for information; use of money received from sale of general obligation debt or from special elective tax.**

1. In determining whether to approve, conditionally or provisionally approve, or disapprove a proposal to incur debt, to enter an installment-purchase agreement with a term of more than 10 years or to levy a special elective tax, the commission shall not, except as otherwise provided in paragraph (d) and NRS 350.0135, initiate a determination as to whether the proposed debt, installment-purchase agreement or special elective tax is sought to accomplish a public purpose or to satisfy a public need. The commission shall consider, but is not limited to, the following criteria:

(a) If the proposal is to incur debt, the amount of debt outstanding on the part of the municipality proposing to incur the debt.

(b) The effect of the tax levy required for debt service on the proposed debt or to repay an installment-purchase agreement with a term of more than 10 years, or of the proposed levy of a special elective tax, upon the ability of the municipality proposing to incur the general obligation debt, enter the installment-purchase agreement or levy the special elective tax and of other municipalities to raise revenue for operating purposes.

(c) The anticipated need for other incurrences of debt, installment-purchase agreements or levies of special elective taxes by the municipality proposing to incur the debt, enter the installment-purchase agreement or levy the special elective tax and other municipalities whose tax-levying powers overlap, as shown by the county or regional master plan, if any, and by other available information.

(d) If the information set forth in paragraph (b) of subsection 4 of NRS 350.014 indicates that the proposal would result in a combined property tax rate in any of the overlapping entities within the county which exceeds the specified percentage, pursuant to subsection 1 of NRS 350.0155, of the limit provided in NRS 361.453:

(1) The public need to be served by the proceeds from the proposed debt or tax levy in accordance with the priorities established pursuant to subsection 2 of NRS 350.0155; and

(2) A comparison of that public need and other public needs that appear on the statements of current and contemplated general obligation debt and special elective taxes submitted pursuant to paragraphs (a) and (b) of subsection 1 of NRS 350.013 that may affect the combined property tax rate in any of the overlapping entities within the county.

2. The commission may make reasonable requests from a municipality for information relating to the criteria described in paragraphs (a) to (d), inclusive, of subsection 1. A municipality shall use its best efforts to comply with information requests from the commission in a timely manner.

3. If the commission approves the proposal, the amount received from the sale of the general obligation debt or from the special elective tax may be expended only for the purposes described in the proposal.

(Added to NRS by 1967, 1386; A 1977, 539; 1993, 2658; 1995, 770, 1959; 2001, 884, 2309)—  
(Substituted in revision for NRS 350.0051)

## EXHIBIT III

### FINANCIAL INFORMATION PRESENTATION

***NRS 350.015.1(a) If the proposal is to incur debt, the amount of debt outstanding on the part of the municipality proposing to incur the debt.***

#### DEBT LIMITATION AND OUTSTANDING GENERAL OBLIGATION INDEBTEDNESS

State statutes limit the total principal amount of general obligation debt the District may have outstanding to 15% of the District's total assessed valuation. The District's limit for general obligation debt based on the assessed valuation for fiscal year 2019, including the redevelopment agencies within the District of \$17,303,080,339 is \$2,595,462,051.

The tables on the following pages present the outstanding and proposed indebtedness of the District.

OUTSTANDING GENERAL OBLIGATION DEBT  
Washoe County School District  
April 1, 2019

	Date Issued	Maturity Date	Original Amount	Amount Outstanding
<b>GENERAL OBLIGATION BONDS</b>				
School Building Bonds, Series A	02/18/09	06/01/19	\$45,000,000	\$5,210,000
School Improvement Bonds, Series B	11/12/09	06/01/24	36,930,000	31,885,000 <sup>1</sup>
School Improvement Bonds, Series A	04/01/10	04/01/25	10,515,000	7,515,000
School Improvement Bonds, Series D	05/26/10	05/01/27	3,550,000	2,800,000
School Improvement Bonds, Series E	10/06/10	06/01/27	5,415,000	4,415,000
Refunding Bonds, Series F	10/06/10	06/01/23	41,515,000	23,265,000
School Improvement & Ref. Bonds	07/06/11	06/01/31	43,450,000	4,180,000
School Improvement, Series 2011B	11/17/11	06/01/31	45,000,000	4,090,000
School Improvement, Series 2012C	10/23/12	04/01/33	45,000,000	42,210,000
Refunding Bonds, Series 2012A	03/20/12	06/01/26	71,855,000	65,005,000
Refunding Bonds, Series 2013	10/10/13	05/01/21	18,085,000	9,975,000
Refunding Bonds, Series 2014	07/15/14	06/01/26	49,145,000	41,680,000
Refunding Bonds, Series 2015	03/31/15	06/01/29	45,375,000	45,375,000
School Imp. & Ref. Bonds, Series 2016A	02/02/16	06/01/36	59,215,000	59,215,000
School Improvement Bonds, Series 2016B	11/10/16	05/01/37	15,000,000	14,500,000
School Improvement Bonds, Series 2017A	02/09/17	06/01/46	55,000,000	55,000,000
School Imp. & Ref. Bonds, Series 2017B	04/05/17	04/01/37	26,885,000	26,885,000
Refunding Bonds, Series 2017D	10/27/17	06/01/31	58,320,000	<u>58,320,000</u>
		<b>TOTAL G.O. BONDS</b>	<b>\$501,525,000</b>	
<b>GENERAL OBLIGATION/REVENUE SUPPORTED BONDS</b>				
School Improvement Bonds, Series 2017C	10/27/17	10/01/47	200,000,000	200,000,000
School Improvement Bonds, Series 2018A	12/05/18	10/01/48	85,000,000	<u>85,000,000</u>
		<b>TOTAL G.O./REV SUPPORTED BONDS</b>	<b>\$285,000,000</b>	
<b>MEDIUM-TERM GENERAL OBLIGATION NOTES<sup>2</sup></b>				
Medium-Term Bonds	03/20/12	11/01/17	6,185,000	1,962,601
Bus Purchase	06/01/15	06/01/19	2,325,000	297,842
Bus/Vehicle Purchase	04/26/16	05/01/20	3,100,000	790,000
Medium-Term Bond	02/21/19	02/01/23	1,500,000	<u>1,500,000</u>
		<b>TOTAL MEDIUM-TERM BONDS</b>	<b>\$4,550,443</b>	
		<b>TOTAL GENERAL OBLIGATION DEBT</b>	<b>\$791,075,443</b>	

<sup>1</sup> The District effected a crossover refunding of a portion of the 2009B bonds on November 21, 2017. The escrow will provide funds to redeem \$26,955,000 of bonds on June 1, 2019.

<sup>2</sup> Paid from General Fund revenues.

SOURCE: The District's 2019 Final Budget and the District's finance office

PROPOSED BONDS  
Washoe County School District  
April 1, 2019

Issue	Anticipated Issuance Dates	Proposed Amount
School Improvement Bonds (Rollover)	2019-2021	\$200,000,000
School Improvement Bonds (WC-1) <sup>1</sup>	2019-2020	<u>315,000,000</u>
		\$515,000,000

<sup>1</sup> Includes \$215,000,000 remaining from 2018 authorization.

SOURCE: The District

As shown in the following table the District's general obligation statutory debt limitation is \$2,595,462,051. After issuance of the Proposed Bonds, the District's remaining available debt limit will be \$1,289,386,608.

General Obligation Debt Limit  
Based on Fiscal Year 2019 Assessed Value

Assessed Value	\$16,886,587,798
Redevelopment Agencies	<u>416,492,541</u>
Total Assessed Value	\$17,303,080,339
General Obligation Debt Limitation (15%)	\$2,595,462,051
Outstanding General Obligation Debt	(791,075,443)
Proposed General Obligation Debt	<u>(515,000,000)</u>
Available General Obligation Debt Limit	\$1,289,386,608

SOURCE: State of Nevada Department of Taxation, the District; compiled by JNA Consulting Group, LLC

***NRS 350.015.1(b) The effect of the tax levy required for debt service on the proposed debt or to repay an installment-purchase agreement with a term of more than 10 years, or of the proposed levy of a special elective tax, upon the ability of the municipality proposing to incur the general obligation debt, enter the installment-purchase agreement or levy the special elective tax and of other municipalities to raise revenue for operating purposes.***

## **THE PROPOSED BONDS**

Prior to issuing any bonds under the 2015 legislative authorization, the District's Board of Trustees and the Debt Management Commission must find that the revenues generated by the \$0.3885 levy will be sufficient to repay the principal and interest required to be paid on the outstanding general obligation bonds, excluding outstanding medium-term obligations, and the Proposed Bonds. The tables on the following page demonstrate that the existing debt service tax rate will provide sufficient revenues to pay the principal and interest on all outstanding general obligation bonds (excluding medium-term obligations and WC-1 bonds) and the Proposed Bonds. The tables assume the bonds will be issued over the next three years as needed. The amount and timing of each issuance will be determined based on the project needs of the District. Debt service coverage using a more conservative revenue projection is shown in Exhibit B.

Due to property tax abatements, there is no longer a direct link between growth in assessed value and the growth in revenues available to pay debt service on the District's bonds.

The District issued bonds under various ARRA programs in 2009 and 2010 which provide for varying interest subsidies. The District has issued \$47,445,000 of Recovery Zone Economic Development Bonds which provide a 45 percent subsidy of the interest paid. The District has also issued \$8,965,000 of Qualified School Construction Bonds which resulted in a subsidy of approximately 90 percent of the interest paid. These subsidies are reflected in the debt service schedules.

OUTSTANDING AND PROPOSED DEBT SERVICE REQUIREMENTS

April 1, 2019

Fiscal Year Ending June 30	Outstanding Debt Service	Proposed Bonds			Grand Total
		Principal <sup>1/</sup>	Interest <sup>2/</sup>	Total	
2019	\$51,966,772	0	0	0	51,966,772
2020	53,473,405	0	1,409,491	1,409,491	54,882,896
2021	54,247,235	0	6,193,981	6,193,981	60,441,216
2022	54,919,547	410,000	8,568,981	8,978,981	63,898,528
2023	54,375,887	845,000	8,548,481	9,393,481	63,769,368
2024	53,547,326	1,105,000	8,508,381	9,613,381	63,160,707
2025	51,430,797	1,120,000	8,455,931	9,575,931	61,006,729
2026	46,219,681	1,130,000	8,402,769	9,532,769	55,752,450
2027	40,625,681	3,345,000	8,349,131	11,694,131	52,319,813
2028	29,037,256	4,905,000	8,186,806	13,091,806	42,129,063
2029	24,294,906	5,135,000	7,953,706	13,088,706	37,383,613
2030	20,037,456	6,410,000	7,709,656	14,119,656	34,157,113
2031	20,091,506	6,665,000	5,336,344	14,122,456	34,213,963
2032	11,769,743	6,925,000	7,194,881	14,119,881	25,889,624
2033	11,770,206	5,790,000	6,921,769	14,121,769	25,891,975
2034	7,468,231	6,465,000	6,628,844	13,093,844	20,562,075
2035	7,456,831	6,730,000	6,359,719	13,089,719	20,546,550
2036	7,461,912	7,010,000	6,079,344	13,089,344	20,551,256
2037	5,959,588	7,305,000	5,787,194	13,092,144	19,051,731
2038	3,598,800	7,610,000	5,482,419	13,092,419	16,691,219
2039	3,592,600	7,930,000	5,161,113	13,091,113	16,683,713
2040	3,592,600	8,260,000	4,826,113	13,086,113	16,678,713
2041	3,593,400	8,615,000	4,473,088	13,088,088	16,681,488
2042	3,594,800	8,980,000	4,104,713	13,084,713	16,679,513
2043	3,591,600	9,365,000	3,720,663	13,085,613	16,677,213
2044	3,593,800	9,765,000	3,319,863	13,084,863	16,678,663
2045	3,591,000	10,185,000	2,901,825	13,086,825	16,677,825
2046	3,593,200	10,625,000	2,465,663	13,090,663	16,683,863
2047	0	11,075,000	2,010,450	13,085,450	13,085,450
2048	0	11,555,000	1,535,775	13,090,775	13,090,775
2049	0	12,050,000	1,040,338	13,090,338	13,090,338
2050	0	8,030,000	523,488	8,553,488	8,553,488
2051	<u>0</u>	<u>3,250,000</u>	<u>154,375</u>	<u>3,404,375</u>	<u>3,404,375</u>
TOTAL	\$638,495,768	\$200,000,000	\$170,436,303	\$370,436,303	\$1,008,932,071

<sup>1</sup> Proposed bonds are expected to be issued between 2019 and 2021.

<sup>2</sup> Interest rates estimated at 3.70% for the 2019 Bonds, 4.50% for the 2020 Bonds, and 4.75% for the 2021 bonds.

SOURCE: The District, compiled by JNA Consulting Group, LLC

Given the conditions under which the District can issue the Proposed Bonds and any other additional bonds, the District has found that the existing debt service tax rate of \$0.3885 will at least equal the amount required to pay the principal and interest on the outstanding general obligation bonds of the District (excluding medium-term obligations and WC-1 bonds) and of the Proposed Bonds. The following tables are shown in support of that finding.

PROPERTY TAX REVENUE SUFFICIENCY<sup>1</sup>

Fiscal Year Ended 6/30	Projected Revenues <sup>2</sup>	Outstanding Debt Service	Proposed Debt Service <sup>3</sup>	Total Debt Service	Coverage
2019	58,160,509	51,966,772	0	51,966,772	1.12
2020	61,764,491	53,473,405	1,409,491	54,882,896	1.13
2021	64,852,716	54,247,235	6,193,981	60,441,216	1.07
2022	68,095,351	54,919,547	8,978,981	63,898,528	1.07
2023	69,457,258	54,375,887	9,393,481	63,769,368	1.09
2024	70,846,404	53,547,326	9,613,381	63,160,707	1.12
2025	72,263,332	51,430,797	9,575,931	61,006,729	1.18
2026	73,708,598	46,219,681	9,532,769	55,752,450	1.32
2027	75,182,770	40,625,681	11,694,131	52,319,813	1.44
2028	76,686,426	29,037,256	13,091,806	42,129,063	1.86
2029	78,220,154	24,294,906	13,088,706	37,383,613	2.09
2030	78,220,154	20,037,456	14,119,656	34,157,113	2.29
2031	78,220,154	20,091,506	14,122,456	34,213,963	2.29
2032	78,220,154	11,769,743	14,119,881	25,889,624	3.02
2033	78,220,154	11,770,206	14,121,769	25,891,975	3.02
2034	78,220,154	7,468,231	13,093,844	20,562,075	3.80
2035	78,220,154	7,456,831	13,089,719	20,546,550	3.80
2036	78,220,154	7,461,912	13,089,344	20,551,256	3.80
2037	78,220,154	5,959,588	13,092,144	19,051,731	4.11
2038	78,220,154	3,598,800	13,092,419	16,691,219	4.69
2039	78,220,154	3,592,600	13,091,113	16,683,713	4.69
2040	78,220,154	3,592,600	13,086,113	16,678,713	4.69
2041	78,220,154	3,593,400	13,088,088	16,681,488	4.69
2042	78,220,154	3,594,800	13,084,713	16,679,513	4.69
2043	78,220,154	3,591,600	13,085,613	16,677,213	4.69
2044	78,220,154	3,593,800	13,084,863	16,678,663	4.69
2045	78,220,154	3,591,000	13,086,825	16,677,825	4.69
2046	78,220,154	3,593,200	13,090,663	16,683,863	4.69
2047	78,220,154	0	13,085,450	13,085,450	5.98
2048	78,220,154	0	13,090,775	13,090,775	5.98
2049	78,220,154	0	13,090,338	13,090,338	5.98
2050	78,220,154	0	8,553,488	8,553,488	9.14
2051	<u>78,220,154</u>	<u>0</u>	<u>3,404,375</u>	<u>3,404,375</u>	22.98
TOTAL	\$3,002,730,410	\$689,273,497	\$554,616,273	\$1,008,932,071	

-footnotes on following page-

- <sup>1</sup> Excludes medium-term bonds and WC-1 bonds.
- <sup>2</sup> FY19 and FY20 are budgeted estimates. The above summary is based on 5% growth through FY22 with 2% growth through FY29. Excludes interest earnings in the Debt Service Fund which are also available to pay debt service on outstanding bonds.
- <sup>3</sup> Assumes Bonds are issued over the next three years as described herein.

In order to issue the Proposed Bonds, the District must also demonstrate that the balance in the Debt Service Reserve Account is equal to the lesser of 1) 25 percent of the next fiscal year’s debt service or 2) 10 percent of the par amount of the outstanding general obligation bonds (including medium-term obligations and WC-1 bonds) and the Proposed Bonds. The table below shows the minimum required Debt Service Reserve Account balance and the projected balance. Assuming no transfers to the Capital Projects Fund.

REQUIRED DEBT SERVICE RESERVE ACCOUNT BALANCE<sup>1</sup>  
 Washoe County School District  
 Rollover Bond Portion of Debt Service Fund  
 (includes the Proposed Bonds)

Fiscal Year Ending June 30	2018 Audited	2019 Estimated	2020 Budgeted
<b>Succeeding Fiscal Year Projected Debt Service</b>			
Rollover Bonds	\$64,441,216	\$63,898,528	\$63,769,368
Medium-Term Bonds	2,720,469	2,204,352	2,001,442
WC1 Bonds	<u>28,190,713</u>	<u>29,653,713</u>	<u>35,548,838</u>
<b>Total</b>	<b>\$91,352,398</b>	<b>\$95,756,593</b>	<b>\$101,319,648</b>
<b>Minimum Reserve Requirement (25%)</b>	<b>\$22,838,100</b>	<b>\$23,939,148</b>	<b>\$25,329,912</b>
<b>Reserve Account Balance</b>	<b>\$61,920,647</b>	<b>\$34,309,471</b>	<b>\$39,307,159</b>

<sup>1</sup> The reserve account is held in the District’s Debt Service Fund.

## EFFECTS ON OTHER LOCAL GOVERNMENTS

***NRS 350.015.1(c) The anticipated need for other incurrences of debt, installment-purchase agreements or levies of special elective taxes by the municipality proposing to incur the debt, enter the installment-purchase agreement or levy the special elective tax and other municipalities whose tax-levying powers overlap, as shown by the county or regional master plan, if any, and by other available information.***

The District anticipates the property tax revenues will be sufficient to pay the principal and interest on the outstanding and Proposed Bonds when due. Therefore, the Proposed Bonds should not affect the ability of other political subdivisions to raise revenue for operating purposes or debt service requirements.

The statutory tax rate limit is \$3.64 per \$100 of assessed valuation (\$.02 of State levied tax is not subject to the statutory limitation). For fiscal year 2019, the highest overlapping tax rate in Washoe County is \$3.6600, including \$0.02 levied by the State which is exempt from the limit. The overlapping tax rates should not be affected by the issuance of the Proposed Bonds.

## ADDITIONAL GENERAL OBLIGATION INDEBTEDNESS AND PROPOSED TAX LEVIES

***NRS 350.015.1(d) If the information set forth in paragraph (b) of subsection 4 of NRS 350.014 indicates that the proposal would result in a combined property tax rate in any of the overlapping entities within the county which exceeds the specified percentage, pursuant to subsection 1 of NRS 350.0155, of the limit provided in NRS 361.453:***

***(1) The public need to be served by the proceeds from the proposed debt or tax levy in accordance with the priorities established pursuant to subsection 2 of NRS 350.0155; and***

***(2) A comparison of that public need and other public needs that appear on the statements of current and contemplated general obligation debt and special elective taxes submitted pursuant to paragraphs (a) and (b) of subsection 1 of NRS 350.013 that may affect the combined property tax rate in any of the overlapping entities within the county.***

NRS requires local governments to file Capital Improvement Plans, Statements of Current and Contemplated Debt, and Debt Management Policies with the County Clerk. To the best of the District's knowledge, no Capital Improvement Plans or Debt Management Policies have been filed that identify any new voter-approved tax rates (overrides or bonds). The District has filed its required documents which include the projects to be funded by this issue. Local governments are required to submit a Debt Management Policy and Indebtedness Report by August 1<sup>st</sup> of each year.

The District does not expect the issuance of the Proposed Bonds will result in an increase in the District's tax rate. Therefore, the issuance of the Proposed Bonds should not adversely impact overlapping entities in levying tax rates for bonds or overrides.

## **REQUIRED DOCUMENT SUBMISSION**

Pursuant to NRS 350.013, the District has submitted the following documents to the Department of Taxation and the DMC:

- Statements of current and contemplated debt and retirement schedules,
- A written statement of the debt management policy of the District, and
- The District's Capital Improvement Plan, which includes the projects to be financed by the proceeds of the Proposed Bonds.

The District's Chief Financial Officer is:

Mark Mathers, Chief Financial Officer  
425 East 9<sup>th</sup> Street  
Reno, Nevada 89520  
775-348-0313  
Fax 775-348-0335

## APPENDIX A

### TOTAL PROPERTY TAX RATES IN WASHOE COUNTY BY TAXING UNIT

(The following table is taken directly from the Nevada Department of Taxation's Property Tax Rates for Nevada Local Governments for fiscal year 2018-2019)

WASHOE COUNTY

1	2	3	4	5	6	7	8	9	10
LOCAL GOVERNMENT TAXING UNIT	ASSESSED VALUATION	EST. NET PROCEEDS OF MINERALS	TOTAL ASSESSED VALUATION	COMBINED TAX RATE (col 9, part B)	COUNTY TAX RATE	COMBINED SPECIAL DISTRICT TAX RATE	SCHOOL TAX RATE	STATE TAX RATE #	TOTAL PROPERTY TAX RATE
Washoe County	16,885,072,798	1,515,000	16,886,587,798	1.3917			1.1385	0.1700	2.7002
Washoe County School District	16,885,072,798	1,515,000	16,886,587,798	1.1385					
Reno	8,131,411,123	-	8,131,411,123	0.9598	1.3917		1.1385	0.1700	3.6600
Sparks	2,839,231,639	-	2,839,231,639	0.9598	1.3917		1.1385	0.1700	3.6600
Carson Truckee Water Conservancy District	16,885,072,798	1,515,000	16,886,587,798	0.0000					-
Gerlach GID	4,455,741	-	4,455,741	0.2998	1.3917		1.1385	0.1700	3.0000
Grandview Terrace GID	2,483,121	-	2,483,121	-	1.3917	0.5400	1.1385	0.1700	3.2402
Incline Village GID	1,666,387,475	-	1,666,387,475	0.1224	1.3917	0.6291	1.1385	0.1700	3.4517
North Lake Tahoe Fire Protection District	1,667,082,216	-	1,667,082,216	0.6291	1.3917		1.1385	0.1700	3.3293
Palomino Valley GID (Fire District)	68,778,667	-	68,778,667	0.4198	1.3917	0.5400	1.1385	0.1700	3.6600
Regional Transportation Commission	16,885,072,798	1,515,000	16,886,587,798	-					-
Reno-Sparks Convention & Visitors Authority	16,885,072,798	1,515,000	16,886,587,798	-					-
Sun Valley Water & Sanitation District	242,480,786		242,480,786	0.1928	1.3917	0.5400	1.1385	0.1700	3.4330
Truckee Meadows Fire Protection District	1,667,569,417	-	1,667,569,417	0.5400	1.3917	0.4198	1.1385	0.1700	3.6600
Verdi Television District	703,970,264		703,970,264	-					

## APPENDIX B

### Alternate Property Tax Revenue Sufficiency<sup>1</sup>

Fiscal Year Ended 6/30	Projected Revenues <sup>2</sup>	Outstanding Debt Service	Proposed Debt Service <sup>3</sup>	Total Debt Service	Coverage
2019	58,160,509	51,966,772	0	51,966,772	1.12
2020	61,764,491	53,473,405	1,409,491	54,882,896	1.13
2021	62,999,781	54,247,235	6,193,981	60,441,216	1.04
2022	64,259,776	54,919,547	8,978,981	63,898,528	1.01
2023	64,259,776	54,375,887	9,393,481	63,769,368	1.01
2024	64,259,776	53,547,326	9,613,381	63,160,707	1.02
2025	64,259,776	51,430,797	9,575,931	61,006,729	1.05
2026	64,259,776	46,219,681	9,532,769	55,752,450	1.15
2027	64,259,776	40,625,681	11,694,131	52,319,813	1.23
2028	64,259,776	29,037,256	13,091,806	42,129,063	1.53
2029	64,259,776	24,294,906	13,088,706	37,383,613	1.72
2030	64,259,776	20,037,456	14,119,656	34,157,113	1.88
2031	64,259,776	20,091,506	14,122,456	34,213,963	1.88
2032	64,259,776	11,769,743	14,119,881	25,889,624	2.48
2033	64,259,776	11,770,206	14,121,769	25,891,975	2.48
2034	64,259,776	7,468,231	13,093,844	20,562,075	3.13
2035	64,259,776	7,456,831	13,089,719	20,546,550	3.13
2036	64,259,776	7,461,912	13,089,344	20,551,256	3.13
2037	64,259,776	5,959,588	13,092,144	19,051,731	3.37
2038	64,259,776	3,598,800	13,092,419	16,691,219	3.85
2039	64,259,776	3,592,600	13,091,113	16,683,713	3.85
2040	64,259,776	3,592,600	13,086,113	16,678,713	3.85
2041	64,259,776	3,593,400	13,088,088	16,681,488	3.85
2042	64,259,776	3,594,800	13,084,713	16,679,513	3.85
2043	64,259,776	3,591,600	13,085,613	16,677,213	3.85
2044	64,259,776	3,593,800	13,084,863	16,678,663	3.85
2045	64,259,776	3,591,000	13,086,825	16,677,825	3.85
2046	64,259,776	3,593,200	13,090,663	16,683,863	3.85
2047	64,259,776	0	13,085,450	13,085,450	4.91
2048	64,259,776	0	13,090,775	13,090,775	4.91
2049	64,259,776	0	13,090,338	13,090,338	4.91
2050	64,259,776	0	8,553,488	8,553,488	7.51
2051	<u>64,259,776</u>	<u>0</u>	<u>3,404,375</u>	<u>3,404,375</u>	18.88
TOTAL	\$2,166,173,162	\$689,273,497	\$554,616,273	\$1,008,932,071	

<sup>1</sup>Excludes medium-term bonds and WC-1 bonds.

<sup>2</sup>FY 19 and FY20 are budgeted estimates. The above summary is based on a 5% growth through FY22 with 2% growth through FY29. Excludes interest earnings in the Debt Service Fund which are also available to pay debt service on outstanding bonds.

<sup>3</sup>Assumes Bonds are issued over the next three years as described herein.

## **APPENDIX C**

### Proposed Project List

The District currently has the following projects included in its capital improvement plan which it intends to fund from the proceeds of the Proposed Bonds.

O'Brien Middle School  
Capital Renewal and Revitalization - Districtwide

**RESOLUTION**

**A RESOLUTION CONCERNING THE SUBMISSION TO THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION BY THE WASHOE COUNTY SCHOOL DISTRICT OF A PROPOSAL TO ISSUE GENERAL OBLIGATION BONDS; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH.**

**WHEREAS**, pursuant to Nevada Revised Statutes ("NRS") 350.011 through 350.165, the Board of Trustees (the "Board") of the Washoe County School District, Nevada (the "District"), notified the secretary of the Debt Management Commission of Washoe County (the "Secretary" and the "Commission," respectively) of the District's proposal to issue general obligations and submitted a statement of the District's proposal in sufficient number of copies for each member of the Commission; and

**WHEREAS**, the qualified electors approved a question that was submitted by the Board in accordance with NRS 350.020(4) for authorization to issue general obligation bonds at the November 5, 2002 general election; and

**WHEREAS**, pursuant to legislation enacted by the Nevada Legislature at its 78th Session (2015) (the "2015 Legislation"), such approval shall be deemed to constitute approval of the qualified electors for the issuance of general obligation bonds by the Board pursuant to subsection 4 of NRS 350.020 for a period of 10 years commencing on the effective date of the 2015 Legislation, March 4, 2015, and no other approval of the qualified electors is required for such issuance of general obligation bonds pursuant to the provisions of NRS 350.020 by the Board for that period; and

**WHEREAS**, pursuant to Nevada Revised Statutes ("NRS") 350.014(1) and NRS 350.020(4), the Board proposes to incur general obligation debt (subject to the approval of the Washoe County Debt Management Commission and the Oversight Panel For School Facilities) in accordance with the 2015 Legislation and the following proposal (the "Proposal"):

**GENERAL OBLIGATION (LIMITED TAX) SCHOOL IMPROVEMENT BONDS BOND PROPOSAL:**

**Shall the Board of Trustees of the Washoe County School District, Nevada, be authorized to incur a general obligation indebtedness on behalf of the District by the issuance at one time, or from time to time, of the District's general obligation school bonds, in one series or more, in an aggregate principal amount not to exceed \$200,000,000 for the constructing, expanding, improving and equipping school facilities within the District, until March 4, 2025 by constructing or purchasing new buildings for schools, enlarging, remodeling or repairing existing buildings or grounds, acquiring sites for building schools or additional real property for necessary purposes related to schools, and purchasing necessary furniture and equipment for schools, such bonds to mature not later than thirty (30) years from the date of issuance, payable from general (ad valorem) taxes, and to be issued on or before March 4, 2025 and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such detail as the Board may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?**

**WHEREAS**, pursuant to NRS 350.0145, the Secretary, with the approval of the Chairman of the Commission, thereupon, within ten days from the receipt of the Proposal, gave notice of a meeting to be held not more than twenty days thereafter, and provided a copy of each of the Proposal to each member of the Commission with the notice of the meeting; and

**WHEREAS**, the Board has found and determined that the existing tax for debt service in the District (\$0.3885 per \$100 assessed value) will at least equal the amount required to pay the principal of and interest on the outstanding general obligations of the District and the bonds described in the Proposal (the "Bonds"), and that no increase in the rate of an ad valorem tax is anticipated to be necessary for the payment of the Bonds for the term thereof (the "Finding"); and

**WHEREAS**, the Commission has heard anyone desiring to be heard and has taken other evidence relevant to its approving or disapproving the Proposal and the Finding; and

**WHEREAS**, the Commission has considered all matters in the premises.

**NOW, THEREFORE, BE IT RESOLVED BY THE DEBT MANAGEMENT COMMISSION OF WASHOE COUNTY, NEVADA:**

Section 1. This resolution shall be known as the "2019 Washoe County School District General Obligation DMC Resolution."

Section 2. The provisions of NRS 350.011 to 350.0165, inclusive, and NRS 350.020(4) have been met, and therefore, the Proposal for the issuance of general obligation school improvement bonds proposed by the District and the Finding hereby are approved.

Section 3. The Commission and the officers thereof hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 4. All bylaws, orders, resolutions or parts thereof in conflict with this resolution are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution or part thereof heretofore repealed.

Section 5. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity of unenforceability of the section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall become effective and be in force immediately upon its adoption.

ADOPTED this May 17, 2019.

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Chairman  
Debt Management Commission

Attest:

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Secretary, Debt Management Commission

**STATE OF NEVADA**        )  
  ) **ss.**  
**COUNTY OF WASHOE**    )

I am the duly chosen, qualified and acting Secretary of the Washoe County Debt Management Commission, in the State of Nevada, do hereby certify:

1. The foregoing pages constitute a true, correct and compared copy of a resolution adopted by the Debt Management Commission of Washoe County, Nevada (the "Commission") adopted at a meeting of the Commission held on May 17, 2019, and the original of such resolution has been approved and authenticated by the signature of the Chairman of the Commission and myself as Secretary, and has been recorded in the minute book of the Commission kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The members of the Commission were present at such meeting and voted on the passage of such resolution as follows:

Those Voting Aye: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Those Voting Nay: \_\_\_\_\_

Absent: \_\_\_\_\_

3. All members of the Commission were given due and proper notice of such meeting.

4. Pursuant to NRS 350.0145, all members of the Commission were given due and proper notice of the meeting. Pursuant to and in full compliance with NRS 241.020, written notice of the meeting was given no later than 9:00 a.m. on the third working day before the meeting including in the notice the time, place, location, and agenda of the meeting:

(a) By posting a copy of the notice not later than 9:00 a.m. on the third working day before the meeting at the principal office of the Commission, or if there is no principal office, at the building in which the meeting is to be held, the Commission's website, if any, the State of Nevada's official website, and at least three (3) other separate, prominent places within the jurisdiction of the Commission, to wit:

- (i) Washoe County Administration Complex, Building A  
1001 East Ninth Street  
Reno, Nevada
- (ii) Washoe County Courthouse  
75 Court Street  
Reno, Nevada
- (iii) City Hall, City of Reno  
1 East First Street  
Reno, Nevada
- (iv) City Hall, City of Sparks  
431 Prater Way  
Sparks, Nevada
- (v) Incline Village Justice Court  
865 Tahoe Boulevard  
Incline Village, Nevada

(b) By giving a copy of the notice to each person, if any, who has requested notice of the meeting of the Commission in accordance with the provisions of Chapter 241 of NRS.

5. Upon request, the Commission provides at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance, resolution or regulation which will be discussed at the public meeting, and any other supporting materials provided to the Commission for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

6. A copy of the notice given of the meeting of the Commission is attached as Exhibit A.

**IN WITNESS WHEREOF**, I have hereunto set my hand on May 17, 2019.

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County Clerk, ex officio Secretary  
Debt Management Commission

EXHIBIT A

(Attach Copy of Posted Agenda of Meeting)