

WC-1

NOTICE OF PUBLIC SAFETY BOND ELECTION WASHOE COUNTY, NEVADA ON TUESDAY, NOVEMBER 5, 1996

Pursuant to a resolution of the Board of County Commissioners (the "Board") of Washoe County (the "County"), in the State of Nevada (the "State"), adopted and approved on June 25, 1996.

NOTICE IS HEREBY GIVEN that a County bond election will be held on Tuesday, November 5, 1996, at the same time as the general elections, at which election there will be submitted to the duly qualified electors, properly registered, of the County, the following bond question:

PUBLIC SAFETY BOND QUESTION:

Shall the Board of County Commissioners on behalf of Washoe County be authorized to issue up to \$19,000,000 of general obligation public safety bonds, expected to be funded from existing property tax rates, for the purpose of improving and equipping public safety facilities including additions to the inmate housing units at the Consolidated Jail and a regional emergency radio system?

Due to the retirement of other bonds and the recent growth in assessed valuation in the County, the County does not expect to increase property tax rates to pay the public safety bonds.

Yes

No

Explanation: A "yes" vote would permit Washoe County to issue up to \$19,000,000 of general obligation public safety bonds for the purpose of improving and equipping public safety facilities including additions to the inmate housing units at the Consolidated Jail and a regional emergency radio system for Washoe County public safety responders. The County does not intend to increase property tax rates to pay the bonds, due to the retirement of other bonds and the recent growth in assessed valuation in the County.

A "no" vote would prevent the issuance of general obligation bonds for the jail additions and emergency radio system at this time. As a result, the County will be forced to pursue limiting the inmate population of the Consolidated Jail through such means as inmate release. Further, regional emergency responders will continue to use a radio system that does not cover the entire County and does not allow needed communication between emergency responders.

Argument For The Bonds: Due to the combined effects of greater-than-expected growth in the assessed valuation of property in Washoe County and planned repayment of other debt, Washoe County expects to pay for approximately \$19,000,000 of general obligation bonds from current tax rates. This allows the citizens of Washoe County to fund two urgently needed public safety projects without having to vote for increasing their taxes. The question is on the ballot because voters must approve the County's issuance of general obligation bonds even when the bonds are expected to be repaid from existing tax rates.

The two public safety projects that will be funded from the bond proceeds are (1) the addition of approximately 300 barracks-style beds for inmate housing at the overcrowded Consolidated Jail; and (2) a regional emergency radio system to allow Washoe County public safety personnel to communicate

with emergency personnel from other local agencies directly, which they cannot now do.

Additional inmate housing facilities at the Consolidated Jail are needed because the significant increase in population and in crime in the County since the existing Consolidated Jail was constructed in 1987 has resulted in substantial overcrowding at the Consolidated Jail. The Consolidated Jail has a design capacity of 615 and in 1995 housed an average of 897 inmates per day. The number of inmate beds needed is expected to grow to at least 1200 per day by 2005, after taking into account full implementation of criminal justice system improvements including alternatives to incarceration and decreases in the time between incarceration and trial. (Without these criminal justice system improvements the number of inmate beds needed is projected to grow to 2100 by 2005.) If the bond question is not approved, the County will be forced to consider means of permanently reducing or limiting the inmate population in the Consolidated Jail.

The Citizen Law Enforcement Task Force which was convened in 1995 by the Regional Planning Governing Board identified the regional emergency radio system as one of its highest priorities. Recent emergencies in which several law enforcement agencies have responded, including the search for an armed suspect at large in a warehouse, highlighted the fact that public safety personnel from different jurisdictions in Washoe County cannot now communicate with each other in emergencies except by using telephones. This situation hinders the life-saving and crime prevention efforts of public safety workers and makes coordination on the scene virtually impossible and often dangerous. A new regional radio system would permit safe, secure, reliable public safety communication throughout all areas of Washoe County.

The County does not intend to increase the property tax rate above the current debt levy to pay for the bonds. The County intends to structure the bond issue so that debt service on the bonds will be paid out of the County's existing bond payment tax levy.

Argument Against the Bonds: If assessed valuation within the County decreased and the County had no alternative to levying a tax for the bonds, the issuance of the public safety bonds could impact the ability of the County and overlapping taxing entities within the County to issue bonds for other purposes or increase the property tax rate in the future. If the bonds are not approved, property taxes could be reduced by an average of approximately \$6.03 per year for the owner of a \$100,000 home.

Additional Information:

The bond election will be held at the same time and place as the statewide general election, on Tuesday, November 5, 1996. The election will be held and conducted in accordance with and in the manner provided by the general election laws of the State.

The maximum principal amount of the bonds is \$19,000,000. The maximum maturity of the bonds is thirty (30) years, but the County anticipates that all of the bonds will actually mature within twenty-one (21) years of their issuance. The anticipated interest rate on the bonds is 6.00% and the total anticipated interest cost is \$14,924,333. Accordingly, the total anticipated debt service is expected to be approximately \$33,924,333. The actual interest rate and total debt service on the bonds may be higher or lower than the above estimate, depending on interest rates at the time the bonds are sold.

The Board estimates that the bonds are to be issued or incurred during fiscal year 1996-1997. The Board estimates that the range of ad valorem tax rates on taxable property in the County necessary to provide for debt service (i.e., payment of principal and interest) on the bonds for the dates on which they are expected to be redeemed will be 1.17 cents per \$100 to 2.37 cents per \$100 of assessed value, which is based upon the County assessor's estimate (as of the date the bonds are expected to be redeemed) of the assessed value of the property in the County against which the bonds are to be issued. The actual tax rate necessary to pay the bonds may be higher or lower



than the above estimate; depending on the interest rates at the time the bonds are sold, the maturity schedule, the term of the bonds as actually issued, and the assessed value of property in the County against which the bonds are issued at the time taxes to repay the bonds are levied.

The Consolidated Jail additions will be constructed in phases, on an as needed basis. The Board anticipates 5 phases. The estimated annual operation and maintenance costs in relation to the Consolidated Jail additions to be financed with proceeds of the bonds are \$600,000 per phase. The Board anticipates that these costs (other than bond debt service) in relation to the purpose for which the bonds are to be issued will be derived from other existing revenues of the County and not from an increase in the property tax rate. There are no anticipated increases in cost from the improvement and equipment of the regional emergency radio system.

There is no requirement relating to the bonds which is imposed pursuant to a court order or state or federal statute. There are Federal statutes that have been interpreted to provide standards for housing of prisoners. Passage of the bond issue will assist the County in complying with these standards.

