

**BOARD OF FIRE COMMISSIONERS, SIERRA FIRE
PROTECTION DISTRICT**

TUESDAY

4:00 P.M.

JULY 15, 2008

PRESENT:

Bob Larkin, Chairman
Jim Galloway, Commissioner
David Humke, Commissioner
Kitty Jung, Commissioner

Amy Harvey, County Clerk
Katy Singlaub, County Manager
Melanie Foster, Legal Counsel
Michael Greene, Fire Chief

ABSENT:

Bonnie Weber, Vice Chairman

The Board met in regular session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and conducted the following business:

08-54SF AGENDA ITEM 2

Agenda Subject: “Approval of agenda for July 15, 2008 Board of Directors meeting.”

On motion by Commissioner Humke, seconded by Chairman Larkin, which motion duly carried with Commissioner Weber absent, Chairman Larkin ordered that Agenda Item 2 be approved.

08-55SF AGENDA ITEM 3

Agenda Subject: “Recommendation to approve and execute a resolution designated as the “2008 Election Resolution” declaring the necessity of incurring a bonded indebtedness and levying a special elective tax on behalf of the Sierra Fire Protection District, placing a fire protection question on the ballot at the General Election held on Tuesday, November 4, 2008, requesting voter approval to issue the District’s General Obligation Bonds and levying a special elective tax.”

There was no response to the call for public comment.

On motion by Commissioner Galloway, seconded by Commissioner Humke, which motion duly carried with Commissioner Weber absent, it was ordered that

Agenda Item 3 be approved, authorized and executed. The Resolution for same is attached hereto and made apart of the minutes thereof.

08-56SF AGENDA ITEM 4

Agenda Subject: “Director’s/Manager’s announcements, Requests for Information, Topics for Future Agendas and Statements Relating to Items Not on the Agenda (No discussion among Commissioners will take place on this item.)”

There were no announcements.

08-57SF AGENDA ITEM 5

Agenda Subject: “Public Comment and discussion thereon. The Sierra Fire Protection District Board of Directors welcomes courteous and respectful public comment and input. Due to the amount of business the District Board conducts, public comment is limited to two minutes per person.”

There was no response to the call for public comment.

* * * * *

There being no further business to come before the Board, the meeting adjourned.

ROBERT M. LARKIN, Chairman
Sierra Fire Protection District

ATTEST:

AMY HARVEY, Washoe County Clerk
and Ex Officio Clerk, Sierra
Fire Protection District

*Minutes Prepared by:
Stacy Gonzales, Deputy Clerk*

Summary - a resolution setting forth a bond and special elective tax question for Sierra Fire Protection District, Nevada.

RESOLUTION

A RESOLUTION DESIGNATED AS THE "2008 ELECTION RESOLUTION"; DECLARING THE NECESSITY OF INCURRING A BONDED INDEBTEDNESS AND LEVYING A SPECIAL ELECTIVE TAX ON BEHALF OF THE SIERRA FIRE PROTECTION DISTRICT; PLACING A FIRE PROTECTION QUESTION ON THE BALLOT AT THE GENERAL ELECTION HELD ON TUESDAY, NOVEMBER 4, 2008, REQUESTING VOTER APPROVAL TO ISSUE THE DISTRICT'S GENERAL OBLIGATION BONDS AND LEVYING A SPECIAL ELECTIVE TAX; PRESCRIBING DETAILS IN CONNECTION WITH THE ELECTION; RATIFYING ACTION PREVIOUSLY TAKEN RELATING THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the Sierra Fire Protection District (the "District"), in Washoe County (the "County"), State of Nevada (the "State"), is a political subdivision of the State duly organized and operating as a fire district under the provisions of Nevada Revised Statutes ("NRS") 474.460 to 474.540, inclusive, and the general laws of the State; and

WHEREAS, the Board of Fire Commissioners of the District (the "Board") has determined that it is necessary and advisable that the District incur a bonded indebtedness (the "Bonds") pursuant to NRS 474.511 and 474.512 (the "Acquisition Project Act"), to NRS 350.011 through 350.0165 (the "Debt Management Commission Act"), to NRS 350.020 through 350.070 (the "Bond Election Act"), and to NRS 350.500 through 350.720 (designated in NRS 350.500 as the "Local Government Securities Law") (the "Bond Act"), for the purpose of defraying the cost of acquiring, constructing, improving and equipping fire stations and acquiring fire engines and fire fighting equipment as set forth in NRS 474.511 (the "Acquisition Project"); and

WHEREAS, the Board has determined that it is necessary and advisable that the District levy a special elective tax pursuant to NRS 354.5982 (the "Operation Project Act"), for the purpose of staffing, operating, maintaining and equipping fire stations and acquiring and

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improving fire engines and fire fighting equipment as set forth in NRS 474.470 and 474.511 (the "Operation Project", and together with the Acquisition Project, the "Project"); and

WHEREAS, in the judgment of the Board, it is necessary and advisable that a question be submitted to the electors of the District at the general election on Tuesday, November 4, 2008, on the issuance of the Bonds and the levying of the special elective tax; and

WHEREAS, the Debt Management Commission of the County has approved the District's proposal to seek voter approval to issue the Bonds and levy the special elective tax.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF FIRE COMMISSIONERS OF THE SIERRA FIRE PROTECTION DISTRICT, WASHOE COUNTY, IN THE STATE OF NEVADA:

Section 1. This resolution shall be known and may be cited as the "2008 Election Resolution" (the "Resolution").

Section 2. The Board hereby finds and declares the necessity of incurring a bonded indebtedness and levying a special elective tax, on behalf of the District, to finance the cost of the Project.

Section 3. There shall be submitted to the registered voters of the District the question hereinafter set forth in Section 9 of this Resolution (the "Question") at the general election on Tuesday, November 4, 2008 (the "Election"). The Election shall be conducted in accordance with the Bond Election Act and in the manner provided by NRS chapter 293 and all laws amendatory thereof (the "General Election Act").

Section 4. Every citizen of the United States, 18 years of age or over, who has continuously resided in this State and in the District 30 days next preceding the date of Election, shall be entitled to vote at the Election if such person has complied with the registration laws of the State.

Section 5. Absent voting and early voting shall be permitted in the manner provided by the General Election Act and laws thereunto enabling.

Section 6. The authority to issue the Bonds as aforesaid, if conferred at the Election, shall be deemed and considered a continuing authority to issue and deliver the Bonds at one time or from time to time, in one series or in more than one series, all as ordered by the Board. Neither the partial exercise of the authority so conferred nor the lapse of time shall be

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considered as exhausting or limiting the full authority so conferred; but no Bonds shall be issued or sold by the Board after the expiration of six (6) years from the date of the Election unless NRS 350.2013 shall be directly or impliedly amended to provide otherwise.

Section 7. On or before Monday, July 21, 2008, the Chief Financial Officer of the County or his designee shall cause the registrar of voters of the County (the "Registrar of Voters") to be provided with a copy of this Resolution.

Section 8. Voter registration for the Election shall be conducted in accordance with the General Election Act. Any qualified elector whose name does not appear on the official registry list of qualified electors for the precinct in which he or she resides in the District, as shown by the records of the registry agent, may apply to the Registrar of Voters at his office or before a Deputy Registrar, up to and including the last day for registration of voters, as provided in NRS. Registration offices shall be open during regular office hours (9:00 a.m. to 5:00 p.m. on Mondays through Fridays, with Saturdays, Sundays and legal holidays excepted); but during the last day before registration closes, which is the Tuesday on which registration closes, registration offices shall be open from 9:00 a.m. to 5:00 p.m. and from 7:00 p.m. to 9:00 p.m., including Saturdays. The Registrar of Voters is hereby directed to give notice of the close of registration by publishing in a newspaper having general circulation in the District a notice indicating the day that registration will close. Such notice shall be published once in each calendar week for 4 successive calendar weeks next preceding the close of registration, and unless such notice is combined with the notice of close of registration for the Election shall be in substantially the following form:

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(Form of Notice of Close of Registration)

**NOTICE TO ELECTORS OF CLOSE OF REGISTRATION FOR
SIERRA FIRE PROTECTION DISTRICT, NEVADA
BOND AND SPECIAL ELECTIVE TAX QUESTION
ON THE BALLOT AT THE GENERAL ELECTION TO BE HELD ON
TUESDAY, NOVEMBER 4, 2008**

REGISTRATION CLOSURES: TUESDAY, OCTOBER 14, 2008

NOTICE IS HEREBY GIVEN that the Registrar of Voters of Washoe County, Nevada, will conduct a registration of qualified electors residing in the Sierra Fire Protection District, Nevada, for the bond and special elective tax question to be placed on the ballot of the general election on Tuesday, November 4, 2008.

Any qualified elector whose name does not appear on the official registry list may apply for registration by appearing before the Registrar of Voters in his office in Reno, Nevada or before a Deputy Registrar in the manner provided by law by not later than Tuesday, October 14, 2008.

The Registrar of Voter's office shall be open for the registration of qualified electors for the election between the hours of 9:00 a.m. to 5:00 p.m. on Mondays through Fridays, with Saturdays, Sundays, and legal holidays excepted; but during the last day of registration for the election, the office of the Registrar of Voters shall be open from 9:00 a.m. to 5:00 p.m., and from 7:00 p.m. to 9:00 p.m., including Saturdays.

Registration of electors for the election shall be closed after 9:00 p.m., Tuesday, October 14, 2008.

DATED _____, 2008.

/s/ Daniel G. Burk
Registrar of Voters

(End of Form of Notice of Close of Registration)

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Section 9. An electronic voting system or a mechanical voting system, including, without limitation, any ballot cards, ballot page assemblies, and a mechanical recording device, and, to the extent necessary or desirable, mail ballots shall be used at the election for voting, for registering, and for counting votes cast, including, without limitation, those cast on the Question, as provided in the Bond Election Act, in the General Election Act, and in all laws thereunto enabling. There shall be provided an electronic voting system or a mechanical voting system, any ballot cards and ballot page assemblies, or paper ballots, a ballot box or mechanical recording device, and other election material at each polling place. There shall be inserted in each of the ballot page assemblies used in conjunction with the voting system at the Election the submission clause and other ballot information in substantially the following form, with such changes therein as are approved by the Chief Financial Officer of the County:

08-SSSF

SIERRA FIRE PROTECTION DISTRICT BOND AND SPECIAL ELECTIVE TAX QUESTION:

Shall the Sierra Fire Protection District be authorized to issue up to \$5,200,000 of general obligation bonds for the purpose of defraying the cost of acquiring, constructing, improving and equipping fire stations and acquiring fire engines and fire fighting equipment and to levy an additional property tax rate for the purpose of staffing, operating, maintaining and equipping the fire stations and acquiring and improving fire engines and fire fighting equipment of up to 4.5 cents per \$100 of assessed valuation for a period of 30 years? The bonds are expected to require a property tax levy for 30 years. The bonds are estimated to result in an increase in the property taxes that the owner of a new \$100,000 home will pay, which will average \$4.74 per year. In addition, the cost of the property tax levy for the owner of a new \$100,000 home is estimated to be \$15.75 per year. If this question is approved by the voters, any property tax levied as authorized by this question will be outside of the caps on a taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session.

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Explanation: A "yes" vote would permit the Sierra Fire Protection District to issue up to \$5,200,000 of general obligation bonds to defray the cost of acquiring, constructing, improving and equipping fire stations and acquiring fire engines and fire fighting equipment, and to levy a property tax of up to 4.5 cents per \$100 of assessed valuation for a period of 30 years to staff, operate, maintain and equip the fire stations and to acquire and improve fire engines and fire fighting equipment. The property tax rate to be levied to repay the bonds is expected to range from 0.73 cents to 2.27 cents per \$100 of assessed valuation during the 30 year term of the bonds. The additional property tax levy would increase the cost for the owner of a new \$100,000 home with a taxable value of \$100,000 by approximately \$15.75 per year. Tax rates are levied against assessed value which is 35% of the taxable value. Taxable value may not be the same as market value.

A "no" vote would prevent the District from issuing general obligation bonds in the principal amount of \$5,200,000 and levying the additional property tax of 4.5 cents per \$100 of assessed valuation at this time.

Argument For the Question: Fire protection services are of critical importance to the residents of the Sierra Fire Protection District. Funding levels over the past 20 years have been inadequate to keep up with development and population growth in the communities of St. James Village, Montreux, Galena, Saddlehorn and Arrowcreek. As a result, service response

times in several core areas of the District now greatly exceed national standards. Response times must be shortened in order to save lives and property, and that cannot be achieved without passage of the Question. The following projects will be possible if the Question is passed:

> Construct and equip a new fire station in the Arrowcreek area and acquire two new fire engines for that station. This would will allow the District to provide primary service to the Arrowcreek area as well as back up service to the District as a whole.

> Improve and expand the Galena Fire Station to provide living space for its full time staff and a substation for the Washoe County Sheriff's Office.

> Undertake the minimum amount of construction necessary to complete the Peavine Fire Station, refurbish the Washoe Valley Fire Station, and renovate the Verdi Fire Station.

> Staff, operate, equip and maintain the District's fire stations and equip and operate fire engines.

> Upgrade emergency power capacity for all existing career fire stations in the District.

These projects are necessary to reduce service response time in the District and to enhance the overall level of fire protection service. At the same time, these projects will enable the District to satisfy coverage and safety regulations in regards to its fire crews and expand its volunteer firefighter program. The proposed bonds and new tax are the only means available to provide the District with the funding it needs to undertake the projects.

Argument Against the Question: The Question should not be passed for the following reasons:

> The current level of fire protection service is adequate and capital improvements are not necessary at this time. The existing fire stations are able to provide service to the entire District by continuing to provide service to expanded areas.

> The District should make do with the current condition of the facilities and equipment it has. The District should wait to repair and renovate facilities and equipment until the needs are more critical.

> Taxes are already too high. Passage of the Question will allow the District to increase property taxes for a period of up to 30 years. Further, the new tax would not be subject to the property tax caps established by the 2005 Nevada Legislature.

> If assessed value in the District declines, an additional increase in the property tax rate may be needed to repay the bonds which would not be subject to the property tax caps established by the 2005 Nevada Legislature.

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Rebuttal to Argument Against the Question: The need to construct and renovate fire stations and to acquire fire engines and fire fighting equipment is already critical. In addition to straining the District's ability to provide fire protection service, development and growth in the District has also increased fire fuel levels and the threat of fire outbreak. The need for fire protection service is greater than ever.

The cost of these projects is minimal when compared to the potential property damage and loss of life that could result from the current level of fire protection service. Undertaking these projects now makes additional financial sense because the District would realize considerable savings from currently low construction costs.

Rebuttal to Argument For the Question: Current funding levels are adequate to meet the fire protection needs of the District. The cost of constructing additional facilities and acquiring equipment will exceed the benefits of those projects. The current facilities and equipment have been and will continue to be adequate for fire protection purposes.

Anticipated Financial Effect: The maximum principal amount of the bonds is \$5,200,000. The maximum maturity of the bonds is 30 years. The anticipated interest rate on the bonds is 5.38% and the total anticipated interest cost is \$4,965,500. Accordingly, the total anticipated bond payments (principal and interest) on the bonds is expected to be approximately \$10,165,500. The actual interest rate and total bond payments on the bonds may be higher or lower than the above estimate, depending on the interest rates at the time the bonds are sold.

The Board of Fire Commissioners estimates that the range of property tax rates necessary to provide debt service on the bonds for the dates on which they are expected to be redeemed will be from 0.73 cents to 2.27 cents per \$100 of assessed value of the property in the District. This represents an annual average increase of 1.355 cents per \$100 of assessed valuation, or an average of \$4.74 per year for the owner of a new \$100,000 home. Assuming an average growth rate of 4%, the estimated assessed value of the property in the District against which the bonds are to be issued ranges from \$1,408,017,601 to \$4,566,760,782. The actual property tax rate necessary to pay the bonds may be higher or lower than the above estimates, 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 District against which the bonds are issued at the time taxes to repay the bonds are levied.

The estimated annual cost to operate, maintain and repair the buildings, structures, facilities and improvements to be constructed or acquired with the proceeds of the bonds is \$7.00 per square foot. The Board of Fire Commissioners anticipates that the costs of operation, maintenance and repair, as currently budgeted, will be paid from the District's general operating budget and from the proposed 4.5 cent increase in the property tax rate.

From the additional property tax levy of 4.5 cents per \$100 of assessed valuation, the District anticipates additional revenue ranging from \$633,608 in the first year to \$2,055,042 in the thirtieth and final year. The cost to the owner of a new home with a taxable value of

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\$100,000 is estimated to be \$15.75 per year. Voters are encouraged to check their most recent property tax bill for the taxable value of their property to determine the estimated impact on their property taxes.

[End of Form of Submission Clause and Ballot Information]

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Section 10. A sample ballot shall be mailed to each registered voter in the District as provided by NRS 293.565, 350.024 and 350.027, and shall include, without limitation, the registered voter's precinct number and polling place, location for early voting and the following information in substantially the following form, with such changes therein as are approved by the Chief Financial Officer of the County:

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[Information to Be Included in Sample Ballot]

SIERRA FIRE PROTECTION DISTRICT BOND AND SPECIAL ELECTIVE TAX QUESTION:

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Explanation: A "yes" vote would permit the Sierra Fire Protection District to issue up to \$5,200,000 of general obligation bonds to defray the cost of acquiring, constructing, improving and equipping fire stations and acquiring fire engines and fire fighting equipment, and to levy a property tax of up to 4.5 cents per \$100 of assessed valuation for a period of 30 years to staff, operate, maintain and equip the fire stations and to acquire and improve fire engines and fire fighting equipment. The property tax rate to be levied to repay the bonds is expected to range from 0.73 cents to 2.27 cents per \$100 of assessed valuation during the 30 year term of the bonds. The additional property tax levy would increase the cost for the owner of a new \$100,000 home with a taxable value of \$100,000 by approximately \$15.75 per year. Tax rates are levied against assessed value which is 35% of the taxable value. Taxable value may not be the same as market value.

A "no" vote would prevent the District from issuing general obligation bonds in the principal amount of \$5,200,000 and levying the additional property tax of 4.5 cents per \$100 of assessed valuation at this time.

Argument For the Question: Fire protection services are of critical importance to the residents of the Sierra Fire Protection District. Funding levels over the past 20 years have been inadequate to keep up with development and population growth in the communities of St. James Village, Montreux, Galena, Saddlehorn and Arrowcreek. As a result, service response

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times in several core areas of the District now greatly exceed national standards. Response times must be shortened in order to save lives and property, and that cannot be achieved without passage of the Question. The following projects will be possible if the Question is passed:

- > Construct and equip a new fire station in the Arrowcreek area and acquire two new fire engines for that station. This would will allow the District to provide primary service to the Arrowcreek area as well as back up service to the District as a whole.
- > Improve and expand the Galena Fire Station to provide living space for its full time staff and a substation for the Washoe County Sheriff's Office.
- > Undertake the minimum amount of construction necessary to complete the Peavine Fire Station, refurbish the Washoe Valley Fire Station, and renovate the Verdi Fire Station.
- > Staff, operate, equip and maintain the District's fire stations and equip and operate fire engines.
- > Upgrade emergency power capacity for all existing career fire stations in the District.

These projects are necessary to reduce service response time in the District and to enhance the overall level of fire protection service. At the same time, these projects will enable the District to satisfy coverage and safety regulations in regards to its fire crews and expand its volunteer firefighter program. The proposed bonds and new tax are the only means available to provide the District with the funding it needs to undertake the projects.

Argument Against the Question: The Question should not be passed for the following reasons:

- > The current level of fire protection service is adequate and capital improvements are not necessary at this time. The existing fire stations are able to provide service to the entire District by continuing to provide service to expanded areas.
- > The District should make do with the current condition of the facilities and equipment it has. The District should wait to repair and renovate facilities and equipment until the needs are more critical.
- > Taxes are already too high. Passage of the Question will allow the District to increase property taxes for a period of up to 30 years. Further, the new tax would not be subject to the property tax caps established by the 2005 Nevada Legislature.
- > If assessed value in the District declines, an additional increase in the property tax rate may be needed to repay the bonds which would not be subject to the property tax caps established by the 2005 Nevada Legislature.

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Rebuttal to Argument Against the Question: The need to construct and renovate fire stations and to acquire fire engines and fire fighting equipment is already critical. In addition to straining the District's ability to provide fire protection service, development and growth in the District has also increased fire fuel levels and the threat of fire outbreak. The need for fire protection service is greater than ever.

The cost of these projects is minimal when compared to the potential property damage and loss of life that could result from the current level of fire protection service. Undertaking these projects now makes additional financial sense because the District would realize considerable savings from currently low construction costs.

Rebuttal to Argument For the Question: Current funding levels are adequate to meet the fire protection needs of the District. The cost of constructing additional facilities and acquiring equipment will exceed the benefits of those projects. The current facilities and equipment have been and will continue to be adequate for fire protection purposes.

Time and Place of Election: The bond election will be held on Tuesday, November 4, 2008, in conjunction with the general election. The polls will be open from 7:00 a.m. until 7:00 p.m. Your precinct and polling place are the same as for the general election. The locations for early voting and precinct and polling places are listed elsewhere on this sample ballot.

Anticipated Financial Effect: The maximum principal amount of the bonds is \$5,200,000. The maximum maturity of the bonds is 30 years. The anticipated interest rate on the bonds is 5.38% and the total anticipated interest cost is \$4,965,500. Accordingly, the total anticipated bond payments (principal and interest) on the bonds is expected to be approximately \$10,165,500. The actual interest rate and total bond payments on the bonds may be higher or lower than the above estimate, depending on the interest rates at the time the bonds are sold.

The Board of Fire Commissioners estimates that the range of property tax rates necessary to provide debt service on the bonds for the dates on which they are expected to be redeemed will be from 0.73 cents to 2.27 cents per \$100 of assessed value of the property in the District. This represents an annual average increase of 1.355 cents per \$100 of assessed valuation, or an average of \$4.74 per year for the owner of a new \$100,000 home. Assuming an average growth rate of 4%, the estimated assessed value of the property in the District against which the bonds are to be issued ranges from \$1,408,017,601 to \$4,566,760,782. The actual property tax rate necessary to pay the bonds may be higher or lower than the above estimates, 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 District against which the bonds are issued at the time taxes to repay the bonds are levied.

The estimated annual cost to operate, maintain and repair the buildings, structures, facilities and improvements to be constructed or acquired with the proceeds of the bonds is \$7.00 per square foot. The Board of Fire Commissioners anticipates that the costs of operation,

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maintenance and repair, as currently budgeted, will be paid from the District's general operating budget and from the proposed 4.5 cent increase in the property tax rate.

From the additional property tax levy of 4.5 cents per \$100 of assessed valuation, the District anticipates additional revenue ranging from \$633,608 in the first year to \$2,055,042 in the thirtieth and final year. The cost to the owner of a new home with a taxable value of \$100,000 is estimated to be \$15.75 per year. Voters are encouraged to check their most recent property tax bill for the taxable value of their property to determine the estimated impact on their property taxes.

[End of Information to Be Included in Sample Ballot]

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Section 11. If it is impractical to supply the polling place with an electronic voting system or ballot cards and ballot page assemblies, there shall be supplied as many such ballot cards and ballot page assemblies as it is practical to procure. The paper ballots to be used at the Election in those election precincts, if any, not using ballot cards and ballot page assemblies, if any, shall be in part in substantially the following form:

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(Form of Paper Ballot)

OFFICIAL BALLOT

**SIERRA FIRE PROTECTION DISTRICT, NEVADA,
BOND AND SPECIAL ELECTIVE TAX QUESTION
TUESDAY, NOVEMBER 4, 2008**

* * * * *

**SIERRA FIRE PROTECTION DISTRICT BOND AND
SPECIAL ELECTIVE TAX QUESTION:**

(Insert in each paper ballot as printed the Sierra Fire Protection
District Submission Clause and Other Ballot Information, and the
following block.)

:	:	:
:	YES	:
:	:	:
:	NO	:
:	:	:

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The voter will prepare his or her ballot indicating his or her approval or disapproval of the foregoing proposal as the voter may desire by marking a cross (X) in the square after the group or groups of words which expresses his or her choice thereon.

(End of Form of Paper Ballot)

Section 12. Nothing in this Resolution prevents the inclusion in the ballots of provisions for the expression by the qualified registered voters of the District of their choice for any question or proposals other than the Question submitted at the Election to the qualified registered voters.

Section 13. Notwithstanding the foregoing sections, the District may conduct the Election through the use of mail ballots as authorized by the General Election Act and all laws supplemental thereto. Should the District use mail ballots in conducting the Election, the ballots and sample ballots shall contain information in substantially the forms set out in Sections 9, 10 and 11 hereof, appropriately modified to reflect the use of mail ballots.

Section 14. The polls shall be opened at the hour of 7:00 a.m. on the day of the Election and shall remain open until and be closed at 7:00 p.m. of the same day, as provided in NRS 293.273 and all laws supplemental thereto. Should the District conduct the Election through the use of mail ballots, the polls shall be open as provided in the General Election Act for the conduct of mail ballot elections.

Section 15. Except as specifically provided in this Resolution, in the Acquisition Project Act, in the Operation Project Act and in the Bond Election Act, the Election shall be held and conducted in accordance with the General Election Act and with all laws supplemental thereto.

Section 16. The Clerk of the Board shall cause a notice of the Election to be published in a newspaper printed in and having general circulation in the District, at least once in each calendar week for two successive calendar weeks by two weekly insertions a week apart the first publication to be not more than 30 days nor less than 22 days next preceding the date of the Election.

Section 17. The notice of the Election shall be in substantially the following form, with such changes therein as are approved by the Chief Financial Officer of the County:

08-5558F

(Form of Election Notice)

**NOTICE OF BOND AND SPECIAL ELECTIVE TAX QUESTION FOR
SIERRA FIRE PROTECTION DISTRICT, NEVADA
ON THE GENERAL ELECTION HELD ON TUESDAY, NOVEMBER 4, 2008**

Pursuant to a resolution of the Board of Fire Commissioners (the "Board") of the Sierra Fire Protection District (the "District"), in Washoe County (the "County"), State of Nevada (the "State"), adopted and approved on July 15, 2008:

NOTICE IS HEREBY GIVEN that a Sierra Fire Protection District bond and special elective tax question will be placed on the ballot at the general election on Tuesday, November 4, 2008. The polls will be open from 7:00 a.m. to 7:00 p.m. There will be submitted to the duly qualified electors of the District the following Question:

**SIERRA FIRE PROTECTION DISTRICT BOND AND
SPECIAL ELECTIVE TAX QUESTION:**

Shall the Sierra Fire Protection District be authorized to issue up to \$5,200,000 of general obligation bonds for the purpose of defraying the cost of acquiring, constructing, improving and equipping fire stations and acquiring fire engines and fire fighting equipment and to levy an additional property tax rate for the purpose of staffing, operating, maintaining and equipping the fire stations and acquiring and improving fire engines and fire fighting equipment of up to 4.5 cents per \$100 of assessed valuation for a period of 30 years? The bonds are expected to require a property tax levy for 30 years. The bonds are estimated to result in an increase in the property taxes that the owner of a new \$100,000 home will pay, which will average \$4.74 per year. In addition, the cost of the property tax levy for the owner of a new \$100,000 home is estimated to be \$15.75 per year. If this question is approved by the voters, any property tax levied as authorized by this question will be outside of the caps on a taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session.

Explanation: A "yes" vote would permit the Sierra Fire Protection District to issue up to \$5,200,000 of general obligation bonds to defray the cost of acquiring, constructing, improving and equipping fire stations and acquiring fire engines and fire fighting equipment, and to levy a property tax of up to 4.5 cents per \$100 of assessed valuation for a period of 30 years to staff, operate, maintain and equip the fire stations and to acquire and improve fire engines and fire fighting equipment. The property tax rate to be levied to repay the bonds is expected to range from 0.73 cents to 2.27 cents per \$100 of assessed valuation during the 30 year term of the bonds. The additional property tax levy would increase the cost for the owner of a new \$100,000

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home with a taxable value of \$100,000 by approximately \$15.75 per year. Tax rates are levied against assessed value which is 35% of the taxable value. Taxable value may not be the same as market value.

A "no" vote would prevent the District from issuing general obligation bonds in the principal amount of \$5,200,000 and levying the additional property tax of 4.5 cents per \$100 of assessed valuation at this time.

Argument For the Question: Fire protection services are of critical importance to the residents of the Sierra Fire Protection District. Funding levels over the past 20 years have been inadequate to keep up with development and population growth in the communities of St. James Village, Montreux, Galena, Saddlehorn and Arrowcreek. As a result, service response times in several core areas of the District now greatly exceed national standards. Response times must be shortened in order to save lives and property, and that cannot be achieved without passage of the Question. The following projects will be possible if the Question is passed:

- > Construct and equip a new fire station in the Arrowcreek area and acquire two new fire engines for that station. This would will allow the District to provide primary service to the Arrowcreek area as well as back up service to the District as a whole.
- > Improve and expand the Galena Fire Station to provide living space for its full time staff and a substation for the Washoe County Sheriff's Office.
- > Undertake the minimum amount of construction necessary to complete the Peavine Fire Station, refurbish the Washoe Valley Fire Station, and renovate the Verdi Fire Station.
- > Staff, operate, equip and maintain the District's fire stations and equip and operate fire engines.
- > Upgrade emergency power capacity for all existing career fire stations in the District.

These projects are necessary to reduce service response time in the District and to enhance the overall level of fire protection service. At the same time, these projects will enable the District to satisfy coverage and safety regulations in regards to its fire crews and expand its volunteer firefighter program. The proposed bonds and new tax are the only means available to provide the District with the funding it needs to undertake the projects.

Argument Against the Question: The Question should not be passed for the following reasons:

- > The current level of fire protection service is adequate and capital improvements are not necessary at this time. The existing fire stations are able to provide service to the entire District by continuing to provide service to expanded areas.

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> The District should make do with the current condition of the facilities and equipment it has. The District should wait to repair and renovate facilities and equipment until the needs are more critical.

> Taxes are already too high. Passage of the Question will allow the District to increase property taxes for a period of up to 30 years. Further, the new tax would not be subject to the property tax caps established by the 2005 Nevada Legislature.

> If assessed value in the District declines, an additional increase in the property tax rate may be needed to repay the bonds which would not be subject to the property tax caps established by the 2005 Nevada Legislature.

Rebuttal to Argument Against the Question: The need to construct and renovate fire stations and to acquire fire engines and fire fighting equipment is already critical. In addition to straining the District's ability to provide fire protection service, development and growth in the District has also increased fire fuel levels and the threat of fire outbreak. The need for fire protection service is greater than ever.

The cost of these projects is minimal when compared to the potential property damage and loss of life that could result from the current level of fire protection service. Undertaking these projects now makes additional financial sense because the District would realize considerable savings from currently low construction costs.

Rebuttal to Argument For the Question: Current funding levels are adequate to meet the fire protection needs of the District. The cost of constructing additional facilities and acquiring equipment will exceed the benefits of those projects. The current facilities and equipment have been and will continue to be adequate for fire protection purposes.

Anticipated Financial Effect: The maximum principal amount of the bonds is \$5,200,000. The maximum maturity of the bonds is 30 years. The anticipated interest rate on the bonds is 5.38% and the total anticipated interest cost is \$4,965,500. Accordingly, the total anticipated bond payments (principal and interest) on the bonds is expected to be approximately \$10,165,500. The actual interest rate and total bond payments on the bonds may be higher or lower than the above estimate, depending on the interest rates at the time the bonds are sold.

The Board of Fire Commissioners estimates that the range of property tax rates necessary to provide debt service on the bonds for the dates on which they are expected to be redeemed will be from 0.73 cents to 2.27 cents per \$100 of assessed value of the property in the District. This represents an annual average increase of 1.355 cents per \$100 of assessed valuation, or an average of \$4.74 per year for the owner of a new \$100,000 home. Assuming an average growth rate of 4%, the estimated assessed value of the property in the District against which the bonds are to be issued ranges from \$1,408,017,601 to \$4,566,760,782. The actual property tax rate necessary to pay the bonds may be higher or lower than the above estimates, depending on the interest rates at the time the bonds are sold, the maturity schedule, the term of

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the bonds as actually issued, and the assessed value of property in the District against which the bonds are issued at the time taxes to repay the bonds are levied.

The estimated annual cost to operate, maintain and repair the buildings, structures, facilities and improvements to be constructed or acquired with the proceeds of the bonds is \$7.00 per square foot. The Board of Fire Commissioners anticipates that the costs of operation, maintenance and repair, as currently budgeted, will be paid from the District's general operating budget and from the proposed 4.5 cent increase in the property tax rate.

From the additional property tax levy of 4.5 cents per \$100 of assessed valuation, the District anticipates additional revenue ranging from \$633,608 in the first year to \$2,055,042 in the thirtieth and final year. The cost to the owner of a new home with a taxable value of \$100,000 is estimated to be \$15.75 per year. Voters are encouraged to check their most recent property tax bill for the taxable value of their property to determine the estimated impact on their property taxes.

IN WITNESS WHEREOF, the Board of Fire Commissioners of the Sierra Fire Protection District has caused this notice to be published.

DATED this July 15, 2008.

/s/ Amy Harvey
County Clerk and ex officio Clerk of the
Board of Fire Commissioners
Sierra Fire Protection District, Nevada

/s/ Daniel G. Burk
Washoe County
Registrar of Voters

(End of Form of Election Notice)

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Section 18. Immediately after the closing of the polls, the election officers shall proceed to canvass the votes cast on the Question, and certify the results so disclosed to the Board.

Section 19. Within five (5) working days of the Election, the Board shall meet at its usual meeting place and publicly canvass the returns. Pursuant to NRS 293.387, the Board of County Commissioners of Washoe County will also canvass the returns within five (5) working days of the Election.

Section 20. If a majority of the votes cast is in favor of the Question, the proposal to issue the Bonds and levy the special elective tax shall have been carried, and the Board may cause an entry of that fact to be made upon its minutes and shall proceed to complete the printing, execution, advertising and sale of the Bonds and levy the special elective tax. If the majority of the votes is against the Question, the proposal to issue the Bonds and levy the special elective tax shall have failed, and the Board shall proceed no further with the printing, execution, advertisement or sale of the Bonds or the levy of the special elective tax.

Section 21. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and by the officers of the District relating to:

- A. the Election,
- B. the Question,
- C. the Project, and
- D. the issuance of Bonds and the levy of the special elective tax for said purposes,

is ratified, approved and confirmed.

Section 22. The officers of the District are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

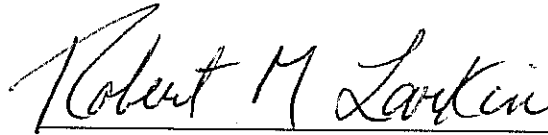
Section 23. All orders, bylaws and resolutions, or parts thereof, in conflict with this Resolution, are hereby repealed. This repealer shall not be construed to revive any bylaw, order or resolution, or part thereof, heretofore repealed.

Section 24. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of

such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 25. This Resolution shall be in effect from and after its adoption.

PASSED AND ADOPTED this July 15, 2008.



Chairman
Board of Fire Commissioners
Sierra Fire Protection District

(SEAL)

Attest:



Clerk
Board of Fire Commissioners
Sierra Fire Protection District

08-555F

STATE OF NEVADA)
)
COUNTY OF WASHOE) ss.
)
SIERRA FIRE)
PROTECTION DISTRICT)

I am the undersigned duly elected and acting Clerk of Washoe County, Nevada and ex officio Clerk of the Sierra Fire Protection District (the "District"), and do hereby certify:

1. The foregoing pages are a true, correct and compared copy of a resolution adopted by the Board of Fire Commissioners (the "Board") of the District at a lawful meeting thereof held on July 15, 2008.

2. The members of the Board were present at the meeting on July 15, 2008 and voted on the resolution as follows:

Those Voting Aye:

Jim Galloway
David Humke
Kitty Jung
Robert M. Larkin
Bonnie Weber

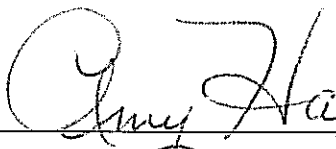
Those Voting Nay:

None

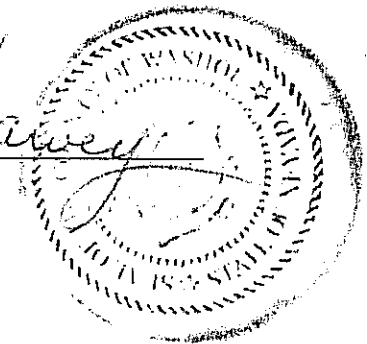
Those Absent:

Weber

IN WITNESS WHEREOF, I have hereunto set my hand on behalf of the Sierra Fire Protection District, on this July 15, 2008.



Clerk
Board of Fire Commissioners
Sierra Fire Protection District



08-SS-SF

The undersigned District Fire Chief does hereby certify:
1. All members of the Board were given due and proper notice of the meeting held on July 15, 2008.

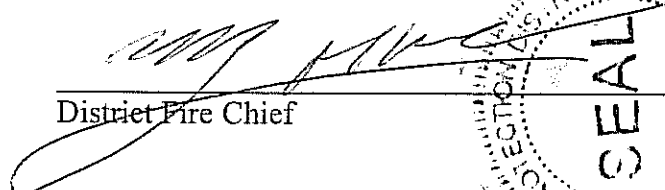
2. Public notice of the meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting and excerpt from the agenda for the meeting relating to the resolutions, as posted at least 3 working days in advance of the meeting on the District's website, if any, and at:

- a. Washoe County Administration Complex
1001 East Ninth Street, Bldg. A
Reno, Nevada
- b. Washoe County Courthouse-Clerk's Office
Virginia and Court Streets
Reno, Nevada
- c. Washoe County Central Library
301 South Center Street
Reno, Nevada
- d. Sparks Justice Court
630 Greenbrae Drive
Sparks, Nevada

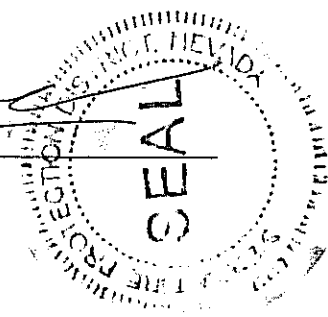
is attached as Exhibit A.

3. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was mailed to each person, if any, who has requested notice of meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

IN WITNESS WHEREOF, I have hereunto set my hand on this July 15, 2008.



District Fire Chief



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