



WASHOE COUNTY

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CM/ACM JS
Finance 53
DA RL
Risk Mgt N/A
HR N/A
Other N/A

STAFF REPORT

BOARD MEETING DATE: March 28, 2006

DATE: March 10, 2006
TO: Board of County Commissioners
FROM: John Sherman, Finance Director, Finance Department
328-2073, jsherman@mail.co.washoe.nv.us

THROUGH: N/A

SUBJECT: Recommendation to approve a resolution authorizing the County Finance Director to arrange for the sale of the Washoe County, Nevada General Obligation (limited tax) Park Bonds (additionally secured by pledged revenues) in the maximum principal amount of \$35,175,000 for the purpose of financing park projects, including acquisition of Ballardini Ranch; and providing other details in connection therewith.

SUMMARY

In order to provide for the acquisition cost of the Ballardini Ranch it is recommended that the Board approve an intent resolution to issue \$35.175 million in General Obligation bonds additionally secured with consolidated tax revenue with a maturity of 30 years. The recommended amount of debt includes the cost of the land according to the County appraisal, additional cost as a result of the litigation and issuance cost less the remaining balance of the voter approved bond initially issued for the acquisition. The proposed sales resolution will authorize the Finance Director to undertake activities necessary for the sale the bonds. The final action by the Board necessary to sell the bonds is the approval of a Bond Ordinance that is scheduled for May 16, 2006

County Priority/Goal supported by this item: Government Efficiency and Financial Stability.

PREVIOUS ACTION

On July 27, 2004 the Board of County Commissioners ordered the acquisition of the Ballardini Ranch by either agreement with the owner or by condemnation.

On February 21, 2006 the Board of County Commissioners approved a resolution that requested the Debt Management Commission to hold a meeting to consider approval of these general obligation bonds additionally secured by pledged revenue.

AGENDA ITEM # 15B

On March 14, 2006 the Board approved an intent resolution directing the County Clerk to publish in the newspaper a notice of intent to issue the debt and set a public hearing for March 28, 2006

BACKGROUND

The Board of County Commissioners ordered the acquisition of the Ballardini Ranch proceed by either agreement with the owner or by condemnation. The acquisition by means of agreement with the owner was not successful; therefore, the acquisition is proceeding by means of condemnation. The funding of the acquisition of the Ballardini Ranch by condemnation must be available at the conclusion of the initial court proceeding. It is currently estimated that the initial court proceeding may be completed by May 2006 with the payment due in July. In order to provide for the acquisition cost it is recommended that the County initiate the process to issue \$35.175 million in General Obligation bonds additionally secured with consolidated tax revenue with a maturity of 30 years. The recommended amount of debt includes the cost of the land according to the County appraisal, additional cost as a result of the litigation and issuance cost less the remaining balance of the voter approved bond initially issued for the acquisition.

The sales resolution will authorize the Finance Director to undertake activities necessary for the sale the bonds. However, before the bonds can be sold the Board will have to approve a Bond Ordinance that is scheduled for consideration on May 16, 2006.

FISCAL IMPACT

Upon final approval and issuance of the proposed general obligation bonds the County will be obligated to pay annual debt services of approximately \$2.2 million for 30 years; for a total principle and interest of approximately \$64.4 million.

RECOMMENDATION

It is recommended that the Board approve a resolution authorizing the County Finance Director to arrange for the sale of the Washoe County, Nevada General Obligation (limited tax) Park Bonds (additionally secured by pledged revenues) in the maximum principal amount of \$35,175,000 for the purpose of financing park projects, including acquisition of Ballardini Ranch; and providing other details in connection therewith.

POSSIBLE MOTION

Should the Board agree with Staff's recommendation, a possible motion would be: Move to approve the resolution.