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## MEASURE J

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### PROPOSAL TO ISSUE AND SELL BONDS FOR THE TRUCKEE DONNER RECREATION AND PARK DISTRICT

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To improve arts and recreation and create jobs and economic activity in Truckee-Donner by replacing the 40-year old swimming pool with a safe and efficient aquatic center for lessons, lap swimming, senior exercise and therapy programs; providing performing arts center for music, dance, film and other programs, shall Truckee Donner Recreation and Park District issue \$8.52 million in bonds that cannot be taken by the State and require annual audits, independent oversight and no money for administrator salaries?

BONDS YES \_\_\_\_\_

BONDS NO \_\_\_\_\_

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#### IMPARTIAL ANALYSIS BY PLACER COUNTY COUNSEL

This measure, if approved by two-thirds of the voters voting thereon, would authorize the sale of general obligation bonds by the Truckee Donner Recreation and Park District (the "District") in the amount of \$8,520,000 (eight million five hundred twenty thousand dollars). The proceeds of the bonds would be used for the purposes described in the text of Measure J. Principal and interest on the bonds would be paid from a tax levied on the taxable property within the district. The District's best estimate of the tax during the first year following issuance of the bonds, based on estimated assessed valuations available, is 0.688 cents per \$100 (\$6.88 per \$100,000 in fiscal year 2013-14); the best estimate of the highest tax rate that would be required could be 0.699 cents per \$100 (\$6.99 per \$100,000); the best estimate of the average tax rate required during the life of the bonds is 0.691 cents per \$100 (\$6.91 per \$100,000). The tax would be based on the property's assessed value.

A general obligation bond is a form of borrowing commonly used to fund park facilities. By law, local general obligation bonds, financed through an increase in local property taxes, can be used to acquire or improve real property. In order to meet certain accountability requirements, the District has committed to the following:

- appointing a citizen's oversight committee to ensure that the proceeds of the bonds are spent only for the specific authorized purposes and projects;
- using the bond proceeds only for the purposes set forth in the ballot measure;
- to deposit bond proceeds in a separate account;

- to conduct annual, independent financial audits of the expenditure of the bond proceeds until all bond proceeds have been expended;
- the General Manager of the District shall issue an annual report to the District Board containing the amount of funds collected and expended as well as the status of the projects listed in Exhibit A.

The District has confirmed that the proposed bonds would bear interest at a rate not exceeding the statutory limit per annum and the maturity of the bonds will not exceed the statutory maximum.

A "YES" vote on this Measure would authorize the Truckee Donner Recreation and Park District to borrow money through the sale of bonds in an amount not exceeding \$8,520,000.00, such bonds to be repaid by revenue derived from an annual tax levied upon the taxable property within the District.

A "NO" vote on this Measure is a vote against authorizing the sale of bonds by the District.

This analysis is submitted by the Office of the County Counsel of Placer County pursuant to the requirements of Section 9313 of the Elections Code of the State of California

Gerald O. Carden  
County Counsel

By: Brian R. Wirtz  
Deputy County Counsel

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## ARGUMENT IN FAVOR OF MEASURE J

Vote YES on Measure J to put Truckee first and enrich our community with a much needed performing arts center and a new multi-use aquatic facility.

Our natural environment, recreational opportunities and vibrant community help make this a wonderful place to live. Measure J will improve our quality of life, protect our property values and boost our local economy.

Your YES vote is critical. Why?

Measure J will provide:

- Recreational opportunities for families, children and seniors by providing a year-round, more cost-effective energy-efficient pool to replace the current outdated pool
- A performing arts center creating space for film, music, dance, theater and cultural arts not adequately provided in our community
- New after-school programming to keep children and teens active and out of trouble

Fiscal accountability is required:

- All Measure J funds will stay in our community—no funds can be taken away by Sacramento
- Independent citizens' oversight will ensure funds are spent as promised

- Mandatory financial audits and annual reports are required
- No funds can be used for administrators' salaries

Measure J will allow our community the opportunity to seek public and private grant funding to support additional programming in our district. Due to wise fiscal management, Truckee Donner Recreation and Park District will provide a \$7 million contribution, making our local dollars go farther.

Vacation homeowners will pay their fair share and much of the cost to build and maintain these facilities.

Now is the time to invest in our community. Construction costs and interest rates are at an all-time low. Measure J will create local jobs and boost economic activity in Truckee, providing approximately \$2 million in economic benefits to Truckee every year.

Put Truckee first and vote YES on J!

Kevin C. Murphy, TDRPD Board Member  
Steve Randall, TDRPD General Manager  
Robert F. French, Chairman, Performing Arts Commission

Mark Tanner, President, Mark Tanner Construction, Inc.  
Dan Kates, President Truckee Aquatic Coalition

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## ARGUMENT AGAINST MEASURE J

The timing of Measure J couldn't be worse. The Truckee Donner Recreation and Park District should not be asking for more money when they cannot manage their own books. The District has failed their financial audit for the past two years and has turned their bookkeeping over to the Town of Truckee. The District has spent nearly \$400,000 on consultants, surveys, renderings and plans for an Aquatic Center and Performing Arts Center. The Performing Arts Center is not shovel ready and there is controversy within the community on the Performing Arts Center location, true cost and design.

Measure J does not pass the common sense test. The Performing Arts Center is estimated to lose over \$100,000 a year. The proposed Aquatic Center is estimated to lose \$180,700 a year. There are no less

than 11 swimming pools already within the District boundaries.

The Truckee Donner Recreation and Park District is currently paying \$1.7 million per year servicing their loans for the Community Center and the River View Sports Park. This is not the time to be giving the Rec and Park district more public money. They need to clean up their financial situation before they ask the community for more money. Plans need to be generated that the community can support when the economy has significantly improved.

Submitted by  
Truckee Citizens for Responsible Government  
Lynne R. Larson, Chairman

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## REVISED REBUTTAL AGAINST MEASURE J

Statements I made in the argument against Measure J did in fact contain errors and I hereby retract such statements and make the following amendments. (1) I retract the statement that the District cannot manage their own books; (2) The District did **not** fail financial audits two years in a row; and (3) The District partnered

with the Town of Truckee for bookkeeping services to save money and be more efficient.

Lynne R. Larson  
Citizens for responsible government

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## REBUTTAL TO ARGUMENT AGAINST MEASURE J

Don't be misled by the argument against measure J

Here is the truth:

- Truckee Donner Recreation and Park District has an unblemished record of fiscal management and has passed every financial audit.
- Our district is evaluated independently by Standard & Poor's—a respected financial rating agency—and received an "A" rating, one of the strongest for a recreation district in California.
- Due to strong financial management during construction of the Community Center, the District saved over \$7 million which will be used to reduce the cost of Measure J projects for local taxpayers.

Now is precisely the right time to invest in our community and pass Measure J.

- Construction costs are at an all-time low
- Interest rates are at an all-time low

- It costs less to build these facilities now
- Every penny stays right here benefiting local residents

Measure J will spur economic activity in Truckee, which is more important now than ever. Not only will Measure J create local jobs, but it will also create approximately \$2 million of economic activity in our community each year.

An independent citizens' oversight committee and mandatory annual audits will ensure that all funds are spent as promised.

Your YES vote will put Truckee first and give our community the boost it needs.

Measure J is supported by the most respected leaders in our community, including parents, seniors, public safety officers, local business owners and community members.

Put TRUCKEE FIRST and VOTE YES ON J.

Steve Randall, TDRPD General Manager

**RESOLUTION NO. 2012-230**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRUCKEE DONNER RECREATION AND PARK DISTRICT ORDERING AN ELECTION, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS**

**WHEREAS**, the Board of Directors (the "Board") of the Truckee Donner Recreation and Park District (the "District") is authorized to order elections within the District and to designate the specifications thereof, for the purpose of submitting to the electors the question of whether the bonds of the District (the "Bonds") shall be issued and sold consistent with the purposes specified herein, pursuant to Public Resources Code Section 5790;

**WHEREAS**, the Board deems it necessary and advisable to submit a bond measure to the electors that, if approved by the requisite number of electors voting on the measure, would permit the District to issue the Bonds; and

**WHEREAS**, it is desirable that the election to determine whether the Bonds shall be issued and sold be consolidated with such other election or elections as may be held on the same day in the same territory or in territory, that is in part the same.

**NOW, THEREFORE**, the Board of Directors of the Truckee Donner Recreation and Park District does hereby resolve, determine, and order as follows:

**Section 1. Election Order; Ballot Measure.** Pursuant to Public Resources Code Sections 5790 *et seq.*, an election shall be held within the boundaries of the Truckee Donner Recreation and Park District on November 6, 2012, submitting to the voters of the District the question of whether Bonds of the District, in the amount of \$8,520,000 shall be issued and sold for the purposes described herein, including, but not limited to, constructing facilities, including a new performing arts center, a new aquatic center, and additional classrooms at the Community Recreation Center, as well as, converting the old aquatic center into an indoor field house, all as specifically set forth in Exhibit A attached hereto. The Bonds proposed to be issued and sold shall bear interest at a rate not exceeding the statutory limit, and the number of years any Bonds are to run shall not exceed thirty (30) years from the date of the Bonds or the date of any series thereof in the event the Bonds are issued pursuant to Public Resources Code Section 5790.1, and shall not exceed forty (40) years from the date of the Bonds or the date of any series thereof in the event the Bonds are issued pursuant to Government Code Section 53506 and following.

**Section 2. Use of Bond Proceeds, Project Specifications and Audit Requirements.**

(a) Use of Bond Proceeds. Proceeds from the sale of the Bonds may be used only for the purposes specified herein. The District reserves the right not to issue all or a portion of the Bonds if the appropriate governmental approvals are not received for the projects described herein at Exhibit A attached hereto.

(b) Specification of Projects. The specific projects to be funded are listed in Exhibit A.

(c) Performance Audit. The Board shall conduct an annual, independent performance audit to ensure that the Bond funds have been expended only on the specific projects listed.

(d) Financial Audit. The Board shall conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of the proceeds have been expended for the projects.

**Section 3. Government Code Accountability Requirements.** Pursuant to Government Code Sections 53410 and 53411, the District hereby finds or directs that:

(a) the purpose of the Bonds is to fund the facility needs as listed in Exhibit A;

(b) the bond proceeds shall only be used on the projects listed in Exhibit A, along with ancillary costs related thereto;

(c) all proceeds of the Bonds shall be placed in a separate account; and

(d) the General Manager of the District shall issue an annual report to the Board containing the amount of funds collected and expended as well as the status of the projects listed in Exhibit A.

**Section 4. Vote Required.** Pursuant to Section 1 of Article XIII A of the California Constitution, as well as Public Resources Code Section 5790.3, the bond measure shall become effective only upon the affirmative vote of two-thirds (2/3) of those voters voting on the measure.

**Section 5. County Registrar of Voters to Conduct Election.** Pursuant to Elections Code Section 10517, the Nevada County Registrar of Voters (the "Nevada County Registrar of Voters"), in tandem with the Placer County Registrar of Voters (the "Placer County Registrar of Voters"), is hereby requested to take all steps necessary to prepare for and hold the election within the boundaries of the District in accordance with law and these specifications.

**MEASURE J RESOLUTION  
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**MEASURE J RESOLUTION  
CONTINUED**

**Section 6. Consolidation with Other Elections.** Pursuant to Part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the Nevada County Board of Supervisors (the "Nevada County Board of Supervisors"), in coordination with the Placer County Board of Supervisors (the "Placer County Board of Supervisors"), is requested to order consolidation of the bond election with the other elections to be held on the same day in the same territory or in territory that is in part the same.

**Section 7. Canvass of Returns.** The Nevada County Board of Supervisors, in coordination with the Placer County Board of Supervisors, is authorized to canvass the returns of the election pursuant to Section 10411 of the Elections Code.

**Section 8. Services of Registrar of Voters.** Pursuant to Section 10002 of the Elections Code, the Nevada County Board of Supervisors is requested to permit the Nevada County Registrar of Voters, and the Placer County Board of Supervisors is requested to permit the Placer County Registrar of Voters, to render all services incident to the preparation for and holding of the election, for which services the District agrees to reimburse the Nevada County Registrar of Voters and the Placer County Registrar of Voters, respectively, with such services to include the mailing of the sample ballot and tax rate statement pursuant to the terms of Sections 9401 and 13300 of the Elections Code.

**Section 9. Abbreviated Statement of the Bond Measure.** Pursuant to the requirements of Elections Code Sections 9051 and 13247, the abbreviated statement of the bond measure is set forth below. The District hereby requests the Nevada County Registrar of Voters, in coordination with the Placer County Registrar of Voters, to designate the measure on the ballot by a letter printed on the left margin of the square containing the abbreviated statement of the measure as provided in Section 13116 of the Elections Code:

MEASURE J: To improve arts and recreation and create jobs and economic activity in Truckee-Donner by replacing the 40-year old swimming pool with a safe and efficient aquatic center for lessons, lap swimming, senior exercise and therapy programs; providing performing arts center for music, dance, film and other programs, shall Truckee Donner Recreation and Park District issue \$8.52 million in bonds that cannot be taken by the State and require annual audits, independent oversight and no money for administrator salaries?

**Section 10. Full Text of the Measure.** The District hereby requests the Nevada County Registrar of Voters,

in coordination with the Placer County Registrar of Voters, to publish the full text of the measure, which is set forth in Exhibit B, in the ballot pamphlet materials as appropriate.

**Section 11. Specifications of the Election Order.** The foregoing specifications of the election order are made pursuant to Sections 5790 and 5790.1 of the Public Resources Code.

**Section 12. Delivery of Specifications of the Election Order.** The Secretary of the Board is hereby directed to deliver, not later than July 3, 2012 (i.e., 125 days prior to the date set for the election), a copy of this resolution and the tax rate statement to the Nevada County Registrar of Voters and the Placer County Registrar of Voters, and a copy of this resolution to the Nevada County Board of Supervisors and the Placer County Board of Supervisors.

**Section 13. General Authorization with Respect to the Bond Election.** The members of the Board, the Clerk of the Board, the General Manager, and the other officers of the District are hereby authorized and directed, individually and collectively, to do any and all things and to execute, deliver, and perform any and all agreements and documents that they deem necessary or advisable in order to effectuate the purposes of this resolution, including, without limitation, to prepare and submit for inclusion in the voter information pamphlet a tax rate statement and an argument in favor of passage of the ballot measure. All actions heretofore taken by the officers and agents of the District that are in conformity with the purposes and intent of this resolution are hereby ratified, confirmed, and approved in all respects.

**Section 14. Citizens' Oversight Committee.** It is the intent of the Board that a citizens' oversight committee be appointed to ensure that the proceeds of the Bonds are spent only for the specific purposes and projects identified in this resolution. Such committee shall meet no less than once per year. The membership requirements and procedures for such committee shall be established by the Board.

**Section 15. Official Intent to Reimburse Expenditures.**

(a) The District intends to undertake the constructing of facilities as described in Exhibit A (the "Improvements"). The District intends to use the proceeds of its general obligation bonds described in this resolution to finance the Improvements. The District expects to pay certain capital expenditures (the "Reimbursement Expenditures") in connection with the Improvements prior to the issuance by it of the indebtedness for the purpose of financing the costs of the Improvements on a long-term basis. The District reasonably expects that debt obligations in an amount

**MEASURE J RESOLUTION  
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**MEASURE J RESOLUTION  
CONTINUED**

not expected to exceed \$8,520,000 will be issued by it for the purpose of financing the cost of the Improvements on a long-term basis and that certain of the proceeds of such debt obligations will be used to reimburse the District for the Reimbursement Expenditures.

(b) The Board hereby declares the District's official intent to use a portion of the proceeds of the proposed indebtedness to reimburse the District for the Reimbursement Expenditures. The foregoing statement is a declaration of official intent that is made under and only for the purpose of establishing compliance with the requirements of Treasury Regulations Section 1.150-2 and does not separately commit the District to the issuance of any bonds.

**Section 16. Tax Rate Statement.** The Board hereby approves the form of the tax rate statement attached

hereto as Exhibit C and incorporated herein by reference.

**Section 17. Effective Date.** This resolution shall take effect immediately upon its adoption.

**APPROVED, PASSED, AND ADOPTED** on June 18, 2012, by the Truckee Donner Recreation and Park District Board of Directors by the following vote:

- |          |  |
|----------|--|
| AYES:    | Brady, Murphy, Werbel,<br>Monson, York |
| NOES:    | None                                   |
| ABSTAIN: | None                                   |
| ABSENT:  | None                                   |

H. Peter Werbel  
Chairman of the Board of Directors

**ATTEST:**  
John Monson  
Secretary of the Board of Directors

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**EXHIBIT A  
Specific Projects to Be Funded:**

The primary specific projects ("Primary Projects") to be funded with proceeds from bonds authorized by this resolution are as follows:

- Construction of a new performing arts center for music, dance, film and performing arts programs for children, adults and seniors; and
- Construction of energy efficient, year-round aquatic center available for swim lessons, lap swimming, and senior exercise and therapy programs.

To the extent savings are realized from the Primary Projects described above, proceeds of bonds authorized by this resolution are also authorized to fund the following:

- Construction of additional classrooms at the Community Recreation Center; and
- Renovation and conversion of old aquatic center into new indoor field house.

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**EXHIBIT B  
Full Text of the Measure**

Upon the passage of Measure J, the Truckee Donner Recreation and Park District shall be authorized to issue bonds in the aggregate amount of \$8,520,000, bearing interest at rates not exceeding the statutory limit, for the purpose of funding the following projects:

- Construction of a new performing arts center for music, dance, film and performing arts programs for children, adults and seniors; and
- Construction of energy efficient, year-round aquatic center available for swim lessons, lap swimming, and senior exercise and therapy programs.

To the extent savings are realized from the projects described above, proceeds of such bonds are also authorized to fund the following:

- Construction of additional classrooms at the Community Recreation Center; and
- Renovation and conversion of old aquatic center into new indoor field house.

The abbreviated ballot measure shall read as follows:

MEASURE J: To improve arts and recreation and create jobs and economic activity in Truckee-Donner by replacing the 40-year old swimming pool with a safe and efficient aquatic center for lessons, lap swimming, senior exercise and therapy programs; providing performing arts center for music, dance, film and other programs,

**MEASURE J RESOLUTION  
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**MEASURE J RESOLUTION  
CONTINUED**

shall Truckee Donner Recreation and Park District issue \$8.52 million in bonds that cannot be taken by the State and require annual audits, independent oversight and no money for administrator salaries?

Approval of the District's bond measure does not guarantee that the projects that are the subject of the measure will be funded beyond the local revenues generated by the bond measure. The District's proposed projects may assume the receipt of state or other funds, which could be subject to appropriation by

the Legislature or approval of a statewide bond measure.

Additionally, the District's Board of Directors ("Board") will appoint a citizen's oversight committee to ensure that the proceeds of the bonds are spent only for the specific authorized purposes and projects. Such committee shall meet no less than once per year. The membership requirements and procedures for such committee shall be established by the Board.

The District will deposit the proceeds of the bonds in a separate account. The Board is bound to conduct financial and performance audits annually to account for the bond funds and to assure that funds have only been expended on the specific projects authorized.

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**EXHIBIT C  
Tax Rate Statement In Connection With  
Truckee Donner Recreation and Park District**

An election will be held in the Truckee Donner Recreation and Park District (the "District") on November 6, 2012, to authorize the sale of up to \$8,520,000 in bonds of the District to improve arts and recreation, and create local jobs and economic activity, by constructing a center for music, dance, film and performing arts programs, as well as, a year-round aquatic center for children, adults and seniors. If the bonds are approved, the District expects to sell the bonds in one series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the first sale of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is 0.688 cents per \$100 (\$6.88 per \$100,000) of assessed valuation in fiscal year 2013-14.

2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 0.699 cents per \$100 (\$6.99 per \$100,000) of assessed valuation in fiscal years 2021-22.

3. The best estimate of the average tax rate which would be required to be levied to fund this bond issue during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is 0.691 cents per \$100 (\$6.91 per \$100,000) of assessed valuation.

Voters should note that the estimated tax rates are based on the *ASSESSED VALUE* of taxable property on Nevada County's and Placer County's official tax rolls, *not* on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on the need for construction funds and other factors, including the legal limitations on bonds approved by a two-thirds vote. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the Nevada County Assessor and the Placer County Assessor in the annual assessment and the equalization process.

Dated: June 22, 2012

H. Peter Werbel  
Chairman, Board of Directors  
Truckee Donner Recreation and Park District