

FOR PUBLIC REVIEW

9-24-07
JWC

Fiscal Impact Statement by District Finance Manager
Measure A

Measure A authorizes a special tax based on lot size and development status for Community Facilities District No. 2007-1 (Cement Hill) (the "CFD") with voter approval by two-thirds of the votes cast. The proceeds of the special tax will pay the principal and interest on debt to be incurred in an amount not to exceed \$14.8 million to finance the construction of treated water facilities and related expenses thereto over a period not to exceed 25 years. Measure A also authorizes an appropriations limit equal to \$470,000 for Fiscal Year 2008/09.

Table 1, which was prepared by Nevada Irrigation District's ("NID") special tax consultant, presents the Annual Special Tax.

The Annual Special Tax

To provide the lender with necessary security, the annual special tax shown in Table 1 includes annual debt service and administrative expenses as well as some coverage for delinquencies or other unexpected costs. There is also a contingency for parcels created by lot-splits or subdivisions after the CFD has been formed. Additionally, property owners will be given the opportunity to enter into an agreement with NID to finance the connection fees, and this will increase their annual special tax amount.

Table 1
Annual Special Tax

Lot Size & Development Status	Assigned Special Tax without Connection Fees	Assigned Special Tax with Connection Fees	Assigned Special Tax with Connection Fees for Annexation Property
≤ 10,000 Sq Ft & Undeveloped Property	\$0.00 per Assessor's Parcel	\$0.00 per Assessor's Parcel	\$0.00 per Assessor's Parcel
≤ 10,000 Sq Ft & Developed Property	\$1,385.00 per Assessor's Parcel	\$1,875.18 per Assessor's Parcel	\$2,019.72 per Assessor's Parcel
> 10,000 Sq Ft & Undeveloped Property OR Developed Property	\$1,385.00 per Assessor's Parcel	\$1,875.18 per Assessor's Parcel	\$2,019.72 per Assessor's Parcel

The Debt

A maximum debt of \$14.8 million with interest assumed at 2.2836% could be financed by the special tax levies shown here in, over the next 25 years. It is possible that the debt to be incurred could be less than the maximum of \$14.8 million authorized by this measure. The actual amount of debt will be established once a satisfactory project construction bid has been received by NID, with the present schedule calling for receipt of bids in March 2010.

Based on the maximum expected debt size and current lot sizes and development status, the majority of property owners will pay \$1,385.00, or \$1,875.18 if they elect to finance the connection fees.