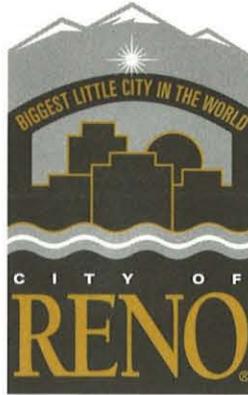


Robert A. Cashell, Sr.
Mayor

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*"The most livable of Nevada cities;
the focus of culture, commerce and
tourism in northern Nevada."*

September 29, 2010

The Honorable Kathleen Sebelius, Secretary
U.S. Department of Health and Human Services
200 Independence Ave., SW
Washington, DC 20201

Dear Secretary Sebelius:

The City of Reno is pleased to be accepted into the Department of Health and Human Services Early Retiree Reinsurance Program (ERRP). The initiative will allow us to continue to provide health care benefits to our retirees at a time when our local budget has been stretched to its limits.

The Reno community and the State of Nevada are currently experiencing unprecedented economic hardship, considerably more so than the nation as a whole. Job losses and home foreclosures are straining families, and the City does not anticipate a reversal of sinking revenues anytime soon. In the past year, the City of Reno alone has had to lay-off over 200 employees in a variety of departments, including police and fire, and city services have been impacted.

The ERRP will be extremely important to the City as we struggle to meet obligations to our current employees and retirees. Health care costs constitute a considerable piece of the benefits we provide, and the ERRP will help to allow us to continue to provide these important benefits even in these most difficult times.

The City of Reno values the contributions that our employees provide, and the ERRP will be a vital piece for keeping commitments to them while continuing to provide equally important City services to our residents. We strongly support the ERRP and thank HHS for its swift administration of this important program.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Cashell, Sr.", written in a cursive style.

Robert A. Cashell, Sr.
Mayor