

CARSON CITY DEBT MANAGEMENT COMMISSION

Minutes of the August 20, 2007

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A regularly scheduled meeting of the Carson City Debt Management Commission was held on Monday, August 20, 2007, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 4 p.m.

PRESENT: Chairperson Tracy Raxter, Vice Chairperson Ken Brown, and Commissioners Don Hataway, Joe Enge, and Richard S. Staub

STAFF PRESENT: Finance Director Sue Johnson, Deputy District Attorney Joel Benton, Senior Accounting Manager Nick Providenti, and Recording Secretary Katherine McLaughlin (DMC 7/20/08 Recording 4:01:00)

OTHERS PRESENT: Carson City School District Superintendent Mary Pierczynski; Fiscal Services Director Bob Anderson, and Operations Director Mike Mitchell

1. CALL TO ORDER, ROLL CALL, AND DETERMINATION OF A QUORUM - Chairperson Raxter convened the meeting at 4 p.m. Roll call was taken. The entire Commission was present, constituting a quorum.

2. DISCUSSION AND ACTION TO APPROVE THE FEBRUARY 26, 2007, MINUTES (4:02:09) - Commissioner Hataway moved to approve the Minutes as prepared. Commissioner Enge seconded the motion. Motion carried 5-0.

3. DISCUSSION AND ACTION ON MUNICIPALITIES ANNUAL REPORT, STATEMENT OF DEBT MANAGEMENT POLICY, PLAN FOR CAPITAL IMPROVEMENT AND UPDATE OF INFORMATION AS REQUIRED IN NRS 350.013 FOR:

A. CARSON WATER SUBCONSERVANCY DISTRICT - Chairperson Raxter noted the report included a statement that there is no outstanding General Obligation Debt and none is proposed to be issued in the next five years. Comments were solicited but none were given. Commissioner Enge moved to approve the report. Commissioner Staub seconded the motion. Motion carried 5-0.

B. NEVADA COMMISSION TO RECONSTRUCT THE V&T RAILWAY AND C. CARSON CITY (4:04:47) - Senior Accounting Manager Nick Providenti gave an overview of both reports as the Railway's report is part of the City's report. The Railway's medium term note and its purpose were limned. There are no plans at this time for any additional indebtedness. The approved/issued City and Convention and Visitors Bureau bonds; the sewer, wastewater, and water bonds expansion projects and projected construction dates were described. The timing and funding for their future projects were questioned. Their reserves were noted. General Obligation Bonds for the Sheriff's Administration Building was limned. No additional bonds are proposed for this fund in the next five years. The bonds issued for the Quality of Life projects were noted. The uncertainty regarding issuing \$3.5 million in bonds for a recreation center was due to the Legislature's failure to match the funding for the proposed City-College joint use facility. This bond proposal has a 3-year life which can be extended an

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additional 18 months. The three-year period expires in March 2008. The Commission will consider the extension if it is requested. Page 24 of the report summarizes all of the projects that may come to the Commission in the future if bonds are requested. Page 25 shows the legal debt margin. The City is within its legal debt limit. Discussion explained the working capital that had been used for various sewer and water projects, justified its use, and described the revenue coverage for the bonds. Comments also noted that the City Manager and Finance Director had suggested to the Airport Authority that some of its funding be used for a bond issue to assist with its master plan projects. If the Authority agrees, the funding request will be submitted to the Board of Supervisors who will pass it on to the Commission. Additional discussion was solicited but none given. Commissioner Hataway moved that the report be accepted for Carson City which includes the Reconstruction of the V&T Railroad. Commissioner Staub seconded the motion. Motion carried 5-0.

D. CARSON CITY AIRPORT (4:17:00) - Commissioner Staub noted the letter from Airport Manager Yvon Weaver dated June 16, 2007. It indicated that the Authority does not have and does not anticipate having any long term obligations. He advised that representation, as indicated in the previous item's discussion, could change in the next 12 months. Additional discussion was solicited but none was given. Commissioner Staub moved to approve the Carson City Airport Authority's letter dated June 16, 2007. Commissioners Enge and Hataway seconded the motion. Motion carried 5-0.

E. CARSON CITY SCHOOL DISTRICT (4:18:10) - Fiscal Services Director Bob Anderson noted the recently issued, voter approved \$25 million bond issue. There are no plans to issue additional bonds at this time. He introduced Superintendent Mary Pierczynski and Director of Operations Mike Mitchell. Discussion between Mr. Anderson and Chairperson Raxter explained the differences between Pages 2 and 3 as being the estimated and actual bond payment. Only one payment was made during the 2007 fiscal year on that issue. Discussion also clarified the fluctuation in the debt service fund as indicated in a footnote. Mr. Anderson felt that, as no additional bonds are to be issued until after 2011 and the older bonds will be paid off by then, the optimum 100 percent range should be reached in four years. Additional comments were solicited but none were given. Commissioner Enge moved to approve. Commissioner Hataway seconded the motion. Motion carried 5-0.

F. CARSON CITY CONVENTION AND VISITORS BUREAU (4:23:22) - Chairperson Raxter noted that the Bureau does not have any debt and does not plan to issue any debt for the next five years. Commissioner Staub moved to accept the report. Commissioner Brown seconded the motion. Motion carried 5-0.

4. DISCUSSION AND ACTION TO SPECIFY PERCENTAGE OF LIMITATION ON TOTAL AD VALOREM TAX LEVY AS REQUIRED BY NRS 350.0155 (4:24:14) - Chairperson Raxter pointed out that the limit had been maintained at the current 90% level for several years. Commissioner Hataway moved to approve pursuant to NRS 350.0155 Sub 1 that the Commission continue the 90% level. Commissioner Staub seconded the motion. Discussion between Chairperson Raxter and Mr. Providenti indicated that the 90% level is above the current tax rate. Motion to approve the percentage 0limitation at 90% was voted and carried 5-0.

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5. DISCUSSION AND ACTION ON ESTABLISHING PRIORITIES AMONG ESSENTIAL AND NONESSENTIAL FACILITIES AND SERVICES AS REQUIRED BY NRS 350.0155

(4:25:37) - Chairperson Raxter explained last year's Commission's action to establish public safety, education, and health as the priorities. No prioritization of the grouping was made. Discussion was solicited but none given. It was felt that action was not required to prioritize the groupings until the 90% level established by the previous item is reached. Commissioner Enge moved to continue the priorities as public safety, education, and health as essential and all other facilities and services as nonessential. Commissioner Brown seconded the motion. Motion carried 5-0.

Following a suggestion to request public comments for the record, even though no one was present except the indicated staff and Commissioners, Chairperson Raxter opened public comments on Items 3, 4, and 5. None were given. Chairperson Raxter then closed public comments.

6. DISCUSSION AND ACTION TO SELECT FEBRUARY MEETING DATE AND TIME

(4:28:13) - Discussion noted the Commission's normal practice to meet on Mondays. The February meeting is normally held during the lunch hour. Consensus supported continuing the practice and selected Monday, February 11, as the meeting date. Recording Secretary McLaughlin was directed to find a location. Commissioner Hataway moved to schedule the meeting on Monday, February 11, at 12:15 p.m. Commissioner Brown seconded the motion. Motion carried 5-0.

7. CITIZEN COMMENTS (4:29:47) - None.

8. COMMISSIONER COMMENTS (4:30:10) - None.

9. ACTION TO ADJOURN (4:30:41) - Commissioner Staub moved to adjourn. Commissioner Brown seconded the motion. Motion carried 5-0. Chairperson Raxter adjourned the meeting at 4:31 p.m.

The Minutes of the August 20, 2007, Carson City Debt Management Commission meeting

ARE SO APPROVED ON February 11, 2008.

/s/
Tracy Raxter, Chairperson