A regularly scheduled meeting of the Carson City Debt Management Commission was held on Monday, February 28, 2000, at the Community Center Bonanza Room, 851 East William Street, Carson City, Nevada, beginning at 5:15 p.m.

PRESENT: Chairperson Larry Osborne, Vice Chairperson Robert Taylor, and Commissioners Pete Livermore, John McKenna, and Tracy Raxter

STAFF PRESENT: Finance Director David Heath and Recording Secretary Katherine McLaughlin (D.M.C. 2/28/00 Tape 1-0001.5)

1. CALL TO ORDER, ROLL CALL AND DETERMINATION OF A QUORUM - Chairperson Osborne convened the meeting at 5:15 p.m. Roll call was taken. The entire Commission was present constituting a quorum.

2. DISCUSSION AND ACTION ON THE SELECTION OF A CHAIRPERSON AND A VICE CHAIRPERSON (1-0014.5) - Commissioner Livermore moved to reappoint Chair-person Osborne and Vice Chairperson Taylor. Commissioner Raxter seconded the motion. Motion carried unanimously.

3. ACTION ON APPROVAL OF MINUTES - JULY 19, 1999 (1-0042.5) - Commissioner McKenna moved to approve the Minutes. Vice Chairperson Taylor seconded the motion. Motion carried 5-0.

4. DISCUSSION AND ACTION ON ASSEMBLY BILL NO. 299 - AN ACT RELATING TO MUNICIPAL OBLIGATIONS; REQUIRING THE GOVERNING BODY OF A LOCAL GOVERNMENT THAT AUTHORIZES A MEDIUM-TERM OBLIGATION TO INCLUDE CERTAIN INFORMATION IN THE RESOLUTION AUTHORIZING THE OBLIGATION AND TO AMEND ITS PLAN FOR CAPITAL IMPROVEMENT UNDER CERTAIN CIRCUMSTANCES; ELIMINATING THE EXCEPTION FOR MEDIUM-TERM OBLIGATIONS FROM THE LIMITATION ON THE AMOUNT THAT CERTAIN LOCAL GOVERNMENTS MAY RECEIVE FROM TAXES AD VALOREM; RATIFYING THE APPROVAL OF THE ISSUANCE OF CERTAIN MEDIUM-TERM OBLIGATIONS BY THE BOARD OF TRUSTEES OF THE PAHRUMP COMMUNITY LIBRARY DISTRICT; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO (1-0050.5) - Chairperson Osborne began the discussion by explaining the Commission's direction at its July meeting and his reasons for agendizing the remaining items. Mr. Heath highlighted the Bill. The bill does not pose a major impact on Carson City at this time. Medium-term obligations had been used to purchase the City Hall. Comments indicated that the Bill allowed public notice to be given on medium-term debt and provided a truer picture of the community's overall debt. No formal action was required or taken.

5. DISCUSSION AND ACTION ON SENATE BILL NO. 433 - AN ACT RELATING TO LOCAL GOVERNMENT FINANCE; REQUIRING EACH LOCAL GOVERNMENT TO PREPARE A CAPITAL IMPROVEMENT PLAN; AUTHORIZING LOCAL GOVERNMENTS TO ENTER INTO CONTRACTS FOR THE CONSTRUCTION OR COMPLETION OF CERTAIN PUBLIC WORKS BEFORE THE ISSUANCE OF BONDS OR MEDIUM-TERM OBLIGATIONS UNDER CERTAIN CIRCUMSTANCES; AUTHORIZING COUNTIES TO ACQUIRE SECURITIES ISSUED BY MUNICIPALITIES WITHIN THOSE COUNTIES THAT ARE ISSUED FOR INFRASTRUCTURE PROJECTS UNDER CERTAIN CIRCUMSTANCES; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO (1-0128.5) - Mr. Heath highlighted this Bill. Comments noted that the Hospital had failed to submit its report during the July meeting. The Hospital is planning to issue a $10 million bond later this year at which time the Commission could discuss the issue with the representatives. Commissioner Livermore explained that he serves as the Board of Supervisors representative to the Hospital Board and described its capital improvement projects. It may not be necessary to use bonds to do these projects. Chairperson Osborne explained the statutory requirement that bonded indebtedness plans be submitted to the Commission annually and the Hospital's feeling that its uniqueness did not require it to submit this document. A District Attorney's opinion had been requested. It indicates that the Hospital must comply with this Statute. Until these documents are submitted, the Commission could refuse to approve any bond requests. Commissioner Livermore felt that the Commission should review such public records. Commissioner McKenna explained that the wish to review revenue backed bonds is based on the fiscal impact these bonds would have on the community if their revenue sources are removed. This could happen if growth stops and the economy takes a down turn which would force a tax increase to meet the bond payment. The District Attorney's opinion had been given to the Hospital administrators. Commissioner Livermore indicated he would follow-up on it. No formal action was required or taken on this item.

6. DISCUSSION AND ACTION REGARDING THE REQUIREMENTS OF ASSEMBLY BILL NO. 486 REQUIRING BUSINESS IMPACT STATEMENTS (1-0334.5) - Chairperson Osborne highlighted the Bill and its purpose. The Local Finance Committee is attempting to establish guidelines for the Bill. Once these are approved, the Department of Taxation will distributed it to all of the governmental entities and agencies within the State. A finding will not be required for any electorate approved items. Chairperson Osborne volunteered to provide copies of the guidelines to Mr. Heath for distribution to the Commissioners. Another guideline will allow the use of blanket impact statements when items are considered by the entity rather than as each issue is considered. Clarification indicated that the impact is to determine both financial and regulatory issues. Chairperson Osborne did not feel that the impact of Costco on the adjacent RV park was included in the guidelines. Discussion noted the examples included in Mr. Swendseid's letter on this topic. (A copy is included in the file.) Chairperson Osborne indicated that this is the reason guidelines had been developed. Las Vegas purportedly supported the requirement as it requires discussion with the impacted firms. The guidelines include sample forms and the process for appealing. The local governing body will make a ruling on the appeal. The chambers of commerce, the Nevada Taxpayers Association, and the local private sector will have to police it. Commissioner Livermore urged the City Manager, Community Development, or the Planning Commission to develop guidelines to avoid the embarrassment created by failing to consider all impacts. Chairperson Osborne indicated that there had been meetings with the various City Department Heads and the City Manager regarding developing guidelines. He was unsure as to the Commission's role in this process but encouraged the Commission to be cognizant of the need to consider the impact when considering bonds. Vice Chairperson Taylor felt that the impact should be considered long before the issue is brought to the Commission. No formal action was taken or required.

7. DISCUSSION AND ACTION ON SENATE BILL NO. 470 - AN ACT RELATING TO DEBT MANAGEMENT COMMISSIONS; AUTHORIZING THE PROVISION OF STAFF OR TECHNICAL ASSISTANCE TO THE COMMISSIONS; ESTABLISHING CERTAIN QUALIFICATIONS FOR MEMBERS OF THE COMMISSIONS; PROVIDING FOR THE REMOVAL OF MEMBERS OF THE COMMISSIONS IN CERTAIN CIRCUMSTANCES; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO (1-0664.5) - Mr. Heath highlighted this Bill. Discussion indicated that all of the necessary information had been provided to the Commission in the past. Mr. Heath expressed his intent to continue to provide the necessary information in the future. Discussion also pointed out the membership requirements for Commissions serving a community with a population base over 50,000 and indicated that the Commissioners complied with these requirements. No formal action was required or taken on this item.

8. DISCUSSION AND ACTION ON THE NEVADA DEPARTMENT OF TAXATION, LOCAL GOVERNMENT FINANCE SECTION'S NEVADA COUNTY ANALYSIS OF POPULATION CHANGES, TAXABLE SALES, ASSESSED VALUATION, AND NET PROCEEDS OF MINERALS REPORT (1-0740.5) - Discussion indicated the Commission's desire to continue receiving this report and described how the Commissioners had used/viewed the information. The Commission asked that this report be provided for its February meetings. No formal action was taken or required on this item.

9. DISCUSSION AND ACTION ON THE NEVADA DEPARTMENT OF TAXATION'S ANNUAL LOCAL GOVERNMENT INDEBTEDNESS REPORT AS OF JUNE 30, 1999 (1-0920.5) - Comments also supported continuing to receive this report. Mr. Heath pointed out that the City as a consolidated municipality had several services which other Cities/Counties do not have. This makes it difficult to compare the City with other entities. He suggested that his staff develop an analysis based on per capita on how the City relates to others. Discussion noted the School District's and the City's legal bond limits. The Commission asked that this report also be provided for its February meetings. No formal action was required or taken on this item.

10. DISCUSSION AND POSSIBLE ACTION SCHEDULING THE JULY AND ANY SPECIAL MEETING DATES, TIME, AND ESTABLISHING AGENDA ITEMS (1-1035.5) - Discussion indicated that the Hospital report should be submitted for the July meeting. Mr. Heath indicated he would attempt to provide the Hospital's long-term capital improvement plan to the Commission within the next few weeks. Following discussion on various dates and meeting times, July 24 at 5:15 p.m. was selected. Discussion also indicated that there may be a special meeting in June to consider a ballot question for the School District. A date was not selected for this meeting. No formal action was taken or required.

11. CITIZEN COMMENTS (1-1182.5) - Commission discussion indicated that the annual property assessments are always one year behind and explained the purpose of the 253 Taxation Committee and its study on the depreciation value of fixed assets for personal property. A recommendation on this issue has not yet been developed and may be delayed due to the complexity of the issue. As the City is below its cap, this issue had not been considered as a concern. Discussion noted the impact mining had on some Counties and re-enforced the need to be economically diversified.

12. ADJOURNMENT (1-1285.5) - Commissioner McKenna moved to adjourn. Commissioner Livermore seconded the motion. Motion carried 5-0. Chairperson Osborne adjourned the meeting at 6 p.m.

A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape is available for review and inspection during normal business hours.

The Minutes of the February 28, 2000, Carson City Debt Management Commission meeting

ARE SO APPROVED ON___May_15_______, 2000.

_/s/_____________________________________
Larry Osborne, Chairperson