

**WASHOE COUNTY DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA**

FRIDAY

11:00 A.M.

AUGUST 12, 2016

PRESENT:

Bob Lucey, Washoe County Commissioner, Chairperson

Naomi Duerr, Reno City Council, Vice Chairperson*

Sandra Ainsworth, GID Representative, Member

Geno Martini, Sparks City Mayor, Member

Michelle Salazar, At-Large Member

Bob Kirtley, At-Large Member

Nancy Parent, County Clerk

Dania Reid, Legal Counsel

ABSENT:

Veronica Frenkel, Washoe County School District

The Washoe County Debt Management Commission convened at 11:00 a.m. in the Washoe County Caucus Room, Administrative Complex, 1001 East Ninth Street, Reno, Nevada, in full conformity with the law, with Chairperson Lucey presiding. Following the Pledge of Allegiance to the flag of our Country, the Clerk called the roll and the Board conducted the following business:

16-009DMC AGENDA ITEM 4 Public Comment.

Jeff Church stated he ran a website called renopublicsafety.org. He said he tried to be a watchdog over government spending, especially as it related to public safety. He indicated he was also interested in issues involving the Washoe County School Board. He talked about a \$35 million bond that was the result of Senate Bill 207 (SB207) and he asked the Commission to look into the issue because he did not know what happened to the money. He stated the Washoe County School District (WCSD) Oversight Panel voted to bond the money in December of 2015; however, the WCSD was claiming they needed money for school repairs. He thought the WCSD was sitting on the money for political reasons. He stated the very same individuals who sat on the Oversight Panel also sat on the Capital Funding Protection Committee, which resulted in waste, fraud and abuse. He submitted a handout, which was placed on file with the Clerk.

16-010DMC AGENDA ITEM 5 Approval of the minutes for the DMC quarterly meeting of May 13, 2016.

On motion by Member Ainsworth, seconded by Member Kirtley, which motion duly carried with Members Duerr and Frenkel absent, it was ordered that Agenda Item 5 be approved.

16-011DMC **AGENDA ITEM 6** Discussion and action to establish priorities among essential and nonessential facilities and services pursuant to NRS 350.0155(2) that shall be considered by the Debt Management Commission if the statutory ceiling established by the Debt Management Commission for the combined tax rate in any of the overlapping entities within the county is exceeded by a proposed debt or a special elective tax and compare that public need to other public needs that appear on certain filed statements of current and contemplated debt.

Mark Mathers, Washoe County Budget Manager, explained the Debt Management Commission (DMC) was tasked with taking two actions during its annual meeting in August. The first action was to set priorities among essential and nonessential facilities and services, and the second action was to set a threshold at which the previously set priorities would come into play. He provided an example by explaining if the County was below its maximum statutory property tax cap, the DMC would need to set a threshold based on a percentage of the maximum cap. It would evaluate any local government proposals for general obligation measures which were required to be paid by property taxes. He explained if, for example, the property tax cap was set at \$3 rather than \$3.64, any general obligation bond measure that went above the \$3 rate would have to be assessed and weighed against other possible uses. He stated Washoe County was currently at the maximum statutory tax cap, so no local government would be able to present a general obligation measure to raise the property tax rate. Nevertheless, State law required the DMC to take action to set its priorities on essential and nonessential facilities. He stated the agenda item was a replication of what had been done in prior years when public safety, health and education facilities were given equal priority as essential facilities and all other nonessential facilities and services were given equal priority in the second category.

Chair Lucey stated the item seemed to be a housekeeping issue.

***11:07 a.m.** Member Duerr arrived.

On motion by Member Martini, seconded by Member Ainsworth, which motion duly carried with Member Frenkel absent, it was ordered to approve the recommendation to establish the proposed public safety, health and education facilities as essential, all having priority; and to establish all other facilities and services as nonessential.

16-012DMC **AGENDA ITEM 7** Discussion and action to specify a threshold percentage of the statutory ceiling for the combined tax rate in any of the overlapping entities within the county, which if exceeded, permits the Debt Management Commission to inquire into the public need to be served by proposed debt or a special elective tax based on established priorities among essential and non-essential facilities and services and

compare that public need to other public needs that appear on certain filed statements of current and contemplated debt.

On motion by Member Martini, seconded by Member Ainsworth, which motion duly carried with Member Frenkel absent, it was ordered to approve the recommendation to set the threshold percentage at 90 percent.

16-013DMC AGENDA ITEM 8 Review and accept the following 2016 Annual Reports from all Washoe County political subdivisions: (a) Debt Management Plan (b) Indebtedness Reports (c) Capital Improvement Plans.

Chair Lucey asked if there were any questions or if anyone desired a presentation; hearing no such requests he asked for a motion to accept the reports.

On motion by Member Duerr, seconded by Member Ainsworth, which motion duly carried with Member Frenkel absent, it was ordered to accept the 2016 Annual Reports from all Washoe County political subdivisions including their Debt Management Plans, Indebtedness Reports and Capital Improvement Plans.

16-014DMC AGENDA ITEM 9 Set Dates/Times for DMC Meetings for 2016/17. Suggested dates are set forth below and the suggested time for the meetings is 11:00 a.m.: Friday, November 18, 2016; Friday, February 17, 2017; Friday, May 19, 2017; Friday, August 18, 2017.

Chair Lucey asked if the proposed dates would work for all of the Commission members. Member Duerr stated she was considering attending the National League of Cities on November 17th and 18th, which might create a conflict for her.

Chair Lucey suggested the Commission to move forward to tentatively accept the proposed dates. He directed Clerk's Office staff to poll the members as the dates got closer to confirm their availability. He did not think there would be anything significant on the horizon to discuss, so there was a possibility that some meetings would be cancelled.

On motion by Member Martini, seconded by Member Duerr, which motion duly carried with Member Frenkel absent, it was ordered to tentatively accept the dates and times set forth.

16-015DMC AGENDA ITEM 10 Member Comments.

Member Kirtley stated some requirements had been issued by the United States Department of Labor Wage and Hour Division (WHD) regarding overtime payments to employees who held administrative positions, positions in higher education or in municipal offices. He wanted to know if either the Washoe County School District

(WCSD) or the cities expected this action to impact their projections for future wages. He said he suspected a number of Washoe County employees would become eligible for overtime pay.

Chair Lucey asked Member Kirtley if he had more information about this issue. Member Kirtley provided a document which was distributed to the Commission members and placed on file with the Clerk. Chair Lucey stated the issue could be brought back to the Commission on a future agenda for discussion as to whether or not there would be an impact to the various entities.

Member Duerr wondered if the City of Reno's bond refinancing efforts would need to be considered by the Debt Management Commission (DMC). Robert Chisel, City of Reno's Director of Finance and Administration, responded the City of Reno did was not required to take the issue to the DMC.

16-016DMC AGENDA ITEM 11 Public Comments.

There was no response to the call for public comment.

* * * * *

11:15 a.m. There being no further business to discuss, on motion by Member Ainsworth, seconded by Member Duerr, which motion duly carried with Member Frenkel absent, the meeting was adjourned.

BOB LUCEY, Chairperson
Debt Management Commission

ATTEST:

NANCY PARENT, County Clerk and
Ex Officio Secretary,
Debt Management Commission

*Minutes Prepared by:
Cathy Smith, Deputy County Clerk*