

DEBT MANAGEMENT COMMISSION, WASHOE COUNTY, NEVADA

FRIDAY

3:00 P.M.

NOVEMBER 14, 2008

PRESENT:

Jonnie Pullman, Washoe County School District, Chairperson

Robert Wolf, Member At Large, Vice Chairman

James Ainsworth, GID Representative, Commissioner

Jim Galloway, Washoe County Commissioner

Dan Gustin, Reno City Councilmember, Commissioner

Geno Martini, Sparks City Mayor, Commissioner

Amy Harvey, County Clerk

Paul Lipparelli, Deputy District Attorney

ABSENT:

Richard Pugh, Member At Large, Commissioner

The Washoe County Debt Management Commission (DMC) convened at 3:02 p.m. in the Washoe County Commissioner's Chambers, Administration Complex, 1001 East Ninth Street, Reno, Nevada, in full conformity with the law, with Chairperson Pullman presiding. Following the Pledge of Allegiance to the flag of our Country, the Clerk called the roll and the Board conducted the following business:

08-24DMC AGENDA ITEM 4 – OATH OF OFFICE

Agenda Subject: "Oath of Office."

Deputy District Attorney Paul Lipparelli explained that Reno City Councilmember Gustin began a new term as of the last meeting and needed to be sworn in as a precaution. County Clerk Amy Harvey administered the Oath of Office, which was placed on file with the Clerk.

08-25DMC AGENDA ITEM 5

Agenda Subject: "Approval of Agenda."

On motion by Commissioner Galloway, seconded by Commissioner Ainsworth, which motion duly carried on a 6-0 vote with Commissioner Pugh absent, Chairman Pullman ordered that the agenda for the meeting of November 14, 2008 be approved.

08-26DMC AGENDA ITEM 6

Agenda Subject: "Public Comments."

Commissioner Galloway congratulated Commissioner Pugh, who was absent because he was celebrating his 50th wedding anniversary.

08-27DMC AGENDA ITEM 7

Agenda Subject: “Approval of the minutes of the August 15, 2008 meeting.”

On motion by Commissioner Martini, seconded by Commissioner Galloway, which motion duly carried on a 6-0 vote with Commissioner Pugh absent, Chairman Pullman ordered that Agenda Item 7 be approved.

08-28DMC AGENDA ITEM 8

Agenda Subject: “Discussion and possible action on a Resolution concerning the submission to the Washoe County Debt Management Commission of a proposal to issue Washoe County, Nevada, General Obligation Building Bonds (additionally secured by pledged revenues) in the maximum principal amount of \$10,000,000; concerning action taken thereon by the Commission; and approving certain details in connection therewith.”

John Sherman, Washoe County Director of Finance, explained the Resolution was necessary as part of a funding package to construct a new Sparks Justice Court facility. He indicated there were a number of layers to the financing, but it was hoped construction would begin the following spring if approved. He reviewed information provided in the bond proposal packet, which was placed on file with the Clerk. He recommended the Commission discuss the tax rate impact and disclosed the County was at its tax cap limit, primarily in the Palomino Valley General Improvement District. He said he was confident there was more than sufficient revenue in the General fund, but pointed out the County would have to increase the debt rate and lower the operating rate in the unlikely event that there was insufficient revenues to pay the debt.

Based on the assumption of no growth in consolidated tax revenues provided on page 8 of the proposal and the current state of the economy, Commissioner Martini questioned whether everything would work out. Mr. Sherman indicated it would. He stated there was an assumption of a 7 percent reduction in consolidated tax revenues for the current fiscal year, but even if revenues were reduced by 10 percent, there would be a debt coverage ratio of about 1.8, which still met pledged revenue requirements.

Commissioner Galloway recalled the Commission had approved a proposal in some years past that had a debt coverage ratio of only 1.21, although he had objected at the time. Mr. Sherman clarified the County’s General Fund would have to cover the difference if sales tax revenues were to fall even farther. He explained some of the rules governing pledged revenues.

Commissioner Ainsworth pointed out an error on page 4 of the Resolution, which needed to be corrected to show Commissioner Ainsworth's name on the signature page rather than former Commissioner Steve Cohen's name. Mr. Sherman indicated the page would be corrected in the official record.

On motion by Commissioner Ainsworth, seconded by Commissioner Wolf, which motion duly carried on a 6-0 vote with Commissioner Pugh absent, Chairperson Pullman ordered that the Resolution in Agenda Item 8 be adopted and approved subject to correction of the signature page on page 4 of the Resolution. The Resolution for same is attached hereto and made a part of the minutes thereof.

08-29DMC AGENDA ITEM 9

Agenda Subject: "Member comments."

Commissioners Wolf, Galloway, Pullman and Ainsworth indicated this would be their last meeting and thanked the other members of the Debt Management Commission.

08-30DMC AGENDA ITEM 9

Agenda Subject: "Public comments."

There was no response to the call for public comment.

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3:19 p.m. There being no further business to come before the Board, the meeting was adjourned.

JONNIE PULLMAN, Chairperson
Debt Management Commission

ATTEST:

AMY HARVEY, County Clerk
and Ex Officio Secretary,
Debt Management Commission

Minutes Prepared by: Lisa McNeill, Deputy County Clerk