MINUTES OF THE CHURCHILL COUNTY DEBT MANAGEMENT COMMISSION

155 N. Taylor St., Fallon, NV 89406
August 15, 2024

Call to Order:

The regular meeting of the Debt Management Commission was called to order at 3:00 PM on August 15, 2024.

PRESENT:	Member Lynn Pearce, Chair
	Member Mike Berney
	Member Cynthia McGarrah
	Member Paul Harmon
	Member Gregg Malkovich
	Churchill County Comptroller Sherry Wideman
	City of Fallon Clerk/Treasurer Michael O'Neill
	CCSD Comptroller Christi Fielding
	Deputy Clerk of the Board Pamela D. Moore
	Deputy Clerk Crystal Muschetto
ABSENT:	Commissioner Harry Scharmann
	Member Alan Kalt

Pledge of Allegiance:

The Pledge of Allegiance was recited by the board and public.

Public Comment:

Chair Pearce asked if there was any public comment but there was none.

Verification of the Posting of the Agenda:

It was verified by Pamela D. Moore, Deputy Clerk of the Board, that the Agenda for this meeting was posted on the 12th day of August, 2024, between the hours of 8:00 and 9:00 AM at all of the locations listed on the Agenda, in accordance with NRS 241.

Consideration and possible action re: Approval of Agenda as submitted or revised:

Member Paul Harmon made a motion to approve the Agenda as submitted. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Approval of Minutes of the meeting held on:

A- February 9, 2024.
The Minutes of the meeting held on February 9, 2024 are presented for the board's consideration and approval.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:

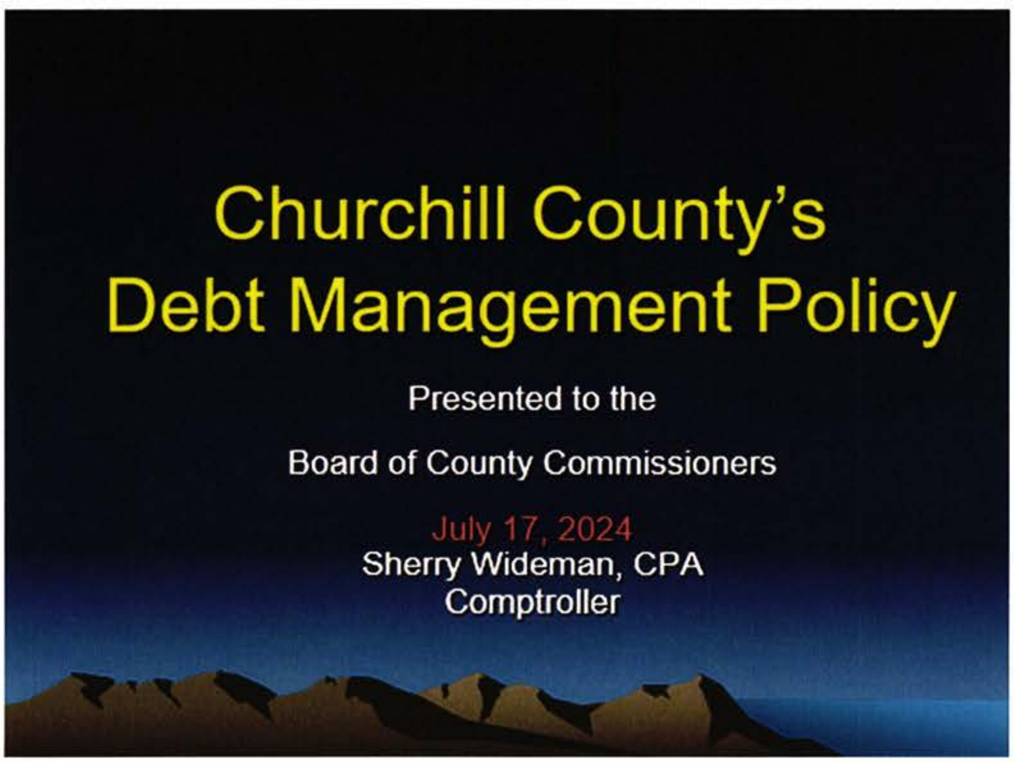
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

Member Mike Berney made a motion to approve the Minutes of the meeting held on February 9, 2024 as presented. Member Gregg Malkovich seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Submission of Debt Management Plans/Reports as required by NRS 350.0035:

A- Consideration and possible action re: Submission of Churchill County's Debt Management Policy, Indebtedness Report, and 5-Year Capital Improvement Plan.
The Churchill county Debt Management Policy, Indebtedness Report, and 5-Year Capital Improvement Plan are presented for the board's review and acceptance.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

Churchill County Comptroller Wideman had the following PowerPoint presentation:



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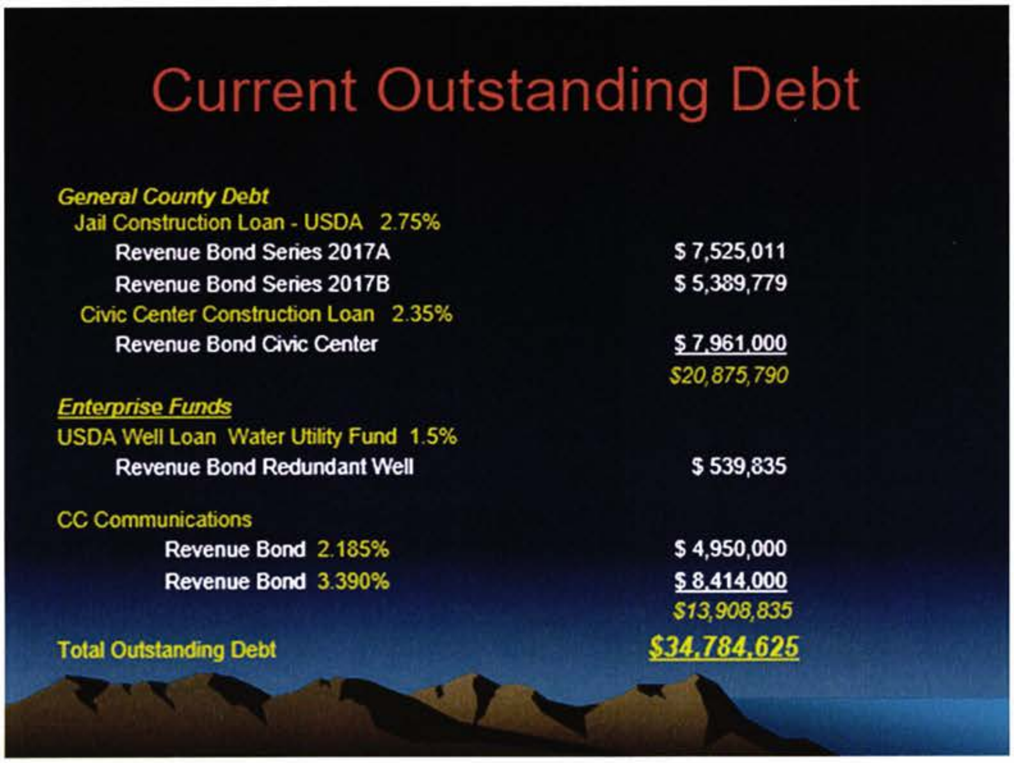
Current Outstanding Debt
General County Debt
Jail Construction Loan - USDA 2.75%
Revenue Bond Series 2017A $ 7,525,011
Revenue Bond Series 2017B $ 5,389,779
Civic Center Construction Loan 2.35%
Revenue Bond Civic Center $ 7,961,000
$20,875,790
Enterprise Funds
USDA Well Loan Water Utility Fund 1.5%
Revenue Bond Redundant Well $ 539,835
CC Communications
Revenue Bond 2.185% $ 4,950,000
Revenue Bond 3.390% $ 8,414,000
$13,908,835
Total Outstanding Debt $34,784,625


Debt Payments FY 2024 & 2025
County Annual payments:
Principal Interest Total
2024 $722,713 $558,058 $ 1,280,771
2025 $741,284 $538,604 $ 1,279,888
Water Utility Fund Annual payments:
Principal Interest Total
2024 $10,419 $8,205 $ 18,624
2025 $10,599 $8,025 $ 18,624
CC Communications Annual payments:
Principal Interest Total
2024 $653,000 $411,384 $ 1,064,384
2025 $670,000 $393,562 $ 1,063,562
Total 2025 $1,421,883 $940,191 $2,362,074

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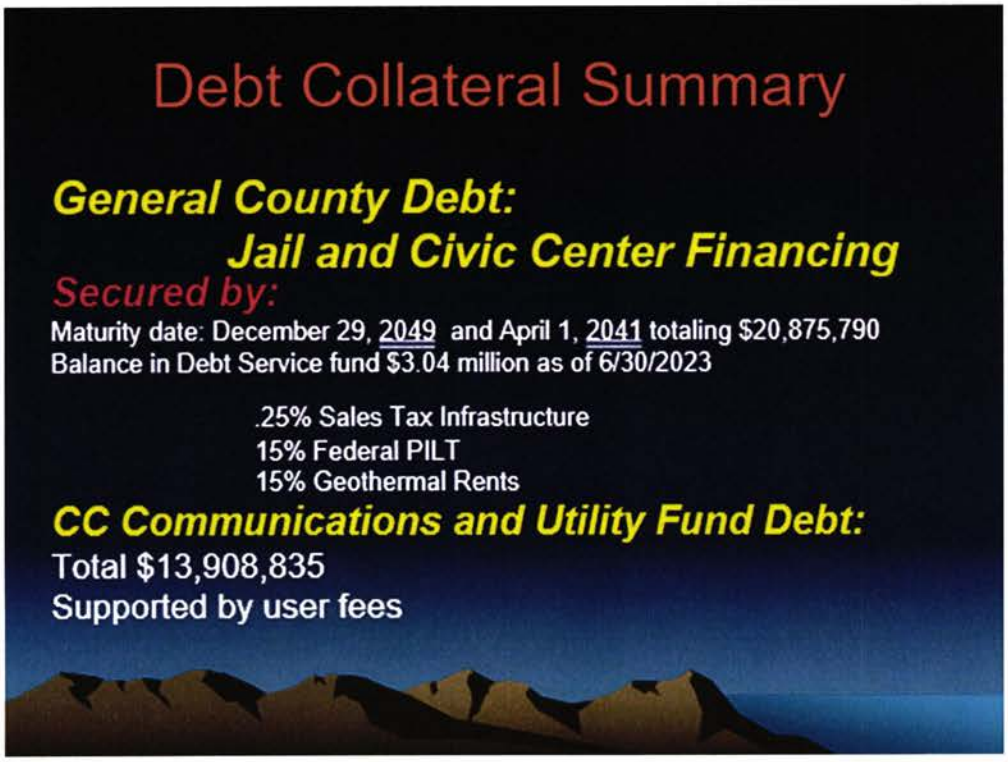
Debt Collateral Summary
General County Debt:
Jail and Civic Center Financing
Secured by:
Maturity date: December 29, 2049 and April 1, 2041 totaling $20,875,790
Balance in Debt Service fund $3.04 million as of 6/30/2023
.25% Sales Tax Infrastructure
15% Federal PILT
15% Geothermal Rents
CC Communications and Utility Fund Debt:
Total $13,908,835
Supported by user fees


Possible Future Projects
• District Court Expansion
• County Wastewater System Improvements
• Economic Development of Industrial/Commercial
• Library and Museum Expansion
• Parks & Recreation Capital Projects
• Road Equipment and Road Projects
• Land, TDR and Water Right Acquisitions

Comptroller Wideman said this report was sent to the Department of Taxation by the deadline of August 1, 2024.
Chair Pearce asked if there was any public comment but there was none.

Member Mike Berney made a motion to approve the Debt Management Reports as presented. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

B- Consideration and possible action re: Submission of the City of Fallon's Debt Management Policy, Indebtedness Report, and 5-Year Capital Improvement Plan.
The City of Fallon submits its Debt Management Policy, Indebtedness Report, and 5-Year Capital Improvement Plan for the board's consideration and acceptance.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

City of Fallon Clerk/Treasurer O'Neill said the City of Fallon's Debt Management Policy, Capital Improvement Plan, and Indebtedness Report, as of June 30, 2024, is included with the Agenda Packet and was approved by the City Council on July 31, 2024. The city's Debt Management Policy discusses the outstanding and proposed debt of the city, its ability to afford such debt, and other items relating to the issuance of debt by the city. The city is comprised of seven utility enterprise funds and most of the city's debt obligations are related to the equipment and infrastructure needs of those utilities. As of June 30, 2024, the city has general obligation debt of $10,794,194, which consisted of $5,391,000 of medium term obligation debt and $5,403,194 of general obligation revenue supported debt. The city also had $9,761,000 in revenue bonds related to the electric, landfill, and sanitation enterprise funds. In addition, the city has had $48,193 in lease purchase obligations. Combined, the city had a total indebtedness of $20,603,387 as of June 30, 2024.

During the last fiscal year, the city issued $4M in medium term obligation debt and $5,510,000 of general obligation revenue supported debt. The medium term debt was issued to finance costs of street and park improvements throughout the city. The general obligation revenue supported debt was issued to finance improvements at the landfill and the purchase of equipment, including a compactor and two garbage trucks. All debt payments during the fiscal year were made by the city as scheduled.

As of June 30, 2024, the city had $6,000,000 of authorized but unissued medium term general obligation debt. This authorization from the Department of Taxation expires on July 11, 2025. During the current fiscal year, the city has several capital purchases and projects planned, to include improvements to Fallon City Hall, road improvements, police patrol vehicles, park improvements, a new FBO building at the airport, electrical meter replacement program, improvements to water and sewer infrastructure, and a bulldozer for the landfill. Mr. O'Neill said that concludes my report and I am happy to answer any questions. Included in the packet is the formal report, which includes interest rates and the payment schedules for further details.

Chair Pearce asked if there was any public comment but there was none.

Member Mike Berney made a motion to accept the Debt Management Reports as submitted. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

C- Consideration and possible action re: Submission of the Churchill County School District's Debt Management Policy, Indebtedness Report, and 5-Year Capital Improvement Plan.

The Churchill County School District's Debt Management Policy, Indebtedness Report, and 5-Year Capital Improvement Plan will be presented for the board's review and acceptance.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

Churchill County School District Comptroller Christi Fielding said we submitted our fiscal year 2025 Debt Management Policy. There really has not been any change to our policy since 2021, so I didn't want to go through too much detail as it just involves paydown of principal and interest. As you can see from that report, our outstanding debt at the end of June 2024 is $20,340,000. We didn't issue any new debt in 2024. All of our bond payments were made out of our debt service fund, which is funded solely by our property tax rate. All of our bond payments were made timely in FY24. We have an ending fund balance in our debt service fund equal to 100% of our FY25 debt payments, which reflects our ability to pay our principal and interest payments for FY25.

Our Capital Improvement Plan has been a priority focus in FY23-24, with our emphasis being extensive evaluation and analysis of all of our properties and equipment to accurately assess future need. We are prioritizing safety and compliance, as well as establishing replacement schedules. Large projects for FY23-24 included track repaving at the Middle School, artificial turf for the High School football field, lots of roofing and HVAC repair/replacement, and repairs and upgrades to our High School theater. As with all entities, we continue to have extensive ongoing needs for our capital improvements. Ms. Fielding said, with that, I am happy to answer questions.

Chair Pearce asked if there was any public comment but there was none.

Member Mike Berney made a motion to accept the Debt Management Reports as presented. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

D- Consideration and possible action re: Submission of the Carson Water Subconservancy District's Indebtedness Report and 5-Year Capital Improvement Plan.

The Carson Water Subconservancy District submits its Indebtedness Report and 5-Year Capital Improvement Plan for the board's review and acceptance. CWSD is not proposing to issue any debt, so they are not updating their Debt Management Policy.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

Deputy Clerk Moore reported that this and the following entities do not have a representative to make a presentation but the reports/letters are submitted for consideration and approval.

Member Mike Berney made a motion to accept the Debt Management Reports as presented. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

E- Consideration and possible action re: Submission of the Carson-Truckee Water Conservancy District's Indebtedness Report and 5-Year Capital Improvement Plan.
The Carson-Truckee Water Conservancy District submits its Indebtedness Report and 5-Year Capital Improvement Plan for the board's review and acceptance.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

Member Mike Berney made a motion to accept the Debt Management Reports as presented. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

F- Consideration and possible action re: Submission of the Churchill County Mosquito, Vector, and Noxious Weed Abatement District's letter regarding its indebtedness.
The Churchill County Mosquito, Vector, and Noxious Weed Abatement District submits its letter indicating that the district has no general obligation debts, special assessments, or retirement schedules as indicated under NRS 350.0035.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

Member Mike Berney made a motion to accept the Debt Management Reports as presented. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

G- Consideration and possible action re: Submission of the Truckee-Carson Irrigation District's letter regarding its Indebtedness.

The Truckee-Carson Irrigation District submits its indebtedness letter for the board's review and acceptance.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT:
FUNDING SOURCE: N/A
ACTION REQUESTED: Accept

Member Mike Berney made a motion to note receipt of the letter from the Truckee-Carson Irrigation District. Member Cynthia McGarrah seconded the motion, which carried by unanimous vote.

General Discussion on Debt Management Matters:

There was no further discussion.

Public Comment:

Chair Pearce asked if there was any public comment but there was none.

Adjournment:

The meeting was adjourned at 3:14 PM.

APPROVED:______________________
Lynn Pearce, Chair

APPROVED:______________________
Alan Kalt, Vice-Chair

APPROVED:______________________
Gregg Malkovich, Member

APPROVED:______________________
Mike Berney, Member

APPROVED:______________________
Paul Harmon, Member

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ATTEST:
Linda Rothery, Clerk/Treasurer

Pamela D Moore

Pamela D. Moore, Deputy Clerk to the Board