

CARSON CITY DEBT MANAGEMENT COMMISSION

Minutes of the July 21, 1997, Meeting

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A regularly scheduled meeting of the Carson City Debt Management Commission was held on Monday, July 21, 1997, at the Community Center Bonanza Room, 851 East William Street, Carson City, Nevada, beginning at 5:15 p.m.

PRESENT: Chairperson Belmont Reid, Vice Chairperson Larry Osborne, and Commissioner Doug Mickelson

STAFF PRESENT: City Manager John Berkich
Finance and Redevelopment Director Mary Walker
Recording Secretary Katherine McLaughlin

Carson-Tahoe Hospital Administrator Steve Smith
Hospital Director of Financial Information Management Ken Verndon

1. CALL TO ORDER, ROLL CALL, AND DETERMINATION OF A QUORUM (DMC 7/21/97 Tape 1-0001) - Chairperson Reid convened the session at 5:24 p.m. Roll call was taken. A quorum was present although Commissioners Ailes and Plank were absent.

2. APPROVAL OF THE MINUTES - February 10, 1997 (1-0020) - Commissioner Osborne moved to approve. Commissioner Mickelson seconded the motion. Motion carried 3-0.

3. DISCUSSION AND POSSIBLE ACTION ON MUNICIPALITIES ANNUAL REPORT, STATEMENT OF DEBT MANAGEMENT POLICY, PLAN FOR CAPITAL IMPROVEMENT AND CERTAIN INFORMATION REGARDING CHIEF FINANCIAL OFFICER, AND UPDATE OF INFORMATION AS REQUIRED IN NRS 350.0035 FOR:

A. CARSON CITY AIRPORT (1-0027) - A copy of the report is included in the file. There are no plans to incur additional obligation debt for the fiscal year 97-98.

(1-0335) Commissioner Osborne moved to accept the report. Commissioner Mickelson seconded the motion. Discussion ensued on the information which had been submitted and whether it fulfilled the mandatory requirements. Discussion indicated that the School District had failed to meet the requirements. The Airport report was deemed appropriate. Ms. Walker volunteered to check into the requirements and to review all the information which had been submitted. Her cursory review of the information which had been submitted reinforced the Commission's feeling that the School District had not submitted all of the necessary information. She volunteered to contact the District to obtain the missing documents. The motion and second were withdrawn.

(1-2237) Commissioner Osborne moved to accept the Carson City Airport and the Carson City Convention and Visitors Bureau reports as they do not have any debt. Commissioner Mickelson seconded the motion. Motion carried 3-0.

B. CARSON-TAHOE HOSPITAL (1-0045.5) - Discussion noted that the Hospital budget is included as part of the City's, however, its three year capital improvement plan was missing. Mr. Verndon agreed to forward a copy. The Hospital did not propose to request any General Obligation Bonds during the coming year. Its recently issued revenue bonds, its previously issued General Obligation Bonds, and its Douglas County expansion plans were noted. The revenue bonds will not become a burden on the City tax payers. No formal action was taken due to the delinquency.

C. CARSON CITY SCHOOL DISTRICT (1-0295) - A School Representative was not present. There are no plans to issue bonds. Chairperson Reid indicated an initial willingness to accept the report, however, following

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the discussion contained in Item A, the acceptance was withdrawn due to the District's failure to provide all of the required documentation.

D. CARSON CITY CONVENTION AND VISITOR'S BUREAU (1-0322) - There are no plans to issue bonds. Discussion indicated the need to formally accept the reports. The Commission then returned to Item A.

(1-2237) Commissioner Osborne moved to accept the Carson City Airport and the Carson City Convention and Visitors Bureau reports because they do not have any debt. Commissioner Mickelson seconded the motion. Motion carried 3-0.

E. CARSON WATER SUBCONSERVANCY DISTRICT (1-0622) - Discussion noted pending legislation which would eliminate the Commission's need to review any of the Subconservancy's bonding requests. The Subconservancy does not propose to issue any bonds during the coming fiscal year.

F. CARSON CITY (1-0702) - Ms. Walker reviewed her documents in detail. Discussion noted the bond repayment reserves contained within the ending fund balance, the lack of a sunset clause or bond limit in the Senior Citizen facility tax, the use of hookup fees to repay the sewer bonds, the connection fee revenue increase generated as a result of the amount of apartment dwelling construction currently occurring and the Growth Management two-for-one apartment permit procedure, the proposal to purchase additional water rights with a new bond, the coverage ratios, the transfer of the golf course to the non-profit corporation, the loss in revenue experienced at the courses, the transfer of City golf course employees to other agencies, the non-profit corporation's new superintendent and employees, the status of the former City golf course employees' lawsuit, the Open Space Tax Initiative and its impact on park improvements, the debt range, future bond requirements including the State's commitment to use its bond capacity for the Bypass, the bond margin, and the memo on the City's bond rating. (1-2219) Commissioner Mickelson moved to accept the Debt Management Report for the City. Commissioner Osborne seconded the motion. Motion carried 3-0.

(1-2289) Ms. Walker volunteered to contact the Hospital and School District regarding their reports.

4. DISCUSSION ON STANDARD AND POORS AND MOODY'S INVESTORS RATING REPORT FOR CARSON CITY - See Item 3. F.

5. DISCUSSION AND POSSIBLE ACTION SCHEDULING THE NEXT MEETING (1-2295) - Following discussion, Commissioner Mickelson moved to have the next meeting on the third Monday in January. Commissioner Osborne seconded the motion. Motion carried 3-0.

6. CITIZEN COMMENTS (1-2325) - None.

7. COMMISSIONER COMMENTS (1-2332) - Comments noted the reduced number of meetings held during this calendar year.

8. STAFF COMMENTS (1-2345) - None.

9. ADJOURNMENT (1-2348) - Commissioner Mickelson moved to adjourn. Commissioner Osborne seconded the motion. Motion carried 3-0. Chairperson Reid adjourned the meeting at 6:30 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 July 21, 1997, Carson City Debt Management Commission meeting

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1997. ARE SO APPROVED ON August 22,

/s/

Belmont Reid, Chairperson