

**WASHOE COUNTY DEBT MANAGEMENT COMMISSION
QUARTERLY MEETING**

THURSDAY

11:00 A.M.

FEBRUARY 9, 2023

PRESENT:

Naomi Duerr, Reno City Council, Chair
Michelle Salazar, At-Large Member, Vice Chair (via Zoom)
Jeanne Herman, Washoe County Commissioner, Member*
Dian VanderWell, Sparks City Council, Member
Adam Mayberry, Washoe County School District, Member*
Susan Severt, GID Representative, Member
Eugenia Larmore, At-Large Member

Janis Galassini, County Clerk
Jennifer Gustafson, Deputy District Attorney

The Washoe County Debt Management Commission met in regular session at 11:00 a.m. in the Technology Services building of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and via the Zoom application in full conformity with the law, with Chair Duerr presiding. Following the County Clerk's call of the roll and the Pledge of Allegiance to the flag of our Country, the Board conducted the following business:

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Chair Duerr asked the members of the Board to introduce themselves as there was an approximately 50 percent changeover of Board membership. She stated she served on the Reno City Council, and it was her ninth year on the Debt Management Commission (DMC). She opined the DMC learned a lot over the past nine years about its role and had focused on Board member education.

Member Larmore shared she was the president of Ekay Economic Consultants. In response to a question from Chair Duerr, Member Larmore responded she served as the chair of the Washoe County Board of Equalization (BOE).

Mr. Adam Mayberry indicated he was elected to the Washoe County School District (WCSD) Board of Trustees and was the representative for District F. He said he was appointed by the WCSD Board of Trustees to serve on the DMC as the successor to Diane Nicolet.

***11:02 a.m. Member Herman arrived.**

Member VanderWell announced she served on the Sparks City Council where she represented Ward 2. She said she had served on the DMC for a little over two years. She informed she was appointed to the Sparks City Council in September 2020 and was elected to a four-year term in November 2022.

County Clerk Jan Galassini reported she had been with the Washoe County Clerk's Office for seven and a half years. Chair Duerr commented Ms. Galassini was just elected. Ms. Galassini confirmed she was previously appointed and was just elected to her first term.

Deputy District Attorney Jennifer Gustafson stated she worked for the District Attorney's (DA) Office and was the Deputy DA assigned to the DMC. She encouraged the members of the Board to email her with any questions but noted that to avoid violating the Open Meeting Law (OML) they should not email the entire Board. She noted she would attend the meetings primarily to ensure the OML was being followed.

Member Severt observed she was the new chair of the Sun Valley General Improvement District (SVGID). She shared she was just re-elected and it would be her last term on the SVGID. She commented she had lived in Sun Valley for 43 years.

Member Herman said she was a Washoe County Commissioner and had served on the DMC for about a year. In response to a question from Chair Duerr, Member Herman opined she began serving on the DMC around the end of 2021.

Member Salazar indicated she was an at-large member of the DMC and had served on the Commission since 2009. She commented she was a forensic accountant and brought an accounting background to the Board. Chair Duerr remarked that Member Salazar provided valuable information and institutional memory to the DMC.

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23-014D **AGENDA ITEM 3** Public Comment.

There was no response to the call for public comment.

23-015D **AGENDA ITEM 4** Acknowledgment of new Commission member appointed by the Washoe County School District, Adam Mayberry; and Oath of Office for Adam Mayberry.

Chair Duerr acknowledged the appointment of Adam Mayberry as the Washoe County School District (WCSD) representative to the Debt Management Commission.

There was no public comment or action taken on this item.

County Clerk Jan Galassini administered the Oath of Office to Adam Mayberry.

***11:07 a.m.** **Member Mayberry assumed his seat on the Debt Management Commission.**

Chair Duerr welcomed Member Mayberry to the Commission.

23-016D **AGENDA ITEM 5** Election of Chair and Vice Chair from Commission membership.

Chair Duerr stated it was a pleasure to serve as Chair for the past several years and expressed interest in continuing to do so. She said she was open to hearing if any other Board members wanted to serve as Chair.

Member VanderWell nominated Naomi Duerr to serve another term as Chair.

On motion by Member VanderWell, seconded by Member Severt, which motion duly carried on a 7-0 vote, Naomi Duerr was elected as Chair of the Debt Management Commission.

Chair Duerr observed the previous Vice Chair was Mr. John Sherman. She said Mr. Sherman shared a wealth of knowledge with the Board during his tenure. She asked if any members of the Board were interested in serving as Vice Chair. Member Salazar and Member VanderWell both expressed interest in serving as Vice Chair. Chair Duerr nominated Member Salazar to serve as Vice Chair due to her longevity with the Board. She noted she had a leadership position in mind for Member VanderWell on another board they served on together.

On motion by Chair Duerr, seconded by Member VanderWell, which motion duly carried on a 7-0 vote, Michelle Salazar was elected as Vice Chair of the Debt Management Commission.

23-017D **AGENDA ITEM 6** Approval of minutes for the DMC meeting of January 20, 2023. Commission members may identify any additions or corrections to the draft minutes as transcribed.

Chair Duerr addressed the newest members of the Board stating they did not have to abstain from voting on the minutes if they were not on the Board at the time of the meeting. She asked Deputy District Attorney Jennifer Gustafson to provide an explanation, noting it was relevant to any other boards the members served on. Ms. Gustafson affirmed that Board members did not have a legal obligation to abstain just because they did not attend a previous meeting or were not on the Board at that time. She remarked that the members of the Board had a legal duty to vote on the agenda items unless there was some kind of conflict that caused a need for a Board member to abstain. She commented a lot of people thought they had to abstain but they did not. Chair Duerr thought this was a good educational moment as it applied to the various boards the members of the Debt Management Commission served on. Ms. Gustafson added there were limited legal reasons for abstention, and being absent from the meeting was not one of them.

There was no response to the call for public comment.

On motion by Member Herman, seconded by Member VanderWell, which motion duly carried on a 7-0 vote, it was ordered that Agenda Item 6 be approved.

23-018D **AGENDA ITEM 7** Recognition of Sandra Ainsworth, Diane Nicolet, and John Sherman for their years of service to the Washoe County Debt Management Commission.

Chair Duerr shared she asked for this agenda item due to the former members' length of service and contributions to the Debt Management Commission (DMC). She noted Mr. John Sherman was unable to attend the meeting. She invited Ms. Sandra Ainsworth and Ms. Diane Nicolet to speak.

Ms. Ainsworth said she enjoyed serving on the DMC and learned a lot during her tenure. She stated she missed the DMC but was happily retired. Chair Duerr acknowledged Ms. Ainsworth had been a valuable member of the Commission. She pointed out Ms. Ainsworth received recognition for her service to several other boards including the Truckee Meadows Water Authority (TMWA) and the Western Regional Water Commission (WRWC). Chair Duerr noted she attended Ms. Ainsworth's retirement party in Sun Valley and she thought it was beautiful. She thanked Ms. Ainsworth for her service to the DMC and asked how long she had been on the Board. Ms. Ainsworth responded that over the past 12 years, there was one short period of time she was not on the DMC.

Ms. Nicolet observed when she was first appointed to the DMC she was scared. She remarked that everyone on the Board was kind and helpful, and specifically acknowledged Mr. Sherman and Mr. Mark Mathers. She commented she learned a lot during her time on the Board and opined that every taxpayer in Washoe County should have to attend a DMC meeting. She informed she would be serving on the Nevada Association of School Boards (NASB).

Chair Duerr presented certificates of recognition to Ms. Ainsworth and Ms. Nicolet. She shared Mr. Sherman's certificate would be mailed to him. She said Mr. Sherman served the previous two years at the Board's request. She indicated she recruited Mr. Sherman to the DMC, noting he had been the Washoe County Chief Financial Officer (CFO) for many years.

Chair Duerr pointed out there were other individuals in attendance and asked them to introduce themselves. Chief Deputy County Clerk Catherine Smith and Deputy County Clerk Taylor Chambers from the County Clerk's Office introduced themselves. Chair Duerr said the current CFO of Washoe County often attended the DMC meetings. County Clerk Jan Galassini reported the CFO was not in attendance that day as she had to attend to legislative matters. Chair Duerr informed that the CFO's help was invaluable and that the CFO assisted with substantive matters.

There was no public comment or action taken on this item.

23-019D **AGENDA ITEM 8** Discussion and possible action to change the start time of future DMC meetings from 11:00 a.m. to 1:00 p.m.

Chair Duerr indicated she and other members of the Board had conflicts with the current meeting schedule, noting that was why that day's meeting was being held on a Thursday instead of a Friday. She stated the Debt Management Commission (DMC) generally held its

meetings on Fridays at 11:00 a.m. For the current year, she requested to change the start time to 1:00 p.m. for the remainder of the meetings and to continue holding the meetings on Fridays. She asked the members of the Board if that would work. Member Herman responded it would work sometimes. Chair Duerr remarked the DMC met quarterly and asked about the meeting schedule for the rest of the year. Deputy County Clerk Lauren Morris responded the next meeting was scheduled for Thursday, May 18 at 11:00 a.m. Chair Duerr requested to change the start time to 1:00 p.m., to which the rest of the Board agreed. She opined she would be at the Truckee Meadows Water Authority (TMWA) meeting until 1:00 p.m., noting TMWA's meeting was moved from its original date so the City of Reno could hold a budget meeting.

Chair Duerr inquired about the date of the DMC meeting following the May meeting and Ms. Morris replied it was scheduled for August 18. Chair Duerr asked if the start time could be changed to 1:00 p.m. and the other Board members agreed. She wondered about the meeting following the August DMC meeting, to which Ms. Morris responded there was no meeting currently scheduled. Ms. Morris explained that date would be selected during the August 18 meeting but she believed Chair Duerr had expressed an interest in scheduling a meeting for November 10 or November 17. Deputy District Attorney Jennifer Gustafson pointed out that November 10 was a holiday. She noted the members of the Board could consider potential dates now but there would be an agenda item in August to affirm the dates which was required by the Nevada Revised Statutes (NRS). Chair Duerr asked the members of the Board if they would like to consider holding a meeting on November 17 at 1:00 p.m. to which they agreed.

There was no public comment or action taken on this item.

23-020D AGENDA ITEM 9 Board Member Comments.

Chair Duerr observed that when she first began serving on the Debt Management Commission (DMC) there was a lot of confusion about what the DMC did, what its role was, what the statutory requirements were, and what the Board had historically done. Around 2016, the DMC decided to invite the various groups that had to request approval from the DMC to incur debt to speak to the Board about their financial statements. The DMC developed a two-page standardized form to be filled out by those groups. The groups were asked to provide information including their indebtedness, standing, and bond rating. She asserted this gave the DMC necessary background information when it came time to approve bond proposals. She listed agencies that previously presented to the DMC, including the City of Reno, Washoe County, and the Washoe County School District (WCSD). She said the DMC tried to have one of these presentations at each of its meetings and opined the presentations were very helpful.

Chair Duerr shared she asked staff to put together a list of the groups who had presented to the DMC. She inquired if everyone had the list. County Clerk Jan Galassini responded that she and Chair Duerr had the list and she could pass it around to the rest of the Board. Chair Duerr indicated the list dated back to 2019. In 2019, the DMC received a presentation from Washoe County regarding its debt position and a bond proposal. She informed the DMC had also received a presentation that year about the Open Meeting Law (OML). She asserted the DMC did not need an OML presentation this year as the members of the Board served on various other boards. She asked Deputy District Attorney Jennifer Gustafson if it was acceptable to skip the OML

presentation. Ms. Gustafson responded yes, noting she was willing to speak about the OML if it was needed but she would defer to the preference of the Board. Member Severt observed the Sun Valley General Improvement District (SVGID) just held a three-hour long workshop about the OML.

Chair Duerr continued listing the groups that presented to the DMC in 2019, which included the Incline Village General Improvement District (IVGID), the WCSD, and the City of Reno. In 2020, bond proposal presentations were provided by the Truckee Meadows Fire Protection District (TMFPD) and Washoe County. For 2021, the DMC received presentations from the Reno-Sparks Convention & Visitors Authority (RSCVA), Truckee Meadows Water Authority (TMWA), and Washoe County. In 2022, debt position and bond proposal presentations were given by the City of Reno and the WCSD. Additionally, the Washoe County Assessor's Office provided an overview of the assessment process to the DMC because much of what the Board did was tied to the tax rates.

Chair Duerr noted the City of Sparks had not presented. Member VanderWell concurred and asked staff to reach out to the City of Sparks to request a presentation. Ms. Galassini responded that staff would reach out to the City of Sparks and added that staff would also provide the list of previous presenters to the members of the Board following the meeting.

Chair Duerr commented the DMC had experienced difficulties in scheduling a presentation from the SVGID. She addressed the newest members of the Board, stating the DMC oversaw approximately 20 entities. During its annual meeting, the DMC looked at the debt position of each of those entities. She opined it was questionable whether the DMC had the purview to review the debt position for some of those entities, which she thought might be TMWA and the Regional Transportation Commission (RTC). She asked Ms. Gustafson to look into it before the next meeting and to provide a list of the specific agencies that were required to obtain DMC approval for bond proposals. Once that list was established, the Board could invite entities to present that had not come before the Board in the past four years. She suggested the DMC invite the City of Sparks first and asked the members of the Board if there were any other entities they would like to invite. Member VanderWell asked if the Reno-Tahoe Airport Authority (RTAA) was within the DMC's purview and Ms. Gustafson responded she would have to look into that. Ms. Galassini believed the RTAA had indicated during a Board of County Commissioners' meeting that it was not within the DMC's purview. Ms. Gustafson informed she would review the Nevada Revised Statutes (NRS) to make that determination. Member VanderWell explained she was interested in receiving a presentation from the RTAA due to its growth. She thought it would be a good idea for the DMC to hear how the RTAA was financing its projects to which Chair Duerr agreed. Deputy County Clerk Lauren Morris opined the RTAA was one of the entities that provided annual reports to the DMC. Chair Duerr wanted the DMC to move forward with the invitation to the RTAA. Ms. Gustafson reiterated there was a request for her to provide a list of the agencies that were required to come before the Board for approval of bond proposals. Chair Duerr stated the DMC would plan to invite the RTAA to present and reminded Ms. Galassini to reach out to the City of Sparks.

Chair Duerr said the Board would revisit the topic of future presentations during its next meeting. She asserted the presentations educated the Board about what was going on in the

community and what might be upcoming. She shared she had time after the meeting to speak with the newest members about the DMC and its role. She offered to schedule training for the members with Ms. Gustafson and Ms. Galassini, and possibly Washoe County's Chief Financial Officer (CFO). She suggested the possibility of inviting Mr. John Sherman to give a presentation during a future DMC meeting. She asked the members of the Board for additional presentation requests. Vice Chair Salazar observed she learned a lot from a previous presentation given by the WCSD. She expressed interest in extending an invitation to the WCSD. Chair Duerr supported the suggestion and noted a few years prior the WCSD had issued approximately \$60 million in bonds to cover capital improvement projects for several schools.

Chair Duerr spoke about the presentation from the Assessor's Office and inquired about a previous request for a presentation from the Treasurer's Office. Ms. Morris responded that Mr. Sherman had requested the presentation but after he spoke with the Treasurer's Office he determined the presentation would not be beneficial to the DMC.

23-021D AGENDA ITEM 10 Public Comment.

Ms. Sandra Ainsworth informed that Chris Melton, General Manager of the Sun Valley General Improvement District (SVGID), was aware the Debt Management Commission (DMC) wanted a presentation from the SVGID. She observed the SVGID had just redone its entire accounting system and had two general managers within the past four years. She asserted Mr. Melton was planning to come before the DMC. Chair Duerr noted the DMC had four meetings per year and could have one to two presentations per meeting depending on the length of the presentations. She asked to add the SVGID to the presentation list for the current year. She understood the difficulties with the accounting system and the changes in leadership.

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11:34 a.m. There being no further business to discuss, the meeting was adjourned without objection.

NAOMI DUERR, Chair
Debt Management Commission

ATTEST:

JANIS GALASSINI, County Clerk
and Ex Officio Secretary,
Debt Management Commission

*Minutes Prepared by
Lauren Morris, Deputy County Clerk*