

**WASHOE COUNTY DEBT MANAGEMENT COMMISSION  
QUARTERLY MEETING**

FRIDAY

1:00 P.M.

FEBRUARY 6, 2026

PRESENT:

**Naomi Duerr, Reno City Council, Chair (via Zoom)\***  
**Eugenia Bonnenfant, At-Large Member, Vice Chair**  
**Jeanne Herman, Washoe County Commissioner, Member (via Zoom)\*\***  
**Christine Hull, Washoe County School District, Member**  
**Brian Erbis, At-Large Member**  
**Donald Abbott, Sparks City Council, Alternate Member (via Zoom)**

**Janis Galassini, County Clerk**  
**Trenton Ross, Deputy District Attorney**

ABSENT:

**Susan Severt, GID Representative, Member**

The Washoe County Debt Management Commission convened at 1:01 p.m. in regular session in the Caucus Room of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and via the Zoom application. Following the Pledge of Allegiance to the flag of our Country, County Clerk Jan Galassini called roll, and the Board conducted the following business:

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**26-003D**      **AGENDA ITEM 3** Public Comment.

There was no response to the call for public comment.

**\*1:03 p.m.**      **Chair Duerr arrived at the meeting.**

**26-004D**      **AGENDA ITEM 4** Election of Chair and Vice Chair from Commission membership.

Vice Chair Bonnenfant introduced Agenda Item 4 and asked whether Chair Duerr would like to resume the responsibility of chairing the meeting. Chair Duerr indicated that Vice Chair Bonnenfant should proceed. Vice Chair Bonnenfant asked the Commission membership whether they had any recommendations for the election of Chair and Vice Chair of the Debt Management Commission (DMC).

Member Hull nominated Chair Duerr to continue in her position as Chair of the DMC throughout the end of the year to coincide with her final term on the Reno City Council. She opined that her recommended nomination would offer new Commission members a valuable

opportunity to learn from Chair Duerr. Vice Chair Bonnenfant agreed with Member Hull's nomination.

Member Erbis asked whether there might be any further discussion of potential interest in the position of Chair or Vice Chair among other DMC members before casting his vote on the position's election. Member Hull inquired whether the election of the positions of Vice Chair and Chair had to be provided as two separate motions, and Deputy District Attorney (DDA) Trenton Ross answered that discussion of both matters was allowed. Member Erbis expressed agreement with Member Hull's nomination, noting that there had been no further expression of interest from DMC membership in nomination for the positions of Chair and Vice Chair. He clarified that he had only wanted to offer the opportunity for other Commission members to present additional nominations. Vice Chair Bonnenfant inquired whether the Commission had any nominations for the position of Vice Chair, and Chair Duerr suggested that the Commission complete the election of the Chair before proceeding to that of the Vice Chair.

There was no response to the call for public comment.

On motion by Member Hull, seconded by Vice Chair Bonnenfant, which motion duly carried on a 5-0 vote with Members Severt and Herman absent, it was ordered that Chair Duerr be re-elected as Chair of the Debt Management Commission.

**01:05 p.m. Member Abbott left the meeting.**

There was no response to the call for public comment.

On motion by Member Erbis, seconded by Chair Duerr, which motion duly carried on a 4-0 vote, with Members Severt, Herman, and Abbott absent, it was ordered that Vice Chair Bonnenfant be re-elected as Vice Chair of the Debt Management Commission.

Chair Duerr thanked everyone for their support, noting that there would be only three more DMC meetings before the end of her term, which would conclude after the November 2026 elections. She opined that there would be plenty of opportunities for those serving on the Commission in the future. She asked County Clerk Jan Galassini to confirm whether she was correct in her understanding that the upcoming DMC meetings would be scheduled for May, August, and November. Ms. Galassini clarified that the DMC meeting in November had not yet been scheduled, though she noted that a meeting was typically held that month. Chair Duerr asked whether that meeting usually occurred during the third week of November, and Ms. Galassini affirmed that it was typically scheduled for the second or third week of that month. Chair Duerr stated that it was very likely she would no longer be serving on the Reno City Council by the time the DMC meeting in November of 2026 was held. She expressed that the other Commission members had an opportunity to consider serving as Chair of the DMC following her departure from the role, which she described as having been a privilege during her years in the position.

**01:07 p.m. Member Abbot returned to the meeting.**

Chair Duerr acknowledged that many members of the Commission had been unsure of their role on the DMC at the beginning of their service, though she noted that much had been invested in extensive education on the Nevada Revised Statutes (NRS) and on past Commission experiences. She noted that Member Abbott had not previously served on the DMC, as he was serving as the Alternate Member for the Sparks City Council for the first time. She explained to Member Abbott that the DMC was established in response to disputes during past Washoe County Board of County Commissioners (BCC) meetings, which the Commission helped resolve. She suspected that Ms. Galassini had been serving as County Clerk during that time. She opined that the DMC would be better prepared should a similar situation with the BCC occur again if they had additional education on matters related to the Commission. She reported that the DMC had also implemented an education process by requesting that the approximately 20 governmental entities overseen by the Commission provide presentations on their bond indebtedness and general financial affairs. She noted that such presentations had been helpful in ensuring that Commission members understood the current operations of entities such as the Cities of Reno and Sparks, Washoe County, and the various General Improvement Districts (GIDs). She encouraged Commission members to continue the DMC's education effort after her term ended.

**26-005D**      **AGENDA ITEM 5**      Discussion and possible action on a resolution concerning the submission to the Washoe County Debt Management Commission by Washoe County School District of a proposal to issue general obligation bonds, in one series or more, in an aggregate principal amount not to exceed \$500,000,000; concerning action taken thereon by the Commission; and approving certain details in connection therewith.

Martin Johnson, President of JNA Consulting Group and Financial Advisor for the Washoe County School District (WCSD), and Mark Mathers, Chief Financial Officer (CFO) of the WCSD, conducted a PowerPoint presentation and reviewed slides with the following titles: Supplemental Materials Debt Management Commission; DMC Criteria; WCSD's Revenue Sources; Debt Limit; Rollover Bonds; WC1 Bonds.

Mr. Johnson introduced himself, displayed the slide titled *Supplemental Materials Debt Management Committee*, and noted that Ryan Henry was in attendance at the Debt Management Commission (DMC) meeting as bond counsel, along with Kyle Rodriguez, Director of Financial Operations for the WCSD. He explained that the WCSD had two bond issues to present to the Commission, as the DMC was required to vote on the matter. He stated that he would begin his presentation by providing the Commission with a broad overview of his consulting group's role and the DMC's bond issuance criteria for new Commission members.

Mr. Johnson showed the *DMC Criteria* slide. He explained that the DMC had specific criteria for how the Commission was supposed to evaluate proposals, defined by the Nevada Revised Statutes (NRS) 350.0051. He stated that NRS 350.005(1)(a) detailed that the Commission would evaluate the proposal's impact on the proposing entity's debt limit. He noted that he would discuss the statistics on those impacts later in his presentation. He explained that Washoe County, the Cities of Reno and Sparks, the WCSD, and the various General Improvement Districts (GIDs) all had their own debt limit. He elaborated that the Commission would only evaluate the debt limit of the proposing entity on an individual basis when considering the criteria

for NRS 350.005(1)(a). He stated that the second criterion evaluated by the DMC, which was described in NRS 350.005(1)(b), was related to the debt proposal's impact on the overlapping tax rate and the ability of local governments to raise revenue. He explained that Washoe County's property tax (p-tax) rate was capped at \$3.64 per \$100, and noted that, while the rate was actually \$3.66 per \$100, it was easier to subtract the \$0.02 levied by the State of Nevada and not subject to limitation from that value for simplicity in the discussion. He explained that he would discuss that matter in additional detail later in his presentation, and noted that the WCSD did not anticipate needing to increase any p-tax rates to repay the bonds. He noted that the \$3.64 per \$100 rate was shared by all local governments in Washoe County. He stated that NRS 350.015(1)(c) outlined the DMC's evaluation criterion of the anticipated need for incurrences of debt and the additional overlapping tax rates for other local governments. He noted that such information was provided to the DMC every August in the form of tax management plans and debt management policies submitted by government entities. He noted that the final criterion the DMC used to evaluate proposals was outlined in NRS 350.015(1)(d) and stated that, if the proposal would result in an increase in the tax rate, the Commission could take project information into account when making a determination. He explained that such a factor did not apply in the cases being considered by the DMC that day.

Mr. Mathers displayed the slide titled *WCS D's Revenue Sources*. He explained that those presenting to the DMC that day believed it would be helpful to provide the Commission with additional context on school districts and the unique aspects of the law governing the issuance of debt for such organizations, prior to reviewing the supplemental financial information they had submitted in a 12-page packet. He reported that school districts were unique, as they had dedicated capital funding sources set by law that were legally restricted exclusively for capital projects and equipment. He noted that he would discuss the WCSD's two funding sources in additional detail later in his presentation and reiterated that those sources could not flow over to pay for the district's operating costs, as they were legally restricted to be used for the projects he would describe later. He explained that certain publications released about the WCSD's budget situation had referred to the district's General Fund, noting that the funding sources he had referred to would not cross into the General Fund in any way, as the operating budget and capital budget were distinctly separated. He reported that the WCSD Board of Trustees held a meeting on January 27, 2026, and took action to resolve the district's financial shortfall for the fiscal year (FY) 2027 budget. He emphasized that the shortfall had been solved and totaled approximately \$5 million due to flat funding trends from the State of Nevada.

Mr. Mathers explained that the WCSD had two primary capital revenue sources and reported that, prior to November of 2016, the district's only source of funding for capital projects was p-tax. He noted that the WCSD had a debt rate of \$0.385, which was calculated as a portion of the \$3.64 per \$100 p-tax rate to support the debt of rollover bonds. He explained that the term *rollover bonds* referred to bonds in which the WCSD pledged its share of the p-tax to pay debt service for. He reported that during the elections held in November of 2016, voters in Washoe County had approved an additional sales tax to supplement the p-tax revenues. He noted that the sales tax rate in Washoe County had increased by 0.54 percent after that vote, which helped the WCSD build ten new schools since 2017 and modernize several existing facilities. He reiterated that the second significant revenue source he had described was legally restricted to paying the WCSD's debt, and that all of the analysis provided in the submitted packet would be contained

within those two funding sources. He explained that the two funding sources were adequate to pay for the WCSD's outstanding debt and the proposed debt being presented to the Commission.

Mr. Mathers introduced the *Debt Limit* slide by explaining that it provided a summary of the WCSD's debt limit. He noted that Mr. Johnson would discuss the graph's statistics during his review of the packet. He explained that the WCSD had its own debt limit based on the district's assessed valuation, which was well below the authorized debt limit.

**\*\*1:13 p.m. Member Herman arrived at the meeting.**

Mr. Mathers showed the slide titled *Rollover Bonds*. He noted that the slide included a graph representing the first revenue source he had described, which was associated with p-tax. He explained that the graph showed projected revenues over the next several years, with estimates eventually stabilizing at a flat rate, as the WCSD anticipated having enough p-tax revenue to support outstanding debt service, in addition to the proposed debt service being requested from the DMC. He stated that the estimated outstanding debt service declined fairly precipitously from \$80 million to \$50 million per year within a five-year timespan, as those bonds were sold 20 to 30 years prior and were recently maturing, which gave the WCSD the ability to support the amount of debt the district was requesting from the Commission. He noted that if he had projected the p-tax to increase at a theoretical rate of 3 percent per year, the green line would likely extend beyond the graph's range. He reiterated that the WCSD could comfortably support the debt service for its rollover bonds.

Mr. Mathers displayed the *WCI Bonds* slide. He noted that the graph included on the slide provided a summary similar to that of the previous slide, but instead detailed the 2016 Washoe County Ballot Question 1 (WC-1) bonds. He explained that the WC-1 bonds were general obligation bonds, paid for by WC-1 sales taxes the WCSD received. He noted that the margin shown in the graph was even more comfortable than that of the rollover bonds, and he explained that the graph showed projected revenues over the next several years, which eventually flattened. He acknowledged that sales taxes might continue to rise as Washoe County grows, driven by inflation and other factors. He noted that the dark blue bars on the chart represented current outstanding debt, while the light blue bars depicted the debt service on proposed debt. He explained that because of the volatility of sales taxes, the WCSD sought a larger safety margin in its calculations so the district could operate through any recessions or unexpected changes that occasionally occurred in funding sourced from the sales tax rate.

Mr. Mathers noted that he wanted to review the slides he had presented to ensure more context had been provided to the Commission prior to analyzing the very technical issues described in the packet. He stated that he would be happy to answer any questions the Commission may have.

Mr. Johnson referred to the 12-page packet and explained that the first matter he would review was the proposed \$500 million of rollover bonds. He stated that each DMC member should have a copy of the packet prepared by the presenters. He noted that he would begin by reviewing the executive summary on Page I and explained that the WCSD was proposing to issue \$500 million in general obligation bonds over the next two to three years. He referred to Page 1 of

the packet and stated that, although the projects were not necessarily a factor in the DMC's evaluation criteria, Mr. Mathers would provide some information on them.

Mr. Mathers explained that he intended to provide additional context to the Commission and recalled having discussed the matter several years prior. He noted that when voters approved the WC-1 sales tax measure in 2016, there was substantial demand for new schools and additional classrooms to accommodate the growth in Washoe County over the previous 15 years. He explained that the WCSD did not have the financial capacity to construct new schools at that time, but following the passage of WC-1, the district worked very aggressively over the next 5 to 7 years to build them. He reported that ten new schools had been constructed during that timeframe, rectifying the need for year-round schooling and double school sessions, which required some students to attend classes from 6:00 a.m. until 2:00 p.m., while another set of students instead attended between 12:00 p.m. and 6:00 p.m. He stated that enough schools had been built in areas like Spanish Springs, North Valleys, and South Reno, where growth had occurred, to meet the additional needs. He reported that the WCSD was transferring those efforts to addressing the needs of the older schools in the McCarran area, which had been addressed for a substantial period. He stated that Member Hull could attest that the WCSD had pivoted toward massive modernization projects, such as the comprehensive school rebuild at Swope Middle School. He noted that some schools had been completely demolished before being rebuilt, including O'Brien Middle School in the North Valleys area and the current ongoing project at Vaughn Middle School. He explained that, given the age of Vaughn Middle School, it was more logical to build an entirely new school. He noted that the schools being modernized were at the same current standards as the ten new schools the WCSD had constructed. He stated that the WCSD wanted students throughout the district to have similar educational experiences by ensuring that those who attended the older facilities would be able to see their own school modernized or rebuilt so they would have the same access to collaborative spaces, technological resources, and Science, Technology, Engineering, Arts, and Mathematics (STEAM) laboratories.

Mr. Mathers noted that Page 1 of the packet included a subset of the projects the WCSD planned to execute over the next ten years, which was representative of the district's modernization efforts. He noted that the first project listed on the page was a new elementary school being constructed at the current site of Pine Middle School, which would be closing at the beginning of the next school year. He explained that most of the current Pine Middle School students would be transferred to the expanded Vaughn Middle School campus. He noted that Pine Middle School would be rebuilt as a new elementary school with modern design, features, and technology. He reported that several other elementary schools would be consolidated after the new school's construction was completed. He noted that the construction of the new school was just one example of the kind of project the proposed bonds would fund. He reported that the WCSD would be modernizing Maxwell Elementary School, and that discussions had been held regarding the construction of a new elementary school on the Traner campus, based on a proposal to consolidate schools in the region. He explained that enrollment at several local schools had dropped to half of what it had been, so the WCSD planned to consolidate students into a larger elementary school to save on operating costs. He reported that consideration was being given to modernizing Sparks High School and McQueen High School, and to a complete rebuild of Sparks Middle School. He noted that all the projects listed on Page 1 were high-cost, with some schools totaling \$80 million to \$100 million, which explained the size of the bond request. He explained

that the request was to account for two to three years of future bonding that would be issued by the WCSD in multiple series to pay for projects like those he had described.

Mr. Johnson referred to Page 4 of the packet and noted that he would be discussing the DMC's criteria for consideration. He explained that the first criterion concerned the debt limit and stated that Page 4 of the packet listed the WCSD's outstanding debt subject to the limit, noting that the total was approximately \$1.5 billion. He reported that Page 5 of the packet included the WCSD's proposed bonds totaling \$500 million, which were under deliberation by the Commission for Agenda Item 5. He explained that the WCSD planned to issue the proposed bonds over the next two to three years. He noted that the table at the bottom of Page 5 showed that the WCSD's general obligation debt limit was nearly \$5 billion based on assessed value, which he emphasized was a value that was strictly associated with the WCSD and excluded all other entities. He acknowledged that the WCSD had outstanding bonds in two small amounts that had been previously authorized by the DMC but had not been issued, noting that those amounts would be deducted from the available debt limit. He stated that the proposed bonds listed on Page 5 included the \$500 million being requested for Agenda Item 5 and the \$175 million for Agenda Item 6, and when all listed calculations were complete, the figures indicated that even after issuing all of the listed bonds, the WCSD would still have nearly \$2.8 billion of debt limit available, based on current assessed value. He thought it was clear that the WCSD had met the requirements of the first criterion for the DMC's evaluation of the proposal.

Mr. Johnson noted that the next evaluation criterion was the discussion about the tax rate, and referred to Page 7 for the outstanding principal and interest on the WCSD's general obligation bonds paid by p-tax. He explained that the page listed the projected payments for the remaining DMC authorization, organized by FY, with a grand total calculated at the bottom. He stated that Page 8 of the packet showed the proposed bonds in the three series that the WCSD planned to issue. He noted that all the listed bonds were expected to have 20-year terms, with payments calculated at a 5 percent interest rate. He reported that the WCSD had recently sold bonds similar to those listed on the page at a 3.6 percent interest rate, indicating that the 5 percent interest rate estimate had a substantial safety margin relative to current market rates. He explained that Page 9 included a debt service coverage table showing projected p-tax revenues, listing information similar to that in a graph he had displayed previously. He noted that the table on Page 9 also included the WCSD's outstanding debt service, proposed debt service, and a grand total for each FY. He reported that the data indicated that, in every FY on the table, the WCSD had at least as much p-tax revenue as the district projected for annual debt service. He noted that those figures were based on two years of growth at a 5 percent rate. He reported that the WCSD had exceeded that growth rate over the previous few years, but the calculations accounted for only two years of growth, with no additional increase thereafter, which represented a fairly conservative estimate for the repayment plan. He explained that the rollover authorization the WCSD received from voters through WC-1, along with further legislative action, required the WCSD Board of Trustees to find that sufficient revenues would be generated to cover the outstanding and proposed debt service, which he opined was satisfied by the figures listed on Page 9.

Mr. Johnson referred to Page 10 of the packet and explained that, based on the requirements enforced by WC-1 rather than the DMC's statutory evaluation criteria, the WCSD was expected to demonstrate that there would be a sufficient balance in the district's Debt Service

Reserve Account to be equal to the lesser of 50 percent of the following year's debt service, or 10 percent of the par amount of the outstanding general obligation bonds and the proposed bonds. He explained that the table on Page 10 demonstrated those calculations and provided projections of the WCSD's debt service fund. He explained that the ending balances for budgeted FY 2026 were listed, and estimates were provided to ultimately reach a balance in excess of \$100 million. He noted that additional figures were at the bottom of the page to verify that the WCSD met the two WC-1 requirements he had described previously. He explained that a calculation was provided for the outstanding par amount, 10 percent of that value, and the debt service for the following year. He corrected his previous statement regarding the requirement for the WCSD's Debt Service Reserve Account to be equal to the lesser of 50 percent of the following year's debt service, noting that the figure was instead required to be 25 percent in Washoe County and Clark County, with 50 percent being the requirement for all other counties. He stated that the relevant calculations for that requirement were listed on Page 10 as well, noting that the percentage of next year's debt service was what became the WCSD's required balance, which ranged between \$30 million and \$40 million. He opined that the district had funds well in excess of the required amount.

Mr. Johnson described Page 11 as including summary information explaining that the WCSD did not project a need to increase the p-tax rate, and that such an action should therefore not cause an adverse impact on any of the overlapping local governments. He noted that Page 11 also listed information for the projects associated with the proposed bonds for purposes of the Debt Management Policy and the Capital Improvement Plan (CIP). He stated that the packet served as an update to the versions of those documents currently on file and that the packet had been provided to the Nevada Department of Taxation (NDT), as it was an organization similar to the DMC that would receive copies of the district's Debt Management Policy and the CIP. He reiterated that the WCSD's proposal met all the criteria he had described. He stated that he would be happy to answer any questions the Commission might have.

Member Erbis acknowledged that the projects described were necessary because children's education was especially important, but he expressed concern that the proposed bonds were not guaranteed to have no impact on sales tax or p-tax, despite the expectation that there would be no increase. He reiterated his concern about the effect the proposed bonds could ultimately have on Washoe County residents. Mr. Johnson noted that he would respond to Member Erbis in two parts. He stated that the WCSD was limited by the regulations set forth by WC-1 to the 0.54 percent increase that had been instituted, noting that the sales tax could not be increased further. He explained that the projections he had provided were very conservative and noted that, if Member Erbis was concerned about a potential recession, the district's total debt service balances were over \$100 million, meaning the WCSD could pay nearly a year's debt service without generating any revenue. He emphasized that such an action would not be necessary, but it would serve as a backstop funding source to pay debt service. He explained that the WCSD had another safeguard to ensure the district would not issue too much debt, which was informally aiming to maintain a 25 percent safety margin through a 125 percent coverage, meaning the WCSD was only bonding against 75 percent of the projected values. He stated that the WCSD felt very comfortable with its financial position, as it was a conservative agency with the highest debt rating of any school district in Nevada, the result of the district's cautious approach.

Member Hull stated that she had been involved in planning related to WC-1 and the district's facility modernization plan prior to her involvement on the WCSD Board of Trustees. She opined that the potential benefits of approving Agenda Item 5 outweighed any potential negative impact of not doing so in response to a possibly uncertain fiscal climate. She opined that when a new school was constructed in a core area, it would elevate the entire community by providing additional opportunities, such as new businesses moving to the area. She explained that the WCSD Board of Trustees had already observed considerable interest in some of the public meetings they held, and she acknowledged that such meetings had no bearing on the DMC's decision on the matter. She suspected that Member Erbis's comment was related to his concern about potential negative impacts on the community, but she also emphasized that the positive aspects for the community were significant and important to recognize. She opined that investing in underserved neighborhoods could attract businesses to all the agencies represented on the DMC, as those schools might be located within Reno, Sparks, Sun Valley, or Incline Village. She stated that such investments would benefit those communities, which was especially crucial considering the project list presented in the packet. Regarding the facility modernization project, she shared that Mark had previously surprised her by explaining that, due to the WCSD's operation of many small elementary schools, consolidating the facilities directed more funds into the general budget, which many agencies represented on the DMC were currently struggling with. She highlighted that the General Fund was under strain across various agencies, especially with challenges associated with the Nevada Public Employee Retirement System (PERS). She added that WCSD was taking steps, using the two revenue sources mentioned earlier, to replenish its General Fund, thereby preventing situations similar to those faced by Douglas County School District (DCSD) and other school districts. She reflected that the WCSD Board of Trustees had approved the modernization projects precisely as the district faced a deficit, and acknowledged that such a choice raised questions. She agreed that it was a valid concern, as all local agencies were acting similarly. However, she opined that, in the long run, the investments would ultimately benefit the community more than not.

Chair Duerr referred to Member Hull's earlier comments and asked for additional details on the status of the DCSD and other school districts that she had alluded to. She noted that she had a question to ask following Member Hull's response. Member Hull reported that the DCSD was closing at least two schools and stated that, according to her understanding, the DCSD had officially declared a fiscal emergency and was working with the State of Nevada to address it. She noted that the DCSD had spent down its entire end fund balance, and that it was not the only school district to have done so. She emphasized that several other school districts in Nevada had done the same and reiterated Mr. Mathers' earlier comments that the WCSD was not declaring such an emergency or laying off teachers.

Chair Duerr reiterated that she had a question, noting that she had little direct interaction with the WCSD beyond discussions with colleagues, such as Member Hull. She recalled hearing that the WCSD was planning to close or repurpose several schools and asked for an estimate of that number. Member Hull stated that it was between eight and ten schools, and that the WCSD Board of Trustees had already voted to close several. She elaborated that all the immediately upcoming projects were related to the areas around the Pine Middle School and the Vaughn Middle School revitalization projects. She noted that those buildings would offer opportunities for the communities they were located in and would benefit residents of each

jurisdiction served by the Commission's membership, as those facilities could also serve as pre-kindergarten or senior centers. She disclosed that the WCSD was not certain exactly what those community spaces might become, but she emphasized that they would represent a long-term benefit for the community.

Chair Duerr agreed, noting that the DMC had members representing the Cities of Reno and Sparks, as well as Washoe County, and she suspected that each of those entities experienced substantial demand for additional community space. She stated that she has had to pay to rent the Moana Community Room for the last 12 years to host her neighborhood advisory board. She reported that she was aware of no community centers in the City of Reno's Ward 2, and she expressed certainty that there were none in South Reno or North Reno. She opined that if schools were available to provide community or meeting space, many nonprofits would take that opportunity, as they were always searching for a space to gather. She noted that libraries were reducing operating hours, making it increasingly difficult to meet in those spaces. She acknowledged that her comment was not specific to Agenda Item 5, but opined that it had a broader impact on funds and affected all governing agencies represented on the DMC. She reiterated her question about whether it would be possible for those schools to serve as community spaces. Member Hull stated that there were many possibilities for those community spaces and noted that consultants were assisting the WCSD with those matters, so the district would not need to make all the decisions unaided. She explained that the consultants were researching actions taken by other school districts across the United States (US), which she believed would help determine the outcome. She reported that other school districts had contacted the WCSD for information on how the district could carry out its planned projects without destroying its budget. She expressed appreciation for the presence of the various commissions in Washoe County, which allowed for conversations on the matter and ensured that different entities could continue to be included in impactful decisions.

Chair Duerr asked whether the WCSD was experiencing a declining enrollment and whether that was the reason the district had chosen to close several schools. Member Hull confirmed that reasoning and noted her expectation that Chair Duerr would appreciate learning the science behind the cause. She referred to population pyramid diagrams that showed the distribution of a population, noting that the US had a normal population for a long time, which would appear as a standard pyramid-shaped distribution on such a diagram. She reported that those statistics had been inverted because the US population was not having babies following the 2008 Great Recession. She acknowledged that those in attendance at the DMC meeting might have heard news reports about initiatives to encourage American citizens to have babies, as many had stopped doing so. She emphasized that declining enrollment in WCSD schools was not because students were leaving the district's schools for charter or private schools, but rather the result of the declining birth rate and the limited number of new residents with school-aged children relocating to Washoe County. Chair Duerr noted that she had wondered whether the enrollment numbers had increased, decreased, or remained the same. Member Hull explained that all of Nevada had lost student populations, noting that the graduating classes of 2025 and 2026 were the last large graduating classes in the entire US. Chair Duerr acknowledged that while it was not an area the DMC was often involved in, those statistics were good to know.

Vice Chair Bonnenfant noted that she had two comments to provide. She expressed appreciation for the information Member Hull described regarding the WCSD's actions to address the declining populations. She explained that the WCSD's efforts allowed the district to take money from restricted funds that were required to be used for capital improvements and could have a potential total of millions of dollars that could not be used for operations, to instead invest that money into school modernization efforts that would result in the reduction of operating costs. She described those efforts as amazing and expressed uncertainty about whether it had been entirely realized that the proposed bonding would be a great way to reapply those restricted funds. Member Hull agreed, noting that the modernization projects would also provide a better learning experience for WCSD students. She explained that those projects would not only update the facility spaces, but would also ensure proper heating and air conditioning that contributed to creating a great environment for students to learn in, which she emphasized that all children deserved, regardless of whether they lived in specific neighborhoods. She described the modernization projects as an opportunity for the WCSD to invest in core areas, which she acknowledged was a goal of the Cities of Reno and Sparks and Washoe County. She opined that those factors made the projects worthwhile and logical.

Vice Chair Bonnenfant referred to the graph on the *Rollover Bonds* slide. She noted that the line depicting revenue on the graph showed an increase that appeared to be significant, while the bars representing the proposed obligations approached that line. She explained that such an occurrence in the graph caused her to feel some concern until Mr. Johnson reported that those figures were based on two years of growth at a 5 percent rate. She opined that the 5 percent assumed growth rate was a very conservative estimate, especially given that it was for a two-year period and considering the presence of the 3 percent abatement on residential properties and the 8 percent abatement on commercial properties. She stated that she was very comfortable with the revenue projection, given that the figures were very conservative, especially following the assurances that p-tax revenue was very secure. Mr. Mathers thanked Vice Chair Bonnenfant for raising the issue of abatement. He acknowledged that the topic was very technical but stated that there was a significant amount of abated taxes, meaning the p-tax rate people paid was not based entirely on the current assessed value of their properties. He explained that even if property values were to decline, there could be a number of years in which a person's tax bills would increase by 3 percent until that abatement was gone. He reiterated that the discussion on the topic was very technical, but that abatements provided a buffer that would prevent a decrease in property taxes for the foreseeable future, even when the decline in property values was considered. Mr. Johnson thanked Vice Chair Bonnenfant for introducing the discussion on abatement, noting that he also intended to mention the topic at the end of the conversation. Vice Chair Bonnenfant asked whether the Commission had any additional questions, and it was determined that they did not.

There was no response to the call for public comment.

Vice Chair Bonnenfant asked whether Agenda Item 5 would require a vote, and Deputy District Attorney (DDA) Trenton Ross explained that a two-thirds majority vote would be required per NRS. Vice Chair Bonnenfant noted that she was not as familiar with the necessary process and asked whether a motion had to be set or if there was generalized language to use. DDA Ross deferred her question to the bond counsel. Mr. Henry introduced himself and stated that it would be preferable for the Commission to move to approve the resolution associated with the

item, which was included in the packets for Agenda Items 5 and 6. He explained that the resolution for Agenda Item 5 approved the WCSD's proposal to issue the \$500 million in one or more series. He noted that he would defer the matter to DDA Ross to determine whether the Commission should read the entire resolution in the motion. DDA Ross opined that it would be appropriate to use language that would move to approve the resolution as it was written.

On motion by Member Erbis, seconded by Member Hull, which motion duly carried on a 6-0 vote, with Member Severt absent, it was ordered that Agenda Item 5 be approved. The Resolution for same is attached hereto and made a part of the minutes thereof.

**26-006D**      **AGENDA ITEM 6**      Discussion and possible action on a resolution concerning the submission to the Washoe County Debt Management Commission by Washoe County School District of a proposal to issue general obligation bonds (additionally secured by pledged revenues), in one series or more, in an aggregate principal amount not to exceed \$175,000,000; concerning action taken thereon by the Commission; and approving certain details in connection therewith

Martin Johnson, President of JNA Consulting Group and Financial Advisor for the Washoe County School District (WCSD), and Mark Mathers, Chief Financial Officer (CFO) of the WCSD, reviewed the supplemental financial information they had submitted to the Debt Management Commission (DMC) in an 11-page packet. Mr. Johnson explained that the WCSD's proposal to the DMC was to issue \$175 million of what he referred to as Washoe County Ballot Question 1 (WC-1) bonds. He noted that WC-1 bonds were paid from revenues generated by the additional sales tax added after voters approved the WC-1 measure, and were secured by the WCSD's general obligation pledge. He explained that the method used to secure those bonds was the reason the WCSD needed to seek authorization from the DMC, as if the bonds were exclusively paid for by sales tax revenue, such action would not be necessary. He stated that the Nevada Revised Statutes (NRS) criteria the DMC used to evaluate proposals regarding the debt rate and the tax limit, which he had described in his presentation during Agenda Item 5, also applied to the bonds associated with Agenda Item 6. He recalled that he had already discussed the debt limit for those bonds during the conversation on Agenda Item 5, noting that he would not repeat those details unless the Commission had specific questions.

Mr. Johnson asked Mr. Mathers whether there was any additional information he wished to mention about the WCSD's projects. Mr. Mathers referred to Page 1 of the packet and explained that the project list was not complete and could be paid for with either the rollover bonds associated with Agenda Item 5 or the WC-1 bonds proposed for the current item. Mr. Johnson noted that he would discuss how the proposed bonds would be paid and the potential impact on the property tax (p-tax) rate by reviewing Page 7 of the packet. He explained that the page included the outstanding debt service on the WCSD's outstanding bonds. He noted that the figures on Page 7 also accounted for the WCSD's nearly \$27 million of bonds that were currently authorized but unissued. He stated that the column titled *Principal* in the chart on Page 7 reflected the WCSD's expectation to issue \$175 million in two series over the next several years, with one series totaling \$50 million and the other totaling \$125 million. He explained that an assumed interest rate of 5 percent had been used for the calculations as the proposed rate for the proposed bonds. He reported that the WCSD recently sold WC-1 bonds with a 30-year term at an interest rate of 4.15 percent,

which he described as a slightly higher rate than normal. He explained that there was still a substantial safety margin implemented into the calculations on Page 7, reiterating that an estimated rate of 5 percent had been used to generate those figures despite the recent sale having a rate of 4.15 percent. He acknowledged that the estimated margin for the WC-1 bonds was not as large as that of the rollover bonds he had described during his presentation for Agenda Item 5, but he opined that it was still substantial.

Mr. Johnson referred to Page 9 of the packet, noting that it listed the WCSD's projected revenues, outstanding debt service, and total proposed debt service. He explained that the WCSD had coverage under what he called a *one-and-a-quarter* model, which meant that for every dollar of debt service, the WCSD generated \$1.25 in projected revenue. He stated that the model was the basis for structuring the district's capital plan. He reported that the revenues not used for debt service could be placed in a separate Debt Service Fund for the WC-1 bonds or used to pay for projects in cash. He noted that the WCSD had recently completed construction of an elementary school and had paid for that development in cash with available revenues from the WC-1 bonds. He noted that, with that revenue and the current balance in the WC-1 Debt Service Fund, the WCSD had \$40 million between the two. He emphasized that a substantial financial cushion had been built to repay the proposed WC-1 bonds, which entirely excluded the \$100 million already in the Debt Service Fund, as that was separate from the WC-1 Debt Service Fund of \$40 million. He assured the Commission that with that coverage and the WCSD's current reserves, there was no expectation that the proposed bonds would ever require an increase to the p-tax rate. He added that there was no anticipated impact on other local governments' ability to raise revenue through p-taxes. He reiterated that the WCSD had ample debt limit and did not foresee any effect on the tax rate.

Mr. Johnson recalled having described two additional criteria for evaluating rollover bond proposals during his presentation on Agenda Item 5. He explained that those requirements did not apply to the proposed WC-1 bonds because they were issued under a different statute than the rollover bonds. He noted that the factors he had just reviewed in the packet for Agenda Item 6 were the only criteria the DMC needed to consider regarding the WCSD's current proposal and offered to answer any questions.

Vice Chair Bonnenfant noted her intent to maintain consistency with the previous comments she made regarding p-tax during the discussion of Agenda Item 5. She opined that the estimated 2 percent growth rate over the following 5 to 6 years used for calculations on Page 9 of the packet did not need to be assumed, as that percentage could have been zero, and the totals would still have remained above the necessary amount. She noted that the 2 percent rate the WCSD used for the provided calculations was very comfortable, as the Congressional Budget Office (CBO) was estimating inflation at a rate of approximately 2.3 percent, with population growth estimates from demographers indicating an addition of about 1 percent to that rate, which represented a total growth rate of approximately 3 percent. She stated that she was happy with the WCSD's provided revenue projections. Mr. Johnson thanked Vice Chair Bonnenfant and noted that the WCSD tried to be conservative in those matters.

There was no response to the call for public comment.

On motion by Member Erbis, seconded by Member Hull, which motion duly carried on a 6-0 vote, with Member Sever absent, it was ordered that Agenda Item 6 be approved. The Resolution for same is attached hereto and made a part of the minutes thereof.

Vice Chair Bonnenfant thanked Mr. Johnson and Mr. Mathers for their presentations, noting that they were extremely helpful. She complimented the format and information provided in the presentations.

**26-007D**      **AGENDA ITEM 7**      Presentation from the Incline Village General Improvement District.

Incline Village General Improvement District (IVGID) Director of Finance Noemi Barter introduced herself and presented a document she had prepared for the Debt Management Commission (DMC), a copy of which was submitted at the time of the agenda posting. She noted that she had recently assumed her role with IVGID in August 2025, and noted that despite her having a considerable amount of knowledge related to IVGID's finances, there were still some things she might not be aware of. She expressed hope that she would fully convey the information sought by the Commission during her presentation, including details on how IVGID was functioning with respect to its debt service.

Ms. Barter described the document she was presenting as a one-page overview of IVGID's current debt service. She reported that IVGID's proceeds from the district's bonded indebtedness had been used for recreation and utility service infrastructure. She noted that IVGID studied and developed a plan for identified revenue sources to be used for repayment of the bond and interest before adopting any plans to acquire the desired infrastructure. She listed examples of those revenue sources, such as elements of the district's water and sewer user fees specifically designated for capital expenditures, including the debt service used to acquire those assets. She noted that another example was IVGID's recreation and beach facility fee, which the district charged to individual benefited parcels and included items for capital and related debt service.

Ms. Barter explained that, as a General Improvement District (GID), IVGID functioned differently from other entities. She reported that the outstanding debt used by IVGID was sourced from the State of Nevada Revolving Funds that the district used to complete its infrastructure projects. She stated that, in her understanding, IVGID had not conducted a formal bond issuance in a substantial period of time, and she expressed the belief that the most recent instance was IVGID-1 through the State of Nevada Revolving Fund for Drinking Water, which had nearly expired. She reported that IVGID had recently conducted its affluent pipeline project, and the figures associated with it were listed as the last two items in the document. She explained that IVGID had installed new piping through approximately six miles of land on the north side of Lake Tahoe to be conveyed eastward. She noted that the project was completed in November of 2025, and IVGID was closing that loan and trying to draw down the remaining funds. She reported that IVGID initially proposed that \$52 million would be needed to complete the project, but with improved cost management, the district ultimately needed to draw down \$36 million for that loan. She noted that debt payments for that loan would not begin until 2027. She stated that several factors assisted IVGID in avoiding larger debt issuances while providing infrastructure projects without increasing debt, such as IVGID's annual operation budget process, which considered the

use of resources in order of priority, and the district's user fees charged for recreation and beach that helped to cover operating expenses and debt service requirements. She noted that she did not have more information on the document to summarize, but she offered to answer questions or provide additional details if the Commission requested them.

Chair Duerr recalled that IVGID had received grants from the State of Nevada for water systems in the past, and she believed that the district had also bonded to conduct some development work. She asked whether those grants were incorporated into the provided calculations and noted that, while the graph listed the State Water Pollution Revolving Fund and the Clean Water State Revolving Fund loans, her question instead pertained to grants from the State of Nevada. Ms. Barter confirmed that IVGID was able to incorporate grants issued by the Environmental Protection Agency (EPA) for the affluent pipeline installation, thereby reducing project costs by using the grants to fund portions of the project. She stated that IVGID secured approximately \$5 million in grant funding, which was not included in the loan amount listed.

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

**26-008D**      **AGENDA ITEM 8** Approval of the minutes for the DMC meeting of August 15, 2025.

There was no response to the call for public comment.

On motion by Chair Duerr, seconded by Member Erbis, which motion duly carried on a 6-0 vote, with Member Severt absent, it was ordered that Agenda Item 8 be approved.

**26-009D**      **AGENDA ITEM 9** Board Member Comments.

Vice Chair Bonnenfant thanked Chair Duerr for allowing her to act as Chair during the meeting. Chair Duerr stated that she loved that Vice Chair Bonnenfant was re-elected as Vice Chair of the Debt Management Commission (DMC). She remarked on Vice Chair Bonnenfant's willingness to serve in that position, noting that she had done a great job standing in as Chair of the DMC for the meeting.

Member Erbis noted that the DMC meeting scheduled for the fall had been canceled and acknowledged that the Commission was only required by Nevada Revised Statutes (NRS) to conduct two meetings each year. He stated that there was currently economic uncertainty between Washoe County and the City of Reno and opined that, during such times, the Commission should exercise a more proactive oversight function by requesting that various agencies appear before the Commission to present their financial positions, as those matters impacted the County's finances. He explained his intent to provide suggestions on which agencies should present to the DMC, in the interest of transparency. He noted that he would like for the Reno Justice Court (RJC) to appear before the Commission, as he had been working on a project that had recently resulted in discussions with Deputy District Attorney (DDA) V Zach Young at the Washoe County District Attorney's (DA's) Office. He stated his belief that there had been a disturbing trend in the RJC regarding the methods used to address scofflaws and fine collections, with some tabulations

indicating the presence of substantial debt that had not been addressed. He reiterated that he would like the RJC to present its current financial condition to the DMC.

DDA Trenton Ross noted that he would need to verify whether the DMC had specific jurisdiction over the RJC, as he believed that it was an entity within the City of Reno's purview. He acknowledged that the Commission had invited the City of Reno to present as a comprehensive organization in the past, but he expressed uncertainty about calling upon a specific agency. Member Erbis clarified that the RJC was under Washoe County's jurisdiction, which DDA Ross acknowledged, noting that he was still uncertain whether the DMC could call upon a specific entity within a county or city government to present their findings to the Commission. He reiterated that entire entities would provide presentations to the DMC and had done so in the past, such as the Incline Village General Improvement District (IVGID), which had presented earlier in the meeting. He emphasized his uncertainty about whether it was within the Commission's purview to call upon the RJC to do the same, as that entity did not issue debt in the way organizations like IVGID did.

Member Erbis explained that his request was not necessarily made regarding the RJC's debt. He stated that if the RJC were not collecting fines, those funds would not be provided to Washoe County, which would impact the County's debt position. DDA Ross suggested that such an occurrence would be a concern more suited for Washoe County to address, rather than the DMC. He reiterated that he would conduct additional research to identify the DMC's jurisdiction over the issue mentioned by Member Erbis. Member Erbis asked whether the DMC was under Washoe County's purview, and DDA Ross explained that the DMC was multi-jurisdictional. Member Erbis stated that he would like the matter to be considered at a future DMC meeting. DDA Ross assured Member Erbis that he would investigate further. Member Erbis stated that the occurrences at the RJC he had described were concerning, as his research indicated that the RJC had operated without oversight for a prolonged period. He opined that the DMC should, if possible, review the matter in the interest of transparency.

Chair Duerr opined that the issue was more likely under the jurisdiction of Washoe County. She asked County Clerk Jan Galassini whether Washoe County had a finance advisory board similar to the City of Reno Financial Advisory Board. DDA Ross noted that Washoe County's Chief Financial Officer (CFO) Abbe Yacoben was present at the meeting and could respond to Chair Duerr's question. Ms. Yacoben introduced herself and stated that Washoe County did not have a specific finance committee, as County staff instead provided financial reports to the Washoe County Board of County Commissioners (BCC). Chair Duerr stated that such a matter would be properly under review by the City of Reno Financial Advisory Board if it were occurring within an entity under the City of Reno's purview. She asked Ms. Yacoben what action she would recommend Member Erbis take to address the issue, specifically whether he should provide public comment during a BCC meeting. DDA Ross responded that he would investigate the issue and discuss the matter further with Member Erbis.

**26-010D**      **AGENDA ITEM 10** Public Comment.

County Clerk Jan Galassini noted that she had no public comment to provide but expressed her intent to report that no agencies had signed up to present at the upcoming Debt

Management Commission (DMC) meeting in August. She noted that her staff could again contact the 21 entities they had previously approached regarding their availability to present at that meeting and communicate any responses to Chair Duerr and Vice Chair Bonnenfant, should that be the desired action. Chair Duerr expressed uncertainty about her current ability to recommend specific entities for the following two presentations, but she requested that Ms. Galassini review the list of previous presentations to identify whom to contact based on those who had not appeared before the Commission recently.

Deputy District Attorney (DDA) Trenton Ross suggested that, if possible, a request be made to the bond counsel to provide a presentation to the Commission on their roles and responsibilities during the upcoming August DMC meeting. Ms. Galassini noted that they would be added to the list of individuals staff would contact.

There was no response to the call for public comment.

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**2:04 p.m.** There being no further business to discuss, the meeting was adjourned without objection.

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**NAOMI DUERR**, Chair  
Debt Management Commission

**ATTEST:**

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

*Minutes Prepared by  
Brooke Koerner, Deputy County Clerk*