

**Minutes of the Subcommittee Meeting**  
**COMMITTEE ON LOCAL GOVERNMENT FINANCE**  
**TYPES OF FINANCING GUIDANCE TO THE DEPARTMENT**  
**August 1, 2016**  
**9:30 a.m.**

The meeting was held at the Department of Taxation, 1550 College Parkway, Carson City, Nevada and video-conferenced to the Grant Sawyer State Office Building, 555 E. Washington Avenue, Room 4401, Las Vegas, Nevada.

**COMMITTEE MEMBERS PRESENT:**

Marty Johnson, Chairman  
Marvin Leavitt  
Jeff Zander

**COMMITTEE MEMBERS ABSENT:**

Jessica Colvin

**COUNSEL TO COMMITTEE**

Peter Keegan

**DEPT OF TAXATION STAFF PRESENT:**

Terry Rubald  
Kelly Langley  
Keri Gransberry  
Penny Hampton  
Chali Spurlock

**MEMBERS OF THE PUBLIC PRESENT:**

<b>Name</b>	<b>Representing</b>
Anna Thornley	NV Taxpayers Association
Jeff Zander	Elko County
Wes Henderson	League of Cities & Municipalities
Alan Kalt	Churchill County
Brett Hilton	UMC
Brent Loveland	UMC

**ITEM 1. ROLL CALL AND OPENING REMARKS**

Chairman Johnson called the meeting to order at 9:30 a.m. Roll call was taken and it was determined that a quorum was present.

Chairman Johnson opened with clarification that he is not an employee of any local government; the business he is in, is to help local governments do financing. His understanding is that what they are trying to accomplish is to provide guidance. He does not see it requiring businesses to hire professional services with financing. He does not see that this would impact his business or anyone else's.

**ITEM 2. PUBLIC COMMENT**

There was no public comment.

**ITEM 3. For Possible Action: Discussion and Consideration of Proposed Guidance to the Department of Taxation regarding various types of financing including medium term obligations, installment purchase agreements, and other forms of financing such as, but not limited to, "lease-leaseback" structures.**

Chairman Johnson made an introductory comment that what brought us to the point of having a subcommittee was the financing done by the Elko Convention and Visitors Authority. That financing caused us to decide that we need to look at guidance on what kind of financing should be authorized. His intention would be to provide a list of do's and don'ts in a guidance letter that could be sent out to local governments.

Marvin Leavitt agreed with Chairman Johnson. He stated we need further understanding. His position is that we do need to provide guidance, the dos and don'ts, and how it relates to the various financing.

Terry Rubald, with the Department of Taxation, requested to go over the exhibits, and what questions the Department has. She referred to their packets, chapter 350 which provides the process local government has to go through in order to get a medium term obligation approved, basically; the local government has to adopt a resolution or an installment purchase agreement. Then the Department goes through a process of review looking for probable ability of the local government to repay the obligation or installment purchase agreement. They also look for the compliance of the local government with all the applicable provisions of law. If the Department does not approve it, it can be appealed to the Nevada Tax Commission.

Ms. Rubald then referred to the checklist example in the exhibits. She explained the Department uses this checklist for a medium term obligation or an installment purchase agreement. They make sure the public has been properly noticed about the financing and that the resolution contains all the requirements provided in NRS Chapter 350. That includes a finding by the governing body that the public interest requires the medium term financing, a statement specifying the fund sources for repayment, and that there is an indication that there was board discussion and approval via the minutes of the meeting.

Ms. Rubald continued on the 2<sup>nd</sup> page of the checklist, where they ask for a statement for intended time for procuring the medium term financing, a proposed amortization schedule for repayment of the proposed obligation, and in the case of local governments that are formed under NRS Chapter 318, whether the financing was approved by the debt management commission. If the proposed obligation is for an installment purchase agreement of more than 10 years, the written approval of the debt management commission is requested, and an analysis comparing the cost of installment purchase financing with other available methods of financing. They also look at the highest overlapping tax rate is for the entity, and whether the entity is in compliance with the various filing requirements of Chapter 354. They look at the fund identified to service the proposed debt, whether the revenue sources to that fund are reasonable and consistent, whether the entity identified a particular revenue source to fund the repayment, whether there are other outstanding debt issues serviced by this fund, whether future balloon payments will affect the expenditure pattern of the fund or the future service of the proposed issue, whether the entity maintains a debt service fund, the nature and duration of the debt, and whether there is available room in the debt margin of the entity.

Ms. Rubald went on to page 3 of the checklist. The Department looks at actual and budgeted ending fund balances. They review the overall financial health of the entity, the schedule of long term debt, the debt management policy, and their capital improvement plan.

Ms. Rubald stated that all of this is designed to ensure the local government can afford the medium term obligation or installment purchase agreement and to make sure the financing was transparent to the public. She mentioned that last June at their CLGF meeting, they brought forward an example of a different form of financing called lease-leaseback structure. Part of that structure is in the packet, part has been redacted as this is only an example of the types of financing potentially avail to local governments. The lease-leaseback structure is designed to provide leased facilities to the local government without incurring a debt obligation to the government. The facilities are privately financed, constructed and owned. The local government

leases back the facility from the 3<sup>rd</sup> party. This form of financing has some aspects of a capital lease or long term lease, but not all of them. The part that is not in the packet, but was reviewed last June at the meeting, is the facility use agreement where the local government allowed the 3<sup>rd</sup> party to lease the land on which it builds the building, and the 3<sup>rd</sup> party leases it back to the local government. In this example there is a 25 year obligation for rents. In addition, the local government pays a substantial base use fee, and other fees, which in this example amounted to several million dollars. The 3<sup>rd</sup> party has borrowed the money, but the terms of the borrowing provide for a balloon payment in 10 years. In the event the 3<sup>rd</sup> party's loan can't be refinanced on terms acceptable to the local government, then the local government will be in default of the lease agreement. Otherwise, the base use fee is adjusted and the local government pays the balloon payment and/or agrees to the refinancing. In the example provided, there has been some confusion as this lease-leaseback structure was reported as a capital lease in the CAFR but there was no request to approve an installment purchase agreement to the Department, because the local government later said it was an operating lease that did not need department oversight. This example has been described as nonrecourse financing, by going through a 3<sup>rd</sup> party that gets the financing and owns the facility, there is no requirement to use prevailing wage laws, it cuts financing red tape, and the local government apparently doesn't have to go through loan counsel. This example has brought up a number of questions to the Department.

Ms. Rubald clarified that the prepayments in the form of base fees were significant and they wonder if those types of base fees should be noted in the CAFR, and should this form of financing be on the indebtedness reports because of the magnitude of the operating lease. How should the lease payments be shown? Should it be an operating lease in service and supplies, or should it be shown as a capital lease? Should it be considered an installment purchase agreement for purposes of oversight, or should it be subject to the approval of the local debt management commission? Basically, the Department is asking if this is debt or not for purposes of the indebtedness report and/or the medium term obligation installment purchase review.

Ms. Rubald asked if Kelly Langley would like to add anything else.

Kelly Langley, with the Department of Taxation, stated Ms. Rubald had summarized it very well. She stated their concern was that the large payment, the prepayment, was issued with tax dollars from an account that, at the time, had received ad valorem and the representative prepayment for the following 25 years so that their future payments could be produced.

Ms. Rubald stated to Chairman Johnson that the Department doesn't know what to do with it.

Chairman Johnson stated he understands what they are saying. He commented that he thinks there are some misunderstandings of what debt is. In some cases debt is a general obligation, in other cases, like in installment purchase agreements, it's not a debt, but there is still an obligation to make an annual payment. He thinks one thing they need to make sure that they do in this guidance, is to make sure there is a clear understanding. Just because something is not considered a debt, like capital deeds, doesn't necessarily mean that it doesn't need to be authorized. There is also the concept of the pledge of revenue. The ability to use revenue to make a debt service and the pledging of that revenue are two different things. He gave an example that we can pledge gas tax, sales tax, and a variety of other revenues, but there are some revenues you can't pledge. He thinks that it confuses folks as well.

Chairman Johnson mentioned the checklist, and asked Ms. Rubald what local governments have that tell them what they need to do if they go into medium term financing. He asked if this checklist was available to them.

Ms. Rubald stated this is for internal use only. Ms. Rubald asked Penny Hampton, with the Department of Taxation, if local governments have a checklist of their own. Wes Henderson,

with Nevada League of Cities and Municipalities, stated there is a packet online. Ms. Hampton clarified they have a packet, but not a checklist.

Chairman Johnson stated after doing this for 25 years, he has not looked at the checklist in a very long time. He said years ago CLGF had a discussion about a tax rate election question, to put a tax rate outside of the tax cap. He wonders if this applies here, that all they can do is make the information available, that if the local governments don't use it, or follow it, what kind of recourse there is.

Ms. Rubald noted the only recourse is regulation or statute. The documents on the website are a reflection of what the statute asks for.

Ms. Hampton stated we are talking about ECVA's and they have elected to structure it as an operating lease, and it has taken the whole transaction outside of what we normally review.

Ms. Rubald replied that we would probably require a statutory change to include operating leases of that magnitude. Then we need to decide what magnitude that is, is it the number of years or the base fees amounting to millions. There are a lot of operating leases we don't care about.

Ms. Hampton stated typically those are simply expenses and included in part of their services and supplies.

Ms. Rubald asked if we want to distinguish between the size or the magnitude of the operating lease or not because it might have an effect on the overall health of the organization.

Chair Johnson asked if the concern on this one is the payments and the term of the payments between the entity and the contractor, or the fact that there was financing done against it, or is it the whole thing.

Ms. Langley stated she thinks it's the size of the payments over the term (25 years), as well as the fact that they stated they could walk away at the end of that time. The goal is that they own that at the end of the term. Also, the way in which it was financed brings concerns over if whether the board understands the terms of the financing. The auditors and the accountants did not understand it. They showed it as a capital lease and were going to depreciate it. It only came to their attention when the entity decided to ask questions as to how it works on their indebtedness reports.

Ms. Rubald clarified that an operating lease does not go on the books. It doesn't become a part of the assets.

Ms. Langley stated the entity originally thought it was a capital lease, at least the auditor. When the department asked questions, they then said no, it wasn't a capital lease. The statements made conflicted their CAFR. The CAFR completely misrepresented that transaction.

Ms. Rubald suggested they need to engage in identification on when a transaction is an operating lease, and when it is a capital lease. She explained her concern is transparency. This is a relatively big undertaking, a large facility in this example that the public thinks is theirs, but it's not. They paid a lot, millions of dollars, for a base fee, and continue to pay large amounts for the operating lease. There is no mechanism to afford transparency to the public.

Ms. Langley asked if GAAP has any regulation because of the size. The annual payment is approximately half a million dollars. She asked if there was something because of size that accounting regulations would require it to be treated differently.

Chairman Johnson stated he is not a CPA and does not know about the accounting regulations.

Mr. Leavitt commented that normally in operating leases it's something that is not resolved in the acquisition of major plant equipment. We would not see large buildings, large structures or sewer plants, things like that normally structured with an operating lease. He would think if a lease was to be involved, it would be a capital lease, or a debt would be incurred, or medium term obligation, revenue bond, general obligation bond, or something of that nature. It appears now we are talking about acquiring major facilities, but it's structured in such a way that it becomes an operating lease which is foreign to what we have done in the past. He gave an example that you do one of these to build a city hall. If you don't make payments, you could be turned out of your city hall building, which is a major disruption to government. It's an essential facility. He asked if you could build an essential facility, which in a way is necessary to the government, and incur an obligation with multiple payments to build it, even though the form of it is different than what we normally consider debt. What process should we go through to get it approved, is it enough that the governing board approves it, should it be similar to the medium term financing where the Department of Taxation has a role in that? His concern is he suspects we will see a bunch of these, and it could be a concern. We also need to address if one of these is trying to be incurred by a local government on financial difficulty watch.

Ms. Rubald wondered if this particular example is most like an installment purchase agreement, as they expect to own it at the end of the term, even though they are not obligated during the term, they can back away at any time. Chapter 354 has a definition of installment purchase agreement; it says the term installment purchase agreement does not include an obligation to pay rent pursuant to a lease which contains no option or right to purchase, or which contains only an option or right to purchase the property without any credit towards the purchase price. She stated she is beginning to wonder if they will have to have a statutory change to address this kind of financing.

Jeff Zander stated he is sort of familiar with this, being from Elko, especially when they were building this building. The legislative session was in place and the governor had passed regulation to exempt school districts from prevailing wage. They awarded a bid while that regulation was in place, so they were one of the few school districts in the state that benefited from that. In the meantime contractor boards picketed their office, while the convention center was down the road being built and not paying prevailing wages on that facility. He thinks it saved the taxpayers some money, and that's a good thing. He said the issue is whether this is a capital lease or an operating lease. The fact that you do an operating lease and build a facility on convention center land clouds that issue. It doesn't make any sense to him that the government would pay for a building on their land that they would never own.

Alan Kalt, representing Churchill County, came forward to give the definition of a capital lease. There are four criteria. When the ownership interest at the end of the lease transfers to the entity, it's a capital lease. If the lease document contains a bargain purchase price, for example if at the end of the lease you can buy it for a buck, that's a capital lease. If the term of the lease is 75% or more of the estimated useful life of that asset, that would be a capital lease. The fourth criteria put out by GAAP, is if the present value of the payments over the life of the lease is 90% of the fair market value. What an auditor and an accountant would do is measure against these four criteria, if it meets one or more, it's a capital lease, if not, it's an operating lease.

Ms. Rubald suggested that maybe we need to incorporate that in an operating letter to us, local governments that is, how we distinguish between them.

Mr. Kalt responded that if it meets these accounting provisions of a capital lease, we already have statutory provisions that state: capital lease, this is what you do. He thinks of operating leases in local governments for example, copier contracts come to mind. He has not studied the

detailed transaction in Elko, but he assumes somebody's accountant has checked that criteria to determine it. Ms. Hampton did say the auditing firm said capital.

Ms. Hampton replied that so did their finance people.

Ms. Rubald noted there are multiple people involved in this. The City of Phoenix created an LLC, and the LLC was the borrower of the bank.

Ms. Hampton clarified that the executors or executive director's response to Ms. Langley's inquiry, that the auditors stated it was a capital lease. It was in the MD and A, it was in the notes, as well as how the budget was set up. His response, from what she gathers, is that the auditor didn't understand the transaction and the finance people did not understand the arrangement.

Mr. Kalt asked if they provided another CPA out of Phoenix that said this was an operating lease. Ms. Hampton stated she didn't believe so.

Mr. Kalt stated that sometimes when you have a misunderstanding with auditors that it's recommended that you get a second opinion. He continued that they would have to disclose that to the auditors. It might be something the department may want to look at. In his recollection, in the quarterly economic surveys, there is a question that asks local government, if they have entered into any debt or financial arrangements, and maybe change the language there to a lease, and if it's an operating agreement they could change it there. He also stated we wouldn't want local governments to have to follow the same medium term financing for 3 years, as with copiers, or computer leases. Ms. Hampton added or school buses.

Chair Johnson stated John Swenseid emailed that to him, he believes it's the same definition that the IRS uses. He questioned if capital leases are required to come before taxation to be approved.

Ms. Rubald stated she did not believe so, they are supposed to be part of the CAFR. Ms. Hampton stated that would fall into medium term when they do the financing if it exceeds to 50,000. With that said, you have the 10 years and the statute also covers anything over 10 years, you could equate that to capital leases.

Ms. Rubald added that installment purchase agreements are for greater than 10 years, and that's why she believes this has aspects of that.

Chair Johnson agreed. He stated he hasn't reviewed this particular transaction in great detail, but it seems like it has elements most like an installment purchase agreement.

Ms. Rubald asked what he thought would be most helpful to local governments. Modifying their current packets, to have a discussion on different types of leases, maybe that would be a start.

Mr. Zander suggested maybe guidance on to how those particular leases are going to be accounted for.

Chair Johnson agreed that they need to look at, including those definitions to local governments, so that they know. Also, to provide them with some guidance or the subcommittee to the Department of Taxation so that the Department can do this, but some guidance on what would keep a capital lease from becoming an installment agreement. He stated he could see where you could cross the line when you enter into an obligation, debt being G.O. backed type bonds, with a medium term general obligations, and we need to make a payment, no non appropriation clause. Then obligations would be the things we are supposed to pay, but we have the ability to decide not to appropriate it. It seems to him, that it would be

fairly easy for someone intending to do a capital lease to turn that into an installment purchase agreement without realizing that has been done.

It seems to him the only difference between a capital lease and an installment purchase agreement would be that in a capital lease, the lender owns the facility, but with an installment purchase agreement, you essentially own the facility, over time. Going back to Mr. Leavitt's example of City Hall, if you did a City Hall under a capital lease, he believes the owner/contractor that owns that facility still has to pay property taxes, etc. Under an installment purchase agreement if the local government has control over the facility, even though there is a non-appropriation clause, there aren't property taxes required. He mentioned he could be wrong on that, and they may want to ask John Swenseid about. It seems to him, there is not much distinction between those two loans.

Mr. Leavitt commented to Ms. Rubald that when they were drafting language for short term financing and medium term financing regulations, we envisioned a situation that he wonders, with some of these new financing mechanisms, that people can have enough ingenuity to devise a system so they never have to get medium term financing approved, by simply calling it something else. There are numerous ways to circumvent that so that you might never have to have medium term financing approved. They originally thought that the Department would approve it if there was a guarantee that there was an ability to pay by someone outside of the local government. Now maybe we've reached a point that the local government, with their ingenuity, and how they structure the deal, can achieve the same results without having an outside party do it. He wonders if they don't have to get some kind of a revision of the statute, or an understanding at least, could go through regulations, to provide a review. It would need to be in fairly general terms because you would have to anticipate there would be new financing mechanisms that someone thinks of that are not yet contemplated. So there would be some review for the local government so they don't get in an obligation they can't pay.

He went on to state that he is afraid if they don't get something like that in, it will encourage them, when they start to see themselves going down that path, to get enter into one of these new kinds vehicles and we find ourselves worse off than we are now.

Ms. Rubald commented that she believes she is on the same page, that she is concerned about transparency.

Ms. Langley stated on the indebtedness report, there is a spot for "other". And maybe they can redefine "other" as what types of financing it may include.

Ms. Rubald commented that they would have to look at the authority for the indebtedness reports as to what "other" can include. It would be nice if we could start informing people about those kinds of financings.

Chair Johnson mentioned it seems to him that there are two kinds of concepts they have been talking about. One is guidance, and the other idea is that maybe we need to expand the list what types of obligations require either Taxation and/or debt management approval. His question is, under the idea that this subcommittee was put together, does that second thing fit with what we are supposed to be doing.

Ms. Rubald stated the second thing is more than guidance because it requires either a statutory or regulation change, which we would need to come up with a proposed solution and go through workshops if it was a regulation or if it needs to be statutory then we are going to have to find a sponsor.

Chair Johnson clarified that he is wondering is that part of what this subcommittee was charged with.

Mr. Leavitt stated he believes that what caused this subcommittee was the instant situation in Elko County. We are dealing with a new form of, whatever you call it, an operating lease, debt or an obligation. He believes the subcommittee was established to look at what we need to do, if anything with this type of a new financing arrangement. He thinks it should include guidance for the local governments as well as maybe some recommendations as to what we ought to do. Obviously we will have a full committee meeting in September some time, and likely another meeting of this group before.

Chair Johnson stated he thinks one more would wrap this up.

Mr. Leavitt went on to state that maybe they need to get some guidance from the Attorney General on what they can do right now. He is most concerned with what they can do regulation wise on the definition of some of things, whether they fit within the definition of medium term financing, the definition of capital lease, or operating lease. He is just concerned, that it's so easy, they could get some entrepreneurs that want to sell a package, and the local government is in difficulty, and it looks really good to them, they don't have to go to the department or the voters, and they could end up in a big mess.

Chair Johnson stated they aren't saying this is a bad way to finance, but without that additional oversight that we have everywhere else in this state, there does need to be some sort of ability to have someone else take a look at it. He stated part of the problem is people come in from other states where they may not have to have approval for medium term financing, but here you have too, and the local governments need to understand that.

Ms. Rubald suggested they review guideline for the MTO and see if there is any opportunity in that document to discuss the difference between operating and capital leases. They will also review their indebtedness report to see if there is an opportunity to reference these kinds of operating leases under "other". They will look at the quarterly economic report and see if there is an opportunity to put a reference in that. They will also approach the AG's office to see how far they can push it under the existing regulatory scheme, and what authority the committee has to have a regulation addressing the lease-leaseback structure and/or operating leases in general if any and bring it back to the committee. From there they can decide what part to go forward with for regulatory or statutory change. This committee may not want to address, but at least make a recommendation to CLGF for further study on that. And what can be done today with their reporting forms. She asked if that sounded like a plan.

Chair Johnson added that with the current regulatory framework, they could certainly put out a letter to local governments advising them of some of these issues. If they are doing a capital lease, that they make sure it's a capital lease. He thinks there is some guidance that can be provided without needing to worry about changing the regulations or statutes, and that's something else he thinks they should work on.

Ms. Rubald stated she would draft up a guidance letter in the format they used for the other committee, on the difference between enterprise and special revenue funds, but in this case it would be this topic. She can bring it back to the committee to discuss it, and see what else can be done.

Chair Johnson added maybe they can run it by John Swenseid as well.

Peter Keegan, Deputy Attorney, asked with respect to defined terms if there is a reference anywhere within 350 or otherwise to how leases are defined. Specifically, 350 defines installment purchase agreements and medium term obligations pretty specifically. Whereas capital leases, operational leases and perhaps lease-leaseback is not something that is specifically defined. He asked if there was a reference to GAAP at all that would be a hinge.



Ms. Rubald answered yes that was the hinge that she used in the last guidance letter that the committee, or the local government budget and finance act has to be based on generally accepted accounting principles.

Mr. Keegan suggested that general references are probably better than specific definitions. For example, if you have GAAP or other reference manuals that may be more up to date. That gives more deference to the committee to be able to define those types of obligations as they come before the committee, or require those leases, yet to be defined, to come before the committee to be evaluated under GAAP or other principles. That might be more guiding in terms of what those obligations are and how they should be evaluated. He's not sure if any of that makes sense, but he's here, so he is offering.

Chair Johnson stated if he understands what Mr. Keegan is saying, he thinks that's what he envisioned. Basically if the obligation meets 3 of these 5 criteria that they lay out, then it needs to be authorized. It doesn't mean they can't do it, just that they need to through those steps. Without being specific, some broad criteria that states they need to have another level of oversight on this particular type of a deal.

Mr. Keegan noted it seems like the objective is to obtain oversight. He's looking at a medium financing checklist. Somewhere a simple change could be at a statutory or regulation level. Leasing obligations, or some other term, need to be reviewed under GAAP or other principles in order to ensure compliance with debt ratios or however you want to define it. It would give the committee to require something to be filled out, presented or reviewed rather than phone calls from these entrepreneurs stating something does not have to be reviewed. It could be simply pointed at, that no, these types need to be carefully reviewed to ensure they aren't going to put local governments in turmoil.

Mr. Leavitt remembers years ago, with one of the statutes, they almost wrote it exactly the way some of the accepted accounting principles were at that time. Low and behold, they changed the accepted accounting principles and they had to go back and change the statutes, and it's not something they want to have to do. Leases are good example. Over the years, the way they define leases change. He is afraid if they adopt this language, it would change in a year or two, and they would be back at doing it again.

Ms. Hampton stated operating leases typically run annually, every three years or so. She suggested something change in their references using the time frame as a determining factor as to if they need to come to the Department of Taxation, or somebody for review.

Mr. Keegan again noted he is not an expert in this field, but keeping it as general as possible, referencing the outside authorities, in other instances he has seen attempts to make regulatory changes to nail something down to a specific T, it always ends up in future amendments and problems with redefining things as the tide shifts. If there are outside entities that are constantly updating things and educating individuals on the ever evolving financial instruments, then referencing those as a general way for this body to evaluate obligations in a lease format, he thinks is the best way to go. He stated he will review 350 with Bill and Dawn, and he's sure Dawn will come back with something at the next committee or subcommittee meeting.

Chair Johnson asked Ms. Rubald if they need to take in action on this.

Ms. Rubald answered no, that they will create some guidance letters and identification of other opportunities to address this and bring it back to the committee. She noted Mr. Keegan mentioned what he will do, and we will bring that back as well, and the committee can decide how to fine tune that.

ITEM 4. BRIEFING TO AND FROM THE SUBCOMMITTEE ON LOCAL GOVERNMENT FINANCE AND LOCAL GOVERNMENT FINANCE STAFF

a) Discussion of Matters Affecting Local Governments

**b) For Possible Action: Schedule Date and Review Agenda Topics for the Next Meeting**

Ms. Rubald stated there is nothing to brief them on, so they could move on to the next date. She asked if they had any preference.

Chair Johnson stated it would be best if they meet before the next CLGF Meeting, Mr. Leavitt agreed.

She volunteered the 1<sup>st</sup> or the 2<sup>nd</sup> week in September, or sooner if they would like.

Chair Johnson said part of that depends on how long it will take her folks to put stuff together.

Ms. Rubald stated sometime after the 8<sup>th</sup> of September. Chair Johnson asked if they could do the 12<sup>th</sup>, Ms. Rubald, Mr. Leavitt, and Mr. Zander agreed.

Ms. Rubald added that staff will make the arrangements and get out a notice for the 12<sup>th</sup>.

ITEM 5. PUBLIC COMMENT

There was no public comment.

**ITEM 6. For Possible Action: ADJOURNMENT**

The meeting was adjourned at 10:04 a.m.