

# Churchill County's Debt Management Policy

Presented to the  
Board of County Commissioners

July 21, 2021  
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Comptroller



# Policy Statement

- **The purpose of the debt management policy is to manage the issuance of the County's debt obligations and maintain the County's ability to incur debt and other long-term obligations at favorable interest rates for capital improvements, facilities, and equipment beneficial to the County and necessary for essential services.**



# Key Elements in Policy

- **Protection of Bond Ratings**  
*Finite capacity to issue debt at a given credit level*  
*4 Areas of interest: Economic Base, Debt Burden, Administrative Management & Fiscal Management*
- **Current Debt Positions**
- **Debt Service Requirements** Principal & Interest
- **Future Capital Projects**



# Current Outstanding Debt

## **General County Debt**

Jail Construction Loan - USDA	2.75%	
Revenue Bond Series 2017A		\$ 8,112,540
Revenue Bond Series 2017B		\$ 5,810,589
Civic Center Construction Loan	2.35%	
Revenue Bond Civic Center		<u>\$ 9,068,000</u>
		<b>\$22,991,129</b>

## **CC Communications**

Revenue Bond	2.185%	\$ 6,000,000
Louie's Customer Service Center		<u>\$ 571,823</u>
		<b>\$ 6,571,823</b>

Total Outstanding Debt **\$29,562,952**



# Debt Payments FY 2021 & 2022

## County Annual payments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$318,420	\$388,384	\$ 706,804
2022	\$687,267	\$589,675	\$1,276,942

## CC Communications Annual payments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	<i>Capital Lease payments</i>		
2022	\$342,000	\$118,354	\$ 460,354

**Total 2022 \$1,029,267 \$708,029 \$1,737,296**



# Debt Collateral Summary

## **General County Debt:**

### ***Jail and Civic Center Financing***

#### ***Secured by:***

Maturity date: December 29, 2049 and April 1, 2041 totaling \$22,991,129  
Balance in Debt Service fund \$11.5M 6/30/2021 (*includes loan proceeds*)

.25% Sales Tax Infrastructure

15% Federal PILT

15% Geothermal Rents

## **CC Communications Debt:**

Total \$6,571,823

Supported by user fees



# Possible Future Projects

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



# Debt Management Plan

*Question & Answers*

*Thank you*

