

DEBT MANAGEMENT POLICY

As of June 30, 2023

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City of Fallon

Prepared by:
JNA Consulting Group, LLC



EXECUTIVE SUMMARY

This Debt Management Policy was created to fulfill the requirements of NRS 350.013. The City is generally limited in the bonds it can issue by its statutory debt limit, the \$3.64 limit on overlapping tax rates and the amount of revenue available to pay debt service on bonds. The policy discusses the outstanding and proposed debt of the City, its ability to afford such debt and other items relating to the issuance of bonds by the City.

As of June 30, 2023, the City has no general obligation debt outstanding paid from property tax. The City has \$1,588,000 of medium-term general obligation debt outstanding. It has \$5,974,739 in general obligation revenue supported bonds outstanding. In addition, the City has \$66,489 in lease purchase obligations and \$4,693,000 in revenue debt outstanding which are not considered general obligation debt.

Most of the City's debt is paid from revenues generated by its utility funds. The City presently has approximately \$68,875,985 of statutory debt limit available.

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Affordability of Existing, Authorized, and Proposed General Obligation Debt

NRS 350.013 1.(c)(1) A discussion of its ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt.

NRS 350.013 1.(c)(6) A discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt.

Outstanding, Authorized, and Proposed Debt

As of June 30, 2023, the City has no general obligation debt paid from property tax outstanding. The City has \$1,588,000 of medium-term general obligation debt outstanding. The City has \$5,974,739 in general obligation revenue supported bonds outstanding. In addition, the City has \$66,489 in lease purchase obligations outstanding which are not considered general obligation debt and \$4,693,000 in revenue bonds which are not general obligation debt.

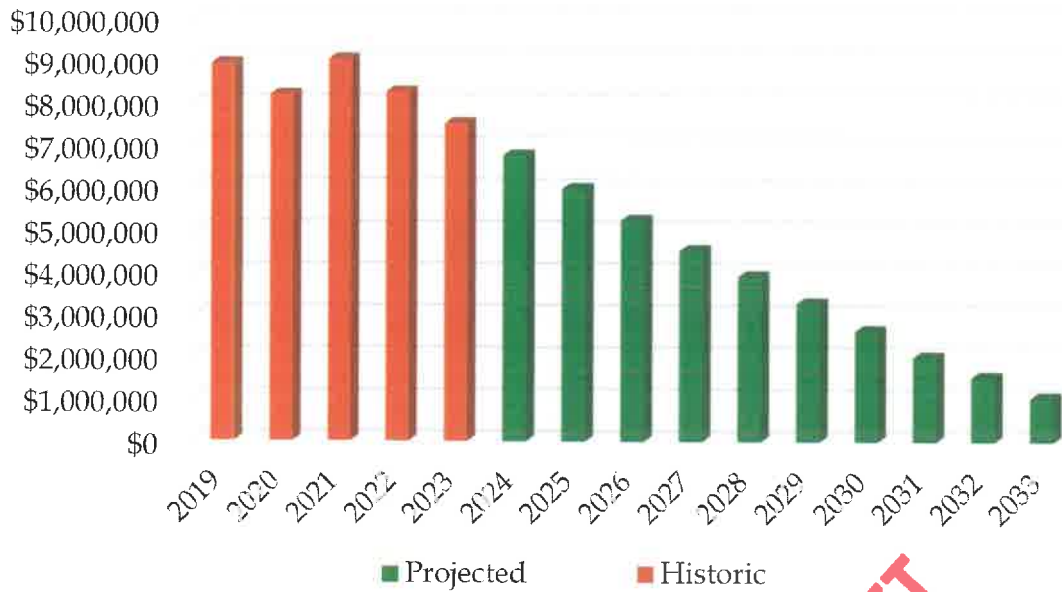
Outstanding Debt June 30, 2023

Issue	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
<u>MEDIUM-TERM (INTERFUND) GENERAL OBLIGATION DEBT</u>				
Various Purpose Bond, Series 2020	12/23/20	09/01/30	\$2,000,000	\$1,588,000
TOTAL MEDIUM-TERM GENERAL OBLIGATION DEBT				\$1,588,000
<u>GENERAL OBLIGATION REVENUE SUPPORTED BONDS</u>				
Sewer Bonds (Bond Bank), Series 2015	11/04/15	12/16/35	\$7,285,000	\$5,235,000
Water Refunding Bond (SRF) #1	01/06/16	01/01/22	996,086	284,182
Water Refunding Bond (SRF) #2	01/06/16	01/01/27	1,156,128	455,557
TOTAL GENERAL OBLIGATION REVENUE SUPPORTED DEBT				\$5,974,739
TOTAL GENERAL OBLIGATION DEBT				\$7,562,739
<u>REVENUE BOND</u>				
Electric System Refunding Bond, Series 2020	08/04/20	05/01/33	\$5,580,000	\$4,693,000
TOTAL REVENUE BONDS				\$4,693,000
<u>OTHER OBLIGATIONS</u>				
Lease Purchase - Sanitation Fund	10/28/16	10/20/26	172,735	\$66,489
TOTAL OTHER DEBT				\$66,489

SOURCE: The City's 2024 Final Budget; compiled by JNA Consulting Group

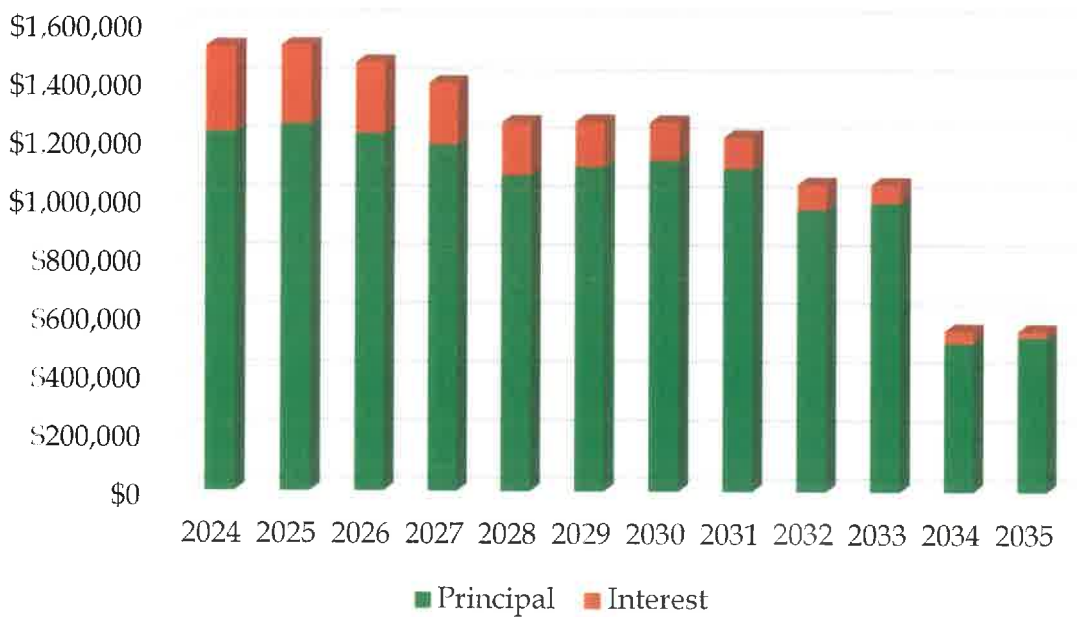
The chart below depicts the projected outstanding balance of general obligation debt for the upcoming ten fiscal years.

Outstanding General Obligation Debt Chart



The chart below depicts the combined debt service requirements to maturity of the City's outstanding debt.

Debt Service Requirements Chart



Appendix A contains individual debt service schedules for each of the outstanding bonds.

General Obligation Bonds

The City currently has no outstanding general obligation debt paid by the levy of a specific property tax.

General Obligation Medium-Term Bonds

The City currently has \$1,588,000 of outstanding medium-term general obligation debt repaid by revenues from various City funds. The following table details the payments on the bonds.

**General Obligation Medium-Term Bonds
Outstanding Debt Service
June 30, 2023**

FY Ending June 30	Medium-Term Bond Principal	Interest	Annual Debt Service
2024	\$197,000	\$17,725	\$214,725
2025	199,000	15,369	214,369
2026	202,000	12,983	214,983
2027	203,000	10,573	213,573
2028	206,000	8,140	214,140
2029	209,000	5,670	214,670
2030	211,000	3,171	214,171
2031	<u>161,000</u>	<u>958</u>	<u>161,958</u>
TOTAL	\$1,588,000	\$74,589	\$1,662,589

SOURCE: The City; compiled by JNA Consulting Group, LLC

The existing medium-term bond is allocated proportionately to the following City funds:

Medium-Term Bond Allocation by Fund

Fund	Share
Electric	23.7%
Water	16.7%
Sewer	11.0%
Sanitation	2.9%
Landfill	2.5%
Water Treatment	8.6%
Airport	15.4%
General	19.2%

The table below shows the revenues available to pay the outstanding medium-term general obligation debt.

Medium-Term Bond Available Revenues and Affordability

Funds ¹	Fiscal Year	Fiscal Year	Fiscal Year
	2022 (Audited)	2023 (Estimated)	2024 (Budgeted)
Electric	\$2,888,526	\$2,367,940	\$4,322,577
Water	757,216	736,906	876,379
Sewer	1,336,952	1,015,323	1,441,972
Sanitation	1,074,924	972,738	811,303
Landfill	637,634	3,920,186	993,142
Water Treatment	853,875	530,519	843,582
Total Available Revenues ²	\$7,549,127	\$9,543,612	\$9,288,955
Annual Debt Service	140,192	140,648	158,088

¹ This table excludes the airport fund and the general fund however, medium-term debt is paid from all legally available funds, including general fund, electric fund, water fund, water treatment fund, sewer fund, sanitation fund, airport fund and landfill fund.

² Depicts operating revenues, less operating expenses. Excludes depreciation, data processing use fee, public works internal service fund, payment in lieu of taxes, and general fund admin support.

SOURCE: The City; compiled by JNA Consulting Group, LLC

The budgeted ending fund balance in the City's general fund as of June 30, 2024, is \$1,155,700. The City has sufficient resources to repay the medium-term bond.

Outstanding General Obligation Water Revenue Supported Debt

The City currently has \$739,739 of outstanding general obligation debt secured by a lien on the net pledged revenues of its water fund. The following table details the payments on the bonds.

Water Revenue Secured Bonds Outstanding Debt Service

FY Ending June 30	Principal	Interest	Annual Debt Service
2024	\$221,545	\$15,268	\$236,813
2025	226,844	10,299	237,143
2026	173,391	5,210	178,601
2027	<u>117,959</u>	<u>1,977</u>	<u>119,936</u>
TOTAL	\$739,739	\$32,754	\$772,493

SOURCE: The City; compiled by JNA Consulting Group, LLC

The table below shows the coverage of the outstanding debt service by the pledged revenues.

Pledged Revenue and Coverage Schedule Water Fund

	Fiscal Year 2022 (Audited)	Fiscal Year 2023 (Estimated)	Fiscal Year 2024 (Budgeted)
Operating Revenues	\$1,719,293	\$1,800,000	\$2,050,000
System Operating Expenses ¹	(662,077)	(1,048,095)	(1,207,102)
Nonoperating Income	<u>792,652</u>	<u>301,500</u>	<u>101,500</u>
Total Pledged Revenues	\$1,849,868	\$1,053,405	\$944,398
Annual Debt Service	\$236,176	\$234,491	\$236,813
Coverage	7.83	4.49	3.99

¹ Operating expenses exclude depreciation and allocated administrative expenses.

SOURCE: The City; compiled by JNA Consulting Group, LLC

Outstanding General Obligation Sewer Revenue Supported Debt

The City currently has \$5,235,000 of outstanding general obligation debt secured by a lien on the net pledged revenues of its sewer fund. The following table details the payments on the bonds.

Sewer Revenue Secured Bonds Outstanding Debt Service

FY Ending June 30	Principal	Interest	Annual Debt Service
2024	\$350,000	\$197,913	\$547,913
2025	365,000	187,413	552,413
2026	375,000	176,463	551,463
2027	395,000	157,713	552,713
2028	410,000	137,963	547,963
2029	430,000	121,563	551,563
2030	445,000	104,363	549,363
2031	460,000	91,013	551,013
2032	475,000	76,638	551,638
2033	490,000	61,200	551,200
2034	510,000	41,600	551,600
2035	<u>530,000</u>	<u>21,200</u>	<u>551,200</u>
TOTAL	\$5,235,000	\$1,375,042	\$6,610,042

SOURCE: The City; compiled by JNA Consulting Group, LLC

The table below shows the coverage of the outstanding debt service by the pledged revenues.

**Pledged Revenue and Coverage Schedule
Sewer Fund**

	Fiscal Year 2022 (Audited)	Fiscal Year 2023 (Estimated)	Fiscal Year 2024 (Budgeted)
Operating Revenues	\$2,214,775	\$2,350,000	\$2,800,000
Operating Expenses ¹	(764,015)	(836,014)	(861,115)
Non-operating Income	<u>436,855</u>	<u>51,000</u>	<u>51,000</u>
Total Pledged Revenues	\$1,887,615	\$1,564,986	\$1,989,885
Annual Debt Service	\$550,663	\$549,663	\$547,913
Coverage	3.43	2.85	3.63

¹ Operating expenses exclude depreciation and allocated administrative expenses.

SOURCE: The City; compiled by JNA Consulting Group, LLC

Outstanding Revenue Debt Paid from Electrical Fund Pledged Revenues

The City currently has \$4,693,000 of outstanding debt secured by a lien on the net pledged revenues of its electrical fund. The following table details the payments on the bonds.

Electrical Revenue Secured Bonds Outstanding Debt Service

FY Ending June 30	Principal	Interest	Annual Debt Service
2024	\$442,000	\$59,478	\$501,478
2025	448,000	53,559	501,559
2026	454,000	47,561	501,561
2027	460,000	41,483	501,483
2028	466,000	35,325	501,325
2029	472,000	29,087	501,087
2030	478,000	22,770	500,770
2031	484,000	16,372	500,372
2032	491,000	9,889	500,889
2033	<u>498,000</u>	<u>3,312</u>	<u>501,312</u>
TOTAL	\$4,693,000	\$318,834	\$5,011,834

SOURCE: The City; compiled by JNA Consulting Group, LLC

The table below show the coverage of the outstanding debt service by the pledged revenues.

**Pledged Revenue and Coverage Schedule
Electric Fund**

	Fiscal Year 2022 (Audited)	Fiscal Year 2023 (Estimated)	Fiscal Year 2024 (Budgeted)
Operating Revenues	\$11,200,848	\$11,500,000	\$14,000,000
Operating Expenses ¹	(8,312,322)	(9,132,060)	(9,677,423)
Non-operating Income	<u>127,380</u>	<u>70,000</u>	<u>70,000</u>
Total Pledged Revenues	\$3,015,906	\$2,437,940	\$4,392,577
Annual Debt Service	\$502,082	\$501,316	\$501,478
Coverage	6.01	4.86	8.76

¹ Operating expenses exclude depreciation and allocated administrative expenses.

SOURCE: The City; compiled by JNA Consulting Group, LLC

General Obligation Debt Limit

NRS 350.013 1.(c)(2) A discussion of its capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit;

The City is limited by state statutes as to the amount of general obligation debt it can have outstanding. The limit is equal to 30 percent of the City's total assessed valuation. As of June 30, 2023, the City has no outstanding or proposed general obligation debt paid from property taxes. It has \$5,974,739 of general obligation revenue supported debt outstanding and \$1,588,000 of medium-term general obligation debt outstanding. Based on the fiscal year 2023 assessed value, the City's available general obligation debt limit is approximately \$68,875,985.

General Obligation Debt Limit Based on Fiscal Year 2023 Assessed Value

Total Assessed Value	\$254,795,746
General Obligation Debt Limit (30%)	\$76,438,724
Less: Outstanding General Obligation Debt	(7,562,739)
Available General Obligation Debt Limit	\$68,875,985

Other factors also limit the amount of debt the City can issue. These factors include, but are not limited to, voter approval, overlapping tax rates. Available revenues, market conditions, and types of projects to be funded.

General Obligation Debt Comparisons

NRS 350.013 1.(c)(3) A discussion of its general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in this state;

NRS 350.013 1.(c)(4) A discussion of its general obligation debt that is payable from property taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality;

The following table shows a comparison of the City's outstanding general obligation debt with other comparable local governments.

General Obligation Debt Comparison June 30, 2023

Entity	General Obligation Debt	Population ¹	FY 2023 Assessed Value ²	GO Debt Per Capita	GO Debt as a % of Assessed Value
Carson City	\$143,544,791	58,314	\$2,075,625,383	\$2,461.58	6.92%
Fallon	7,562,739	9,308	254,795,746	812.50	2.97%
Fernley	55,086,581	23,210	1,078,312,797	2,373.40	5.11%
Henderson	367,985,000	334,640	17,867,892,352	1,099.64	2.06%
Las Vegas	478,095,000	660,987	24,498,940,906	723.30	1.95%
Mesquite	8,551,379	22,205	1,163,008,536	385.11	0.74%
North Las Vegas	366,695,299	278,671	11,115,246,293	1,315.87	3.30%
Reno	157,965,562	274,129	10,453,332,120	576.25	1.51%
Sparks	7,922,277	111,735	3,595,987,087	<u>70.90</u>	<u>0.22%</u>
			Average:	\$1,090.95	2.75%

¹ 2023 population from the Office of the State Demographer for Nevada.

² Excludes redevelopment agencies; includes net proceeds of minerals.

SOURCE: Nevada Department of Taxation, Local Government Finance, Property Tax Rates for Nevada Local Governments, Fiscal Year 2022-2023; and the cities; compiled by JNA Consulting Group, LLC

Method of Sale

NRS 350.013 1.(c)(5) Policy regarding the manner in which the municipality expects to sell its debt;

Bonds can generally be sold at a competitive sale, negotiated sale or be privately placed.

Competitive Sale- Offering documents are sent to any firm interested in purchasing the bonds. A day and time are chosen for the sale and bonds are generally awarded to the firm offering the lowest true interest cost on the bonds (the "TIC"). The TIC is the discount rate which results in a present value of the future debt service payments equal to amount bid for the bonds.

Negotiated Sale- One firm, or group of firms, is chosen in advance to offer the bonds for sale. At the time of sale, interest rates and other terms of the bonds are negotiated with the underwriter.

Private Placement- A purchaser, usually an individual or bank, is identified and the bonds are placed directly. Interest rates and other terms of the bonds are negotiated with the purchaser.

NRS 350 generally required bonds issued by the City to be sold at competitive sale. For most City general obligation bonds, a competitive sale will usually result in the lowest TIC on the bonds. There are certain circumstances under which the City would consider a negotiated sale or private placements. Such circumstances include, but are not limited to:

- 1) Bonds issued with a variable rate of interest
- 2) Bonds rated below A- or not rated
- 3) Very small or very large bond issues
- 4) Unstable or highly volatile markets
- 5) Bonds with unusual security or structure

The City will follow the requirements of NRS 350.155 in choosing a method of sale for its bonds. If the City determines that a negotiated sale is warranted for a general obligation bond or a bond secured by an excise tax, it will distribute a request for proposal to underwriting firms. The selection of an underwriter(s) will be based on a determination of the firm that demonstrates its ability to obtain the overall best interest rate for City. Consideration in making this determination will be given to the firm's experience with similar financings, proposed compensation structure and marketing plan.

Operational Costs of Future Capital Projects

NRS 350.013 1.(c)(7) A discussion of its operational costs and revenue sources, for the ensuing 5 fiscal years, associated with each project included in its plan for capital improvement submitted pursuant to paragraph (d) if those costs and revenues are expected to affect the property tax rate.

The City has prepared a Capital Improvement Plan which is attached as Appendix B. There are no contemplated projects which would require the City to issue general obligation bonds nor levy a specific property tax. Operational costs will be paid for from operating funds for the water and sewer systems and are not expected to impact the property tax rate.

Capital Improvement Plan

NRS 350.013 1.(d) Either:

(1) Its plan for capital improvement for the ensuing 5 fiscal years, which must include any contemplated issuance of general obligation debt during this period and the sources of money projected to be available to pay the debt; or

(2) A statement indicating that no changes are contemplated in its plan for capital improvement for the ensuing 5 fiscal years.

The City's five-year Capital Improvement Plan is attached as Appendix B

Chief Financial Officer

NRS 350.013 1.(e) A statement containing the name, title, mailing address and telephone number of the chief financial officer of the municipality.

The chief financial officer of City of Fallon is:

Sean Richardson
City Clerk/Treasurer
55 West Williams Avenue
Fallon, Nevada 89406
(775) 423-5105
(775) 423-8874 fax

APPENDIX A

DEBT SERVICE SCHEDULES

City of Fallon
Medium-Term GO Bond, Series 2020

Date	Principal	Rate	Interest	Semi-Annual Debt Service	Annual Debt Service
09/01/2023	\$197,000	1.190%	\$9,448.60	\$206,448.60	
03/01/2024			8,276.45	8,276.45	\$214,725.05
09/01/2024	199,000	1.190%	8,276.45	207,276.45	
03/01/2025			7,092.40	7,092.40	214,368.85
09/01/2025	202,000	1.190%	7,092.40	209,092.40	
03/01/2026			5,890.50	5,890.50	214,982.90
09/01/2026	203,000	1.190%	5,890.50	208,890.50	
03/01/2027			4,682.65	4,682.65	213,573.15
09/01/2027	206,000	1.190%	4,682.65	210,682.65	
03/01/2028			3,456.95	3,456.95	214,139.60
09/01/2028	209,000	1.190%	3,456.95	212,456.95	
03/01/2029			2,213.40	2,213.40	214,670.35
09/01/2029	211,000	1.190%	2,213.40	213,213.40	
03/01/2030			957.95	957.95	214,171.35
09/01/2030	161,000	1.190%	957.95	161,957.95	
03/01/2031			0.00	0.00	161,957.95
	-----		-----	-----	-----
	\$1,588,000		\$74,589.20	\$1,662,589.20	\$1,662,589.20

City of Fallon
Sewer Bond, Series 2015

Date	Principal	Rate	Interest	Semi-Annual Debt Service	Annual Debt Service
08/01/2023			\$98,956.25	\$98,956.25	
02/01/2024	\$350,000	3.000%	98,956.25	448,956.25	\$547,912.50
08/01/2024			93,706.25	93,706.25	
02/01/2025	365,000	3.000%	93,706.25	458,706.25	552,412.50
08/01/2025			88,231.25	88,231.25	
02/01/2026	375,000	5.000%	88,231.25	463,231.25	551,462.50
08/01/2026			78,856.25	78,856.25	
02/01/2027	395,000	5.000%	78,856.25	473,856.25	552,712.50
08/01/2027			68,981.25	68,981.25	
02/01/2028	410,000	4.000%	68,981.25	478,981.25	547,962.50
08/01/2028			60,781.25	60,781.25	
02/01/2029	430,000	4.000%	60,781.25	490,781.25	551,562.50
08/01/2029			52,181.25	52,181.25	
02/01/2030	445,000	3.000%	52,181.25	497,181.25	549,362.50
08/01/2030			45,506.25	45,506.25	
02/01/2031	460,000	3.125%	45,506.25	505,506.25	551,012.50
08/01/2031			38,318.75	38,318.75	
02/01/2032	475,000	3.250%	38,318.75	513,318.75	551,637.50
08/01/2032			30,600.00	30,600.00	
02/01/2033	490,000	4.000%	30,600.00	520,600.00	551,200.00
08/01/2033			20,800.00	20,800.00	
02/01/2034	510,000	4.000%	20,800.00	530,800.00	551,600.00
08/01/2034			10,600.00	10,600.00	
02/01/2035	530,000	4.000%	10,600.00	540,600.00	551,200.00
	----- \$5,235,000		----- \$1,375,037.50	----- \$6,610,037.50	----- \$6,610,037.50

City of Fallon
Water Refunding Bond, Series 2016A

Date	Principal	Rate	Interest	Semi-Annual Debt Service	Annual Debt Service
07/01/2023	\$55,501	2.230%	\$3,168.63	\$58,669.63	
01/01/2024	56,161	2.230%	2,549.79	58,710.79	\$117,380.42
07/01/2024	56,828	2.230%	1,923.60	58,751.60	
01/01/2025	57,504	2.230%	1,289.97	58,793.97	117,545.57
07/01/2025	58,188	2.230%	648.80	58,836.80	
01/01/2026		2.230%	0.00	0.00	58,836.80
	-----		-----	-----	-----
	\$284,182		\$9,580.79	\$293,762.79	\$293,762.79

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City of Fallon
Water Refunding Bond, Series 2016B

Date	Principal	Rate	Interest	Semi-Annual Debt Service	Annual Debt Service
07/01/2023	\$54,617	2.230%	\$5,079.46	\$59,696.46	
01/01/2024	55,266	2.230%	4,470.48	59,736.48	\$119,432.94
07/01/2024	55,924	2.230%	3,854.27	59,778.27	
01/01/2025	56,588	2.230%	3,230.71	59,818.71	119,596.98
07/01/2025	57,261	2.230%	2,599.76	59,860.76	
01/01/2026	57,942	2.230%	1,961.30	59,903.30	119,764.06
07/01/2026	58,631	2.230%	1,315.24	59,946.24	
01/01/2027	59,328	2.230%	661.51	59,989.51	119,935.75
	----- \$455,557		----- \$23,172.73	----- \$478,729.73	----- \$478,729.73

City of Fallon
Electric Refunding Bonds, Series 2020

Date	Principal	Rate	Interest	Semi-Annual Debt Service	Annual Debt Service
11/01/2023	\$442,000	1.330%	\$31,208.45	\$473,208.45	
05/01/2024			28,269.15	28,269.15	\$501,477.60
11/01/2024	448,000	1.330%	28,269.15	476,269.15	
05/01/2025			25,289.95	25,289.95	501,559.10
11/01/2025	454,000	1.330%	25,289.95	479,289.95	
05/01/2026			22,270.85	22,270.85	501,560.80
11/01/2026	460,000	1.330%	22,270.85	482,270.85	
05/01/2027			19,211.85	19,211.85	501,482.70
11/01/2027	466,000	1.330%	19,211.85	485,211.85	
05/01/2028			16,112.95	16,112.95	501,324.80
11/01/2028	472,000	1.330%	16,112.95	488,112.95	
05/01/2029			12,974.15	12,974.15	501,087.10
11/01/2029	478,000	1.330%	12,974.15	490,974.15	
05/01/2030			9,795.45	9,795.45	500,769.60
11/01/2030	484,000	1.330%	9,795.45	493,795.45	
05/01/2031			6,576.85	6,576.85	500,372.30
11/01/2031	491,000	1.330%	6,576.85	497,576.85	
05/01/2032			3,311.70	3,311.70	500,888.55
11/01/2032	498,000	1.330%	3,311.70	501,311.70	
05/01/2033			0.00	0.00	501,311.70
	----- \$4,693,000		----- \$318,834.25	----- \$5,011,834.25	----- \$5,011,834.25

City of Fallon
Sanitation Equipment Lease, Series 2016B

Date	Principal	Rate	Interest	Semi-Annual Debt Service	Annual Debt Service
		3.330%			
10/20/2023	\$9,049		\$1,108.79	\$10,157.56	
04/20/2024	9,199		958.13	10,157.56	\$20,315.12
10/20/2024	9,353		804.96	10,157.56	
04/20/2025	9,508		649.24	10,157.56	20,315.12
10/20/2025	9,667		490.93	10,157.56	
04/20/2026	9,827		329.98	10,157.26	20,314.82
10/20/2026	9,886		164.60	10,050.27	
04/20/2027			0.00	0.00	10,050.27
	----- \$66,489		----- \$4,506.63	----- \$70,995.33	----- \$70,995.33

APPENDIX B

CAPITAL IMPROVEMENT PLAN



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	General Fund - Admin					
Capital Improvement:	City Hall Break Room & Ladies Restroom	100,000	250,000			
	City Hall Generator Project			800,000		
	Municipal Court Remodel				750,000	
	Douglass House Upstair Renovation					500,000
Funding Source:	Property Tax - Gen. Revenues, Grants					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total	GENERAL FUND - GENERAL GOVT FUNCTION	100,000	250,000	800,000	750,000	500,000.00

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	General Fund - Streets					
Capital Improvement:	Slurry Seal/Chip Seal	100,000	500,000	500,000	500,000	500,000
	Court Street	500,000	500,000			
	Hwy 50 Widening Project		2,000,000			
	North Whitaker Extension Project		3,000,000			
	Kaiser Street Reconstruction			5,000,000		
	Auction Road Reconstruction			5,000,000		
	General Street Improvements		500,000	500,000	500,000	500,000
Funding Source:	General Fund Revenues, Regional Transportation, Grants					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total	GENERAL FUND - PUBLIC WORKS FUNCTION	600,000	6,500,000	11,000,000	1,000,000	1,000,000

List of Funding Sources:

- Property Tax - Gen. Revenues
- Charges for Services
- Debt
- Grants
- Other (Please Describe)**

FIVE YEAR CAPITAL IMPROVEMENT PLAN
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	General Fund - Police Department					
Capital Improvement:	Patrol vehicles with equipment	100,000	100,000	100,000	100,000	100,000
	Unmarked vehicles		50,000		50,000	
	Portable radios		30,000			30,000
Funding Source:	Property Tax - Gen. Revenues, Grants					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total	GENERAL FUND - PUBLIC SAFETY	100,000	180,000	100,000	150,000	130,000

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	General Fund - Parks					
Capital Improvement:	Park Infrastructure Rehab & Replacement		100,000	100,000	100,000	100,000
	Splash Park @ Oats Park	1,000,000				
	Laura Mills Improvement		1,000,000			
Funding Source:	General Fund Revenues, Grants					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total	GENERAL FUND - CULTURE & REC	1,000,000	1,100,000	100,000	100,000	100,000

GENERAL FUND TOTAL - ALL FUNCTIONS	1,800,000	8,030,000	12,000,000	2,000,000	1,730,000
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Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Convention Center Fund					
Capital Improvement:	Equipment replacement	-	50,000	50,000	50,000	50,000
	Replace room dividers			500,000		
Funding Source:	Room tax and room rents					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		-	50,000	550,000	50,000	50,000

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Special Ad Valorem Capital Projects					
Capital Improvement:	Governmental Fund Capital Assets	75,000	80,000	80,000	80,000	80,000
Funding Source:	General Fund Revenues					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		75,000	80,000	80,000	80,000	80,000

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Airport Fund					
Capital Improvement:	Grant match & prepaid expenditures	50,000	50,000	50,000	50,000	50,000
	Airport terminal and office building	750,000	-	-	-	-
Funding Source:	General Fund Revenues/County Match, Grants					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		800,000	50,000	50,000	50,000	50,000



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	ARPA Resource Fund					
Capital Improvement:	Water/Sewer Capital Projects	816,330	-	-	-	-
Funding Source:	Grants					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		816,330	0	0	0	0

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List of Funding Sources:

- Property Tax - Gen. Revenues
- Charges for Services
- Debt
- Grants
- Other (Please Describe)

FIVE YEAR CAPITAL IMPROVEMENT PLAN
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Electric Enterprise Fund					
Capital Improvement:	Electric Meter Replacement Project	250,000	250,000	250,000		
	System Improvements	250,000	250,000	500,000	500,000	500,000
	New River Feeders Project		2,000,000			
	Work Truck			75,000		
	New River Substation Backup Generator			5,000,000		
	Childers Direct Bury Electrical Upgrade			5,000,000		
	New River Solar Field Project			5,000,000		
	Bucket Truck				150,000	
	Mini Excavator with attachments					100,000
Funding Source:	Charges for service, Grants & Debt					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		500,000	2,500,000	15,825,000	650,000	600,000

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Water Enterprise Fund					
Capital Improvement:	Water Meter Replacement Project	300,000	500,000	500,000		
	Rattlesnake Water Tank Replacement Project		2,000,000	4,000,000		
	Equipment trailer			25,000		
	Skid Steer & attachments			75,000		
	Work truck			50,000		
	Trench Roller			35,000		
	Mud/Sludge Pump				80,000	200,000
Funding Source:	Charges for service, Grants & Debt					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		300,000	2,500,000	4,685,000	80,000	200,000



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Sewer Enterprise Fund					
Capital Improvement:	Sewer projects	500,000	250,000	250,000	250,000	250,000
	Dewatering Press Project		5,000,000			
	Sewer rod cart		75,000			
	Work truck			50,000		
	Lagoon Dewatering			1,500,000		
	SBR additional capacity			2,000,000		
	Sewer camera upgrade				40,000	
	Manhole Rehab Project					2,000,000
Funding Source:	Charges for service, Grants & Debt					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		500,000	5,325,000	3,800,000	290,000	2,250,000

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Sanitation Enterprise Fund					
Capital Improvement:	Transfer Station improvements	200,000				
	Scale truck at transfer station		25,000			
	Automated gate and scale		25,000			
	Pad mounted material handler			80,000		
	Alley truck				50,000	
	Automated garbage truck				200,000	
	Rear load garbage truck				200,000	
	2 yard dumpsters					50,000
	95 gallon waste wheeler totes					50,000
Funding Source:	Charges for service, Grants & Debt					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		200,000	50,000	80,000	450,000	100,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Landfill Enterprise Fund					
Capital Improvement:	General Improvements	300,000	250,000	250,000	250,000	250,000
	Equipment Replacement		250,000	500,000	500,000	
	Litter control fences		100,000	50,000		
	Work truck			50,000		
	Rebuild scale house			100,000		
Funding Source:	Charges for service, Grants & Debt					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		300,000	600,000	950,000	750,000	250,000

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Water Treatment Enterprise Fund					
Capital Improvement:	Water Treatment projects		150,000	150,000	150,000	150,000
	Work truck			40,000		40,000
Funding Source:	Charges for service, Grants & Debt					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		-	150,000	190,000	150,000	190,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/17/23

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Water Treatment AB198 Replacement Fund					
Capital Improvement:	Water and water treatment projects	600,000				
Funding Source:	Charges for service, Grants & Debt					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		600,000	-	-	-	-

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Data Processing Fund					
Capital Improvement:	IT System Upgrades	20,000	25,000	25,000	25,000	25,000
Funding Source:	Enterprise fund revenue					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		20,000	25,000	25,000	25,000	25,000

		FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Fund:	Public Works Internal Service Fund					
Capital Improvement:	Equipment Work truck	100,000	100,000 60,000	100,000	100,000 60,000	100,000
Funding Source:	Enterprise fund revenue, Grants					
Completion Date:	6/30/2024		6/30/2025	6/30/2026	6/30/2027	6/29/2028
Fund Total		100,000	160,000	100,000	160,000	100,000

INDEBTEDNESS REPORT
As of June 30, 2023
Postmark Deadline 8/01/2023



Entity: City of Fallon

Date: July 1, 2023

DEBT MANAGEMENT COMMISSION ACT (NRS 350.013)

1. Has your local government issued any new General Obligation Bond issues since July 1, 2022? Yes [] No [x]

If so, amount: Date:

2. Has your local government approved any new Medium-Term Obligation issues since July 1, 2022? Yes [] No [x]

If so, amount: Date:

3. Has your local government updated its debt management policy? (Per NRS 350.013) If Yes, submit updated policy with Indebtedness Report or prepare a statement discussing the following areas: Yes [x] No []

- A. Discuss the ability of your entity to afford existing and future general obligation debt.
B. Discuss your entity's capacity to incur future general obligation debt without exceeding the applicable debt limit.
C. Discuss the general obligation debt per capita of your entity as compared with the average for such debt of local governments in Nevada.
D. Discuss general obligation debt of your entity as a percentage of assessed valuation of all taxable property within the boundaries of your entity. (REDBOOK FY 2022-2023)
E. Present a policy statement regarding the manner in which your entity expects to sell its debt.
F. Discuss the sources of money projected to be available to pay existing and future general obligation debt.
G. Discuss the operating costs and revenue sources with each project.

If No, please provide a brief explanation.

4. Has your local government updated its five-year capital improvement plan? (Required pursuant to NRS 350.013, 354.5945 & 354.5947) Yes [x] No []

Submitted By: Sean Richardson (prepared by JNA Consulting Group, LLC) (Signature)

(775) 423-5105 (Phone number)

INDEBTEDNESS REPORT
 As of June 30, 2023
 Postmark Deadline 8/01/2023



Entity: City of Fallon

CHECK HERE IF YOUR ENTITY HAS NO OUTSTANDING DEBT

GENERAL OBLIGATION BONDS

1. General obligation	_____	
2. General obligation/revenue	5,974,739	_____
3. General obligation special assessment	_____	
Total general obligation bonded debt		<u>5,974,739</u>

MEDIUM-TERM OBLIGATIONS

1. General Obligation bonds	1,588,000	_____
2. Negotiable notes or bonds	_____	
3. Capital lease purchases	66,594	_____
Total medium-term obligation debt		<u>1,654,594</u>

REVENUE BONDS

4,693,000

OTHER DEBT

1. Capital lease purchases-MTO not required or prior to law change	_____	
2. Mortgages	_____	
3. Warrants	_____	
4. Special Assessments	_____	
5. Other (specify) _____	_____	
6. Other (specify) _____	_____	
Total other debt		<u>0</u>

TOTAL INDEBTEDNESS

12,322,333

Authorized but unissued general obligation bonds _____

Note: Please explain and provide documentation for any differences between the amounts reported on this **schedule** and those reported on **Schedule C-1** of your **Final Fiscal Year 2023-2024 budget**.

Debt service for the Electric Fund JPM Chase Refund Bond illustrates FY23 debt svc, not FY24.
 The beginning balance of the Water Fund SRF Revenue Bond #2 is overstated by \$21. The interest payable illustrates FY23, not FY24.
 Interest payable on the Water Fund SRF Revenue Bond #1 illustrates FY23, not FY24.
 Interest payable on the Sewer Fund Zions Bank - Bond Bank is understated by \$91,013.

INDEBTEDNESS REPORT
 As of June 30, 2023
 Postmark Deadline 8/01/2023



Entity: City of Fallon

For the next five years, list the total dollar requirement for principal and interest broken down for each type of indebtedness the entity currently has outstanding.

	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>	<u>2026-2027</u>	<u>2027-2028</u>
<u>General Obligation Bonds</u>					
G/O Bonds					
G/O Revenue	\$ 784,726	\$ 789,555	\$ 730,063	\$ 672,648	\$ 547,963
G/O Special Assessment					
<u>Medium-Term Obligation</u>					
G/O Bonds	\$ 214,725	\$ 214,369	\$ 214,983	\$ 213,573	\$ 214,140
Notes/Bonds					
Leases/ Purchases	\$ 20,315	\$ 20,315	\$ 20,315	\$ 10,052	
<u>Revenue Bonds</u>	\$ 501,478	\$ 501,559	\$ 501,561	\$ 501,483	\$ 501,325
<u>Other Debt</u>					
Other Lease Purchases					
Mortgages					
Warrants					
Special Assessments					
Other Debt					
TOTAL	\$ 1,521,244	\$ 1,525,798	\$ 1,466,922	\$ 1,397,756	\$ 1,263,427

INDEBTEDNESS REPORT
 As of June 30, 2023
 Postmark Deadline 8/01/2023



Entity: City of Fallon

The repayment schedules should start with the payment of principal and interest due **after June 30, 2023** and continue until any particular issue is retired.

General Obligation Revenue Bonds

Fiscal Year	Principal	Interest	Total
2024	\$ 571,545	\$ 213,181	\$ 784,726
2025	591,844	197,711	789,555
2026	548,391	181,672	730,063
2027	512,959	159,689	672,648
2028	410,000	137,963	547,963
2029	430,000	121,563	551,563
2030	445,000	104,363	549,363
2031	460,000	91,013	551,013
2032	475,000	76,638	551,638
2033	490,000	61,200	551,200
2034	510,000	41,600	551,600
2035	<u>530,000</u>	<u>21,200</u>	<u>551,200</u>
TOTAL	\$ 5,974,739	\$ 1,407,791	\$ 7,382,530

INDEBTEDNESS REPORT
 As of June 30, 2023
 Postmark Deadline 8/01/2023



Medium-Term General Obligation Bonds

Fiscal Year	Principal	Interest	Total
2024	\$ 197,000	\$ 17,725	\$ 214,725
2025	199,000	15,369	214,369
2026	202,000	12,983	214,983
2027	203,000	10,573	213,573
2028	206,000	8,140	214,140
2029	209,000	5,670	214,670
2030	211,000	3,171	214,171
2031	161,000	958	161,958
TOTAL	\$ 1,588,000	\$ 74,589	\$ 1,662,589

INDEBTEDNESS REPORT
 As of June 30, 2023
 Postmark Deadline 8/01/2023



Revenue Bonds

Fiscal Year	Principal	Interest	Total
2024	\$ 442,000	\$ 59,478	\$ 501,478
2025	448,000	53,559	501,559
2026	454,000	47,561	501,561
2027	460,000	41,483	501,483
2028	466,000	35,325	501,325
2029	472,000	29,087	501,087
2030	478,000	22,770	500,770
2031	484,000	16,372	500,372
2032	491,000	9,889	500,889
2033	498,000	3,312	501,312
TOTAL	\$ 4,693,000	\$ 318,834	\$ 5,011,834

INDEBTEDNESS REPORT
 As of June 30, 2023
 Postmark Deadline 8/01/2023



Capital Leases

Fiscal Year	Principal	Interest	Total
2024	\$ 18,248	\$ 2,067	\$ 20,315
2025	18,861	1,454	20,315
2026	19,494	821	20,315
2027	9,886	166	10,052
TOTAL	\$ 66,489	\$ 4,508	\$ 70,997

INDEBTEDNESS REPORT
 As of June 30, 2023
 Postmark Deadline 8/01/2023



Entity: City of Fallon

CONTEMPLATED GENERAL OBLIGATION DEBT

(1) PURPOSE	(2) TYPE	(3) AMOUNT	(4) TERM	(5) FINAL PAYMENT DATE	(6) INTEREST RATE
NONE					

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SPECIAL ELECTIVE TAX

PURPOSE	TYPE	RATE	ELECTION DATE	EXPIRATION DATE	IMPLEMENTATION DATE
NONE					