

R E S O L U T I O N

A RESOLUTION ESTABLISHING A SPECIAL IMPROVEMENT DISTRICT INTERNAL SERVICE FUND FOR THE PURPOSE OF PROVIDING THE MONEY TO PAY FOR THE CONSTRUCTION AND INSTALLATION OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY OF LAS VEGAS, NEVADA, SPECIAL IMPROVEMENT DISTRICTS UNTIL THE FUNDS THEREFOR ARE AVAILABLE FROM THE LEVY AND COLLECTION OF THE SPECIAL ASSESSMENTS TO BE LEVIED IN CONNECTION WITH, AND THE ISSUANCE OF ANY SPECIAL ASSESSMENT BONDS IN RESPECT OF, THE RESPECTIVE SPECIAL IMPROVEMENT DISTRICTS.

WHEREAS, the City Council of the City of Las Vegas (the "City Council" and the "City", respectively, herein) in the County of Clark and State of Nevada, from time to time creates special improvements districts (individually, a "District" or, collectively, the "Districts" herein) pursuant to Chapter 271 of the Nevada Revised Statutes ("NRS" herein) for the purposes of constructing, installing, improving, acquiring, equipping, maintaining or operating, or any combination thereof, public improvement projects within its corporate boundaries and of defraying the entire cost and expense thereof, including without limitation the advertising, appraising, engineering, legal, printing and other expenses that are reasonably and necessarily incurred in connection therewith (collectively, the "Administrative Expenses" herein), by special assessments against the assessable lots and parcels of property within the respective Districts according to the benefits that will inure, respectively, to such lots and parcels from the project that is so constructed, installed, improved, acquired, equipped, maintained or operated therein; and



WHEREAS, the City incurs Administrative Expenses in connection with those Districts and awards contracts for the furnishing of the labor, materials, transportation and services that relate to such projects upon which it is required to make periodic payments as the work with respect thereto progresses and before the funds therefor are available from the levy and collection of the special assessments that are proposed to be levied in connection with, and the issuance of any special assessment bonds in respect of, a particular District; and

WHEREAS, the City Council is authorized by NRS 271.536 to advance the money with which to pay those Administrative Expenses and to make such progress payments from an internal service fund if the City has established such a fund pursuant to NRS 354.612 for that purpose; and

WHEREAS, the City Council desires, by this Resolution, to establish, pursuant to NRS 354.612, an internal service fund for such purpose;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas, Nevada, at this regular meeting thereof that is being held on this 3rd day of June, 1992, as follows:

SECTION 1. There shall be, and there hereby is, established in the treasury of the City, pursuant to NRS 354.612, an internal service fund, to be designated as the "City of Las Vegas Special Improvement District Internal Service Fund" (the "Fund" herein), for the purpose of advancing the money to pay (i) the Administrative Expenses in connection with, and (ii) for the construction, installation, improvement, acquisition, equipment,

maintenance, or operation, or any combination thereof, of any public improvement project that is constructed, installed, improved, acquired, equipped, maintained or operated by way of, a District until the funds therefor are available from the levy and collection of the special assessments that are proposed to be levied in connection with, and the issuance of any special assessment bonds in respect of, that District.

SECTION 2. There shall be transferred to the Fund, immediately upon its establishment, monies in the amount of EIGHT HUNDRED THOUSAND AND NO/100THS DOLLARS (\$800,000.00). The source of that transfer shall be the City of Las Vegas Special Improvement District Revolving Fund (the "Revolving Fund" herein).

SECTION 3. The aggregate amount of the advances that are made from the Fund for the benefit of any District in respect of which special assessment bonds are issued shall be repaid to the Fund, together with interest on such advances from the respective dates thereof at a rate that is determined in accordance with subsection A of Section 5 of this Resolution, from the proceeds of the sale of such special assessment bonds immediately upon the delivery of, and the payment for, those bonds, and the aggregate amount of the advances that are made from the Fund for the benefit of any District in respect of which no special assessment bonds are issued shall be repaid to the Fund, without interest (provided, however, that the owners of property within that District shall be charged interest, to be credited to the Revolving Fund, in accordance with subsection B of Section 5 of

this Resolution), by way of the transfer thereto of such amount from the Revolving Fund immediately upon the acceptance by the City Council of the public improvement project that forms the subject matter of that District.

SECTION 4. The expenses and revenues of the Fund shall be controlled by making an advance therefrom for the benefit of any District only as and when Administrative Expenses in connection with that District are incurred or upon the receipt by the City of a progress payment estimate from the contractor with respect to the public improvement project that forms the subject matter of that District, the verification by the City's Department of Public Works of the satisfactory completion of the portion of such project that is described in such estimate, and the amount that is due and owing by the City in respect thereof, and the approval of the payment of such amount by the City Council.

SECTION 5. A. The rate of interest that will be borne by the advances from the Fund for the benefit of any District in respect of which special assessment bonds will be issued shall be equal to one percent (1%) above the Index of Twenty Bonds that was most recently published before the date on which the initial advance for the benefit of that District is made from the Fund, at which time the interest rate will be fixed for that advance and for all subsequent advances for the benefit of that District.

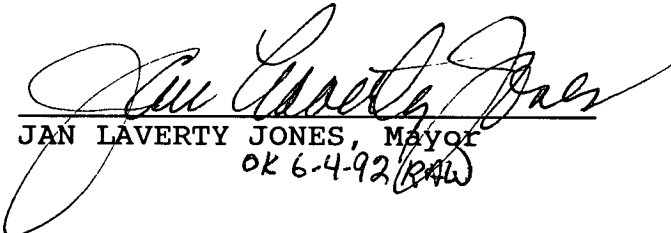
B. The owners of the assessable lots and parcels of property within any District in respect of which no special assessment bonds will be issued shall be charged their respective shares, determined in accordance with the method of assessment

that is set forth in the ordinance that created that District, of interest on the advances from the fund for the benefit of that District at a rate that shall be equal to one percent (1%) above the Index of Twenty Bonds that was most recently published before the date on which the initial advance for the benefit of that District from the Fund, at which time the interest rate will be fixed for that advance and for all subsequent advances for the benefit of that District. The interest that is so charged and collected shall be credited to the Revolving Fund.

SECTION 6. One of the financial objectives of the Fund, in addition to the purpose for which it is established, as the same is set forth in Section 1 of this Resolution, is to recover the complete cost, including without limitation the Administrative Expenses, that are incurred in connection with each District for the benefit of which advances will be made from the Fund without producing any significant amount of profit in the Fund in the long run, and, to this end, all of the interest that is paid into the Fund with respect to the advances that are made therefrom shall be transferred to the Revolving Fund at the end of each of the City's fiscal years in which it is determined that such transfer is necessary in order to avoid the Fund's producing a significant amount of profit.

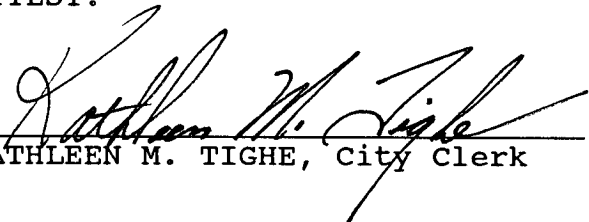
SECTION 7. The financial statements and other schedules that are required in connection with the Fund shall be prepared in accordance with generally accepted accounting principles.

PASSED, ADOPTED AND APPROVED this 3rd day of June, 1992.


JAN LAVERTY JONES, Mayor

OK 6-4-92 (RAW)

ATTEST:


KATHLEEN M. TIGHE, City Clerk