

Summary - a resolution directing notice to the Clark County Debt Management Commission of the Council's proposal to issue general obligation (limited tax) bonds (additionally secured by pledged revenues).

**RESOLUTION R-36 2022**

**A RESOLUTION CONCERNING THE FINANCING OF PROJECTS FOR THE CITY; DIRECTING THE CITY CLERK TO NOTIFY THE CLARK COUNTY DEBT MANAGEMENT COMMISSION OF A PROPOSAL TO ISSUE GENERAL OBLIGATION (LIMITED TAX) BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES); PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; AND PROVIDING THE EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Council (the "Council") of the City of Las Vegas, Nevada (the "City") proposes to issue approximately \$70,000,000 general obligation (limited tax) bonds additionally secured with pledged revenues (the "Bonds"), for the purpose of financing the cost to acquire, improve, equip, operate and maintain within the City projects provided in NRS 268.672 to 268.740, inclusive (the "City Bond Law"), including, but not limited to, building projects as defined in NRS 268.676 (the "Project"); and

**WHEREAS**, the Council hereby determines and makes a finding that the revenues to be received by the City from 15% of all income and revenue distributed to the City pursuant to NRS 360.680, 360.690 and 360.700 and pledged to secure the payment of the Bonds pursuant to NRS 360.698 (the "Pledged Revenues") will at least equal the amount necessary in each year for the payment of interest on and principal of the Bonds, and no increase in the rate of an ad valorem tax is anticipated to be necessary for the payment of the Bonds for the term thereof (the "Finding"); and

**WHEREAS**, the Council proposes (subject to the approval of the Finding and the proposal to issue the Bonds by the Clark County Debt Management Commission), to issue pursuant to NRS 350.020(3) the Bonds described in the following proposal (the "Proposal"):

**GENERAL OBLIGATION (LIMITED TAX) BOND PROPOSAL:**

**Shall the City Council of the City of Las Vegas, Nevada, be**

authorized to incur a general obligation indebtedness on behalf of the City by the issuance at one time, or from time to time, of the City's general obligation (limited tax) bonds (additionally secured with pledged revenues) in one series or more, in an aggregate principal amount not to exceed \$70,000,000, to defray wholly or in part the cost of financing projects provided in NRS 268.672 to 268.740, inclusive, including, but not limited to, building projects as defined in NRS 268.676; such bonds to mature commencing not later than five years from the date or respective dates of the bonds and ending not later than thirty years therefrom, to be payable from general (ad valorem) taxes, except to the extent pledged consolidated tax revenues received by the City are available therefor, such bonds to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such detail as the Council may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?; and

**WHEREAS**, subsection 1 of NRS 350.014 provides, in relevant part, as follows:

"1. Before any proposal to incur a general obligation debt or levy a special elective tax may be submitted to the electors of a municipality. . . , or, before any other formal action may be taken preliminary to the incurrence of any general obligation debt, the proposed incurrence or levy must receive the favorable vote of two-thirds of the members of the commission of each county in which the municipality is situated."

and

**WHEREAS**, subsection 1 of NRS 350.0145 provides, in relevant part, as follows:

"1. The governing body of the municipality proposing to incur general obligation debt . . . shall notify the secretary of each appropriate commission, and shall submit a statement of its proposal in sufficient number of copies for each member of the commission..."

**WHEREAS**, subsection 3 of NRS 361.4727 provides, in relevant part, as follows, that an increase in the rate of an ad valorem tax is exempt from abatement from taxation if the Council makes the Finding:

"3. Except as otherwise provided in this subsection, any increase in the rate of an ad valorem tax authorized pursuant to this section must be included in the calculation of the partial abatements from taxation provided pursuant to NRS 361.4722, 361.4723 and 361.4724. An increase in the rate of an ad valorem tax authorized pursuant to this section is exempt from each partial abatement from taxation provided pursuant to NRS 361.4722, 361.4723 and 361.4724 if the obligations for which that increase is imposed are issued:

(a) Before July 1, 2005; or  
(b) On or after July 1, 2005, and, before the issuance of the obligations:

(1) The governing body of the taxing entity issuing the obligations makes a finding that no increase in the rate of an ad valorem tax is anticipated to be necessary for the payment of the obligations during the term thereof; and

(2) The debt management commission of the county in which the taxing entity is located approves that finding."

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF LAS VEGAS, NEVADA:**

Section 1. Based on the revenue study presented to the Council and attached hereto as Exhibit B, the Council hereby finds that no increase in the rate of an ad valorem tax is anticipated to be necessary for the payment of the Bonds described in the Proposal for the term thereof, approves the Finding and requests the Clark County Debt Management Commission (the "Commission") to approve the Proposal and the Finding.

Section 2. All action, proceedings, matters and things heretofore taken, had and done by the Council, and the officers thereof (not inconsistent with the provisions of this resolution) directed toward the issuance of the Bonds set forth in the Proposal and the Project, be and the same hereby are, ratified, approved and confirmed.

Section 3. The Clerk is authorized and directed to notify immediately the Secretary of the Commission of the Proposal and the Finding, and to submit to the Commission

Secretary a statement of the Proposal in sufficient number of copies for each member of the Commission. The Chief Financial Officer of the City is authorized to file the information required by NRS 350.013 to the extent required to comply with NRS 350.013 and consistent with the provisions of this resolution.

Section 4. The City hereby declares its intent to reimburse the costs of the Project out of the proceeds of the Bonds in the maximum principal amount of \$70,000,000. This is a declaration of official intent under Section 1.150-2 of the Regulations promulgated under the Internal Revenue Code of 1986, as amended.

Section 5. The Council hereby determines and declares that:

(a) The City intends to incur expenditures with respect to the Project prior to the incurrence of the Bonds and to reimburse those expenditures from the proceeds of the Bonds; and

(b) The payment of costs related to the Project and the reimbursement of such costs from the proceeds of the Bonds is consistent with the City's budgetary and financial circumstances as of the date of this Resolution. The City does not currently have moneys which are, nor does the City reasonably expect moneys to be, allocated on a long-term basis, reserved or otherwise available pursuant to the City's budget to pay the expenditures which the City intends to reimburse.

Section 6. All resolutions, or parts thereof, in conflict with the provisions of this resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, or part thereof, heretofore repealed.

Section 7. If any section, paragraph, clause or other provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this resolution.

Section 8. This resolution shall become effective and be in force immediately upon its adoption.

**PASSED AND ADOPTED** August 3, 2022.

(SEAL)

\_\_\_\_\_  
Carolyn G. Goodman, Mayor

Attest:

\_\_\_\_\_  
LuAnn D. Holmes, MMC, City Clerk

Approved as to form:

 7-18-22  
\_\_\_\_\_  
City Attorney or Chief Deputy City Attorney

**STATE OF NEVADA** )  
 )  
**CITY OF LAS VEGAS** )

I, LuAnn D. Holmes, MMC, am the duly chosen and qualified City Clerk of Las Vegas (the "City"), in the State of Nevada, do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution adopted by the City Council (the "Council") at a meeting held on August 3, 2022.

2. The adoption of the resolution was duly moved and seconded and the resolution was adopted by an affirmative vote of a two-thirds majority of the members of Council as follows:

Those Voting Aye:

[illegible]

	Those	Voting
Nay:	_____	_____

Absent: Those

Those

[illegible][illegible]

3. The original of the resolution has been approved and authenticated by the signatures of the Mayor of the City and myself as City Clerk and has been recorded in the regular official record of the Council kept for that purpose in my office, which record has been duly signed by the officers and properly sealed.

4. All members of the Council were given due and proper notice of the meeting. Pursuant to Nevada Revised Statutes ("NRS") 241.020, written notice of the meeting was given not later than 9:00 a.m. on the third working days before the meeting in accordance with the provisions of NRS 241.020.

5. Upon request, the Council provides at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance or regulation which will be discussed at

the public meeting, and any other supporting materials provided to the Council for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

6. A copy of such notice so given of the meeting of the Council on August 3, 2022 is attached to this certificate as Exhibit A. The revenue study presented to the Council which is referenced in the resolution is attached hereto as Exhibit B.

**IN WITNESS WHEREOF**, I have hereunto set my hand on August 3, 2022.

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LuAnn D. Holmes, MMC, City Clerk

**EXHIBIT A**

(Attach Copy of Notice of Meeting)



City of Las Vegas, Nevada  
SUFFICIENCY OF CONSOLIDATED TAX PLEDGED REVENUES  
PROPOSED 2022A BONDS

Fiscal Year Ended June 30	Consolidated Tax Revenues <sup>1/</sup>	% Growth	15% of Consolidated Tax Revenues	Existing Parity Lien Bonds Debt Service <sup>2/</sup>	Principal	Proposed 2022A Bonds <sup>3/</sup> Interest	Total	Total Existing and Proposed Bonds Debt Service	Parity Lien Bonds Coverage (times)
2022	\$ 387,488,045	--	\$ 58,123,207	21,335,443	--	--	--	21,335,443	2.72
2023	387,488,045	0.00%	58,123,207	21,275,085	--	2,100,000	2,100,000	23,375,085	2.49
2024	387,488,045	0.00	58,123,207	20,501,010	\$ 950,000	4,200,000	5,150,000	25,651,010	2.27
2025	387,488,045	0.00	58,123,207	19,682,413	1,005,000	4,143,000	5,148,000	24,830,413	2.34
2026	387,488,045	0.00	58,123,207	19,527,213	1,070,000	4,082,700	5,152,700	24,679,913	2.36
2027	387,488,045	0.00	58,123,207	19,433,713	1,130,000	4,018,500	5,148,500	24,582,213	2.36
2028	387,488,045	0.00	58,123,207	20,726,988	1,200,000	3,950,700	5,150,700	25,877,688	2.25
2029	387,488,045	0.00	58,123,207	20,722,900	1,270,000	3,878,700	5,148,700	25,871,600	2.25
2030	387,488,045	0.00	58,123,207	21,692,413	1,350,000	3,802,500	5,152,500	26,844,913	2.17
2031	387,488,045	0.00	58,123,207	21,516,813	1,430,000	3,721,500	5,151,500	26,668,313	2.18
2032	387,488,045	0.00	58,123,207	21,844,988	1,515,000	3,635,700	5,150,700	26,995,688	2.15
2033	387,488,045	0.00	58,123,207	20,734,538	1,605,000	3,544,800	5,149,800	25,884,338	2.25
2034	387,488,045	0.00	58,123,207	20,725,588	1,700,000	3,448,500	5,148,500	25,874,088	2.25
2035	387,488,045	0.00	58,123,207	20,078,075	1,805,000	3,346,500	5,151,500	25,229,575	2.30
2036	387,488,045	0.00	58,123,207	20,082,500	1,915,000	3,238,200	5,153,200	25,235,700	2.30
2037	387,488,045	0.00	58,123,207	14,545,000	2,025,000	3,123,300	5,148,300	19,693,300	2.95
2038	387,488,045	0.00	58,123,207	14,548,600	2,150,000	3,001,800	5,151,800	19,700,400	2.95
2039	387,488,045	0.00	58,123,207	14,546,100	2,280,000	2,872,800	5,152,800	19,698,900	2.95
2040	387,488,045	0.00	58,123,207	12,076,800	2,415,000	2,736,000	5,151,000	17,227,800	3.37
2041	387,488,045	0.00	58,123,207	0	2,560,000	2,591,100	5,151,100	5,151,100	11.28
2042	387,488,045	0.00	58,123,207	0	2,715,000	2,437,500	5,152,500	5,152,500	11.28
2043	387,488,045	0.00	58,123,207	0	2,875,000	2,274,600	5,149,600	5,149,600	11.29
2044	387,488,045	0.00	58,123,207	0	3,050,000	2,102,100	5,152,100	5,152,100	11.28
2045	387,488,045	0.00	58,123,207	0	3,230,000	1,919,100	5,149,100	5,149,100	11.29
2046	387,488,045	0.00	58,123,207	0	3,425,000	1,725,300	5,150,300	5,150,300	11.29
2047	387,488,045	0.00	58,123,207	0	3,630,000	1,519,800	5,149,800	5,149,800	11.29
2048	387,488,045	0.00	58,123,207	0	3,850,000	1,302,000	5,152,000	5,152,000	11.28
2049	387,488,045	0.00	58,123,207	0	4,080,000	1,071,000	5,151,000	5,151,000	11.28
2050	387,488,045	0.00	58,123,207	0	4,325,000	826,200	5,151,200	5,151,200	11.28
2051	387,488,045	0.00	58,123,207	0	4,585,000	566,700	5,151,700	5,151,700	11.28
2052	387,488,045	0.00	58,123,207	0	4,860,000	291,600	5,151,600	5,151,600	11.28
Totals			\$ 365,596,180	\$ 70,000,000	\$ 81,472,200	\$ 151,472,200	\$ 517,068,380		

- 1/ Fiscal year 2022 is estimated and fiscal year 2023 is budgeted. Future growth estimated at 0%.
- 2/ Includes debt service on the 2014B Parking Refunding Bonds, 2015B Taxable Various Purpose Refunding Bonds, 2015C City Hall Bonds, 2016B Various Purpose Refunding Bonds, 2019A Building Bonds, 2019C Various Purpose Refunding Bonds.
- 3/ Preliminary, subject to change. Based on issuance of \$70,000,000 in December 2022. Interest estimated at a constant rate of 6%. To be issued on a parity lien on CTAX revenues.

SOURCE: City of Las Vegas and the City of Las Vegas 2023 Final Budget; Compiled by Zions Public Finance

EXHIBIT B