

RESOLUTION NO. 4340
(Special Revenue Fund for Recreation, Cultural Events, and Tourism)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSON,
NEVADA, ESTABLISHING THE RECREATION, CULTURAL EVENTS, AND
TOURISM SPECIAL REVENUE FUND.

- WHEREAS, On June 7, 1982, the City Council adopted Resolution No. 892 to account for the financial operations of the Henderson Convention Center ("Convention Center") in a fund that would be known as the Cultural Arts and Tourism Enterprise Fund; and
- WHEREAS, On or about August 15, 2007, the City, Las Vegas, North Las Vegas, Boulder City, Mesquite ("Cities") and Clark County ("County") entered into an agreement with the Las Vegas Convention and Visitors Authority ("LVCVA") whereby, in relevant part, the LVCVA agreed to pay a percentage of the room tax revenues collected on the LVCVA's behalf to the Cities and the County ("LVCVA Distributions"). The LVCVA Distributions received by City are restricted to be used for costs associated with parks, recreation, programs and related operations, maintenance and capital acquisition; and
- WHEREAS, Portions of the LVCVA Distributions are used by the City as partial funding sources for both the Cultural Arts and Tourism Enterprise Fund and the City's Special Recreation Capital Fund. The Cultural Arts and Tourism Enterprise Fund is also funded in part by a portion of the City's room tax revenue collected on its own behalf; and
- WHEREAS, The City has utilized the Cultural Arts and Tourism Enterprise Fund for the financial operations of the Convention Center as well as other tourism and cultural events; and the City has utilized resources from the Special Recreation Capital Fund for the acquisition and/or construction of parks and recreation facilities and related expenses; and
- WHEREAS, It is anticipated that the Convention Center, a significant recipient of funding from the Cultural Arts and Tourism Enterprise Fund, will terminate operations on or about June 3, 2019; and
- WHEREAS, Given the related nature of the funding sources and uses of the above-mentioned funds, coupled with the impending termination of the Convention Center operations, the City's Finance Department recommends that the financial activity for tourism and cultural events accounted for in the Cultural Arts and Tourism Enterprise Fund and the non-capital activity accounted for in the Special Recreation Capital Fund, would be more appropriately accounted for in a single special revenue fund; and
- WHEREAS, NRS 354.570 authorizes the City to establish a special revenue fund to account for specific revenue sources, other than sources for major capital projects, that are restricted by law to expenditure for specified purposes; and

WHEREAS, NRS 354.612 authorizes the City of Henderson to establish a fund by resolution; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Henderson, Nevada, that:

SECTION 1. The Recreation, Cultural Events, and Tourism Special Revenue Fund (the "Fund") is established effective July 1, 2019.

SECTION 2. The purpose of the Fund is to allow the City to utilize a single special revenue fund to more appropriately account for functions currently accounted for in the Cultural Arts and Tourism Enterprise Fund and the Special Recreation Capital Fund. The Fund will account for the costs, activities, expenditures and revenue associated with tourism, recreation, and cultural events, projects and programs, including without limitation, related operational and maintenance expenses and to make allocations for capital acquisitions and projects.

SECTION 3. The resources used to establish the Fund, and from which the Fund will be replenished shall include 1) the portions of LVCVA Distributions currently used as a funding source for the Cultural Arts and Tourism Enterprise Fund and the Special Recreation Capital Fund; 2) a portion of the room tax revenue imposed and collected by the City on its own behalf; 3) the net position remaining in the Cultural Arts and Tourism Enterprise Fund, after all remaining obligations related thereto have been satisfied; and 4) from revenue generated by parks, recreation, tourism and other cultural events created under this Fund.

SECTION 4. The Fund will be operated in accordance with generally accepted accounting principles and any regulations promulgated by the executive director of the Nevada Department of Taxation. The revenue sources for the Fund are restricted by law limiting Fund expenditures to the purposes set forth herein. Fund expenditures are further controlled through limited spending appropriation levels approved by City Council. The Finance Department shall determine whether the balance of the Fund is reasonable and necessary to carry out the purpose of the Fund.

SECTION 5. City staff is hereby authorized, upon adoption, to submit this resolution to the Nevada Tax Commission for consideration.

SECTION 6. In accordance with NRS 354.598, the final budget for this Fund will be filed in May 2019.

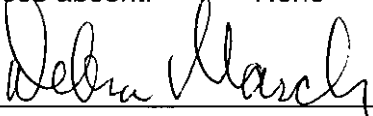
SECTION 7. The City's Finance Department may take any other action necessary to implement this resolution as authorized by NRS Chapter 354 and/or other applicable law.

SECTION 8. All prior actions of staff heretofore taken in furtherance of this resolution are hereby ratified and approved.

PASSED, ADOPTED, AND APPROVED THIS 9TH DAY OF APRIL, 2019, BY THE FOLLOWING ROLL-CALL VOTE OF COUNCIL.

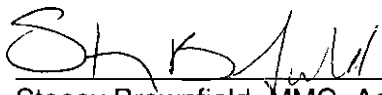
Those voting aye:
Debra March, Mayor
Councilmembers:
John F. Marz
Gerri Schroder
Dan K. Shaw
Dan H. Stewart

Those voting nay: None
Those abstaining: None
Those absent: None



Debra March, Mayor

ATTEST:



Stacey Brownfield, MMC, Asst. City Clerk