

**RESOLUTION AUTHORIZING THE FINANCIAL SERVICES DEPARTMENT TO  
EXPAND THE PURPOSE, SOURCES AND USES OF THE ROAD FUND, A CAPITAL  
PROJECTS FUND OF THE CITY OF SPARKS**

**WHEREAS**, Chapter 354, Nevada Revised Statutes, provides that each local government shall create the necessary funds to carry on the activities of such local government, and

**WHEREAS**, Chapter 354, Nevada Revised Statutes, does vest general legislative and fiscal powers in the City Council, and

**WHEREAS**, on February 12, 1996 City Council approved resolution 2380, *Resolution to establish an expendable trust fund called the RTC Road Impact Fund*, which allowed for the establishment of a fiduciary fund to record monies properly collected pursuant to Sparks Muni Code section 12.44, *Regional Road Impact Fee (RRIF)*, and

**WHEREAS**, based on criteria established by Governmental Accounting Standards Board Statement number 84, *Fiduciary Activities*, which the City will implement in fiscal year 2021, the activity recorded in the RTC Road Impact Fund no longer qualifies to be reported in a fiduciary fund, and

**WHEREAS**, monies collected pursuant to Sparks Muni Code section 12.44 *Regional Road Impact Fee*, are to be collected and held in trust, with accrued interest, until transferred to the Regional Transportation Commission, and

**WHEREAS**, it is appropriate for the City to record collections payable to the Regional Transportation Commission (RTC) for the Regional Road Impact Fee (RRIF) in the existing capital projects Road Fund, fund 1401, and

**WHEREAS**, Resolution 2487, *A RESOLUTION CHANGING THE NAME OF THE "CAPITAL PROJECTS FUND" TO THE "ROAD FUND" AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO* established the authorized sources and uses of the Road Fund in accordance with Nevada Revised Statute § 354.612, and

**WHEREAS**, it is necessary to formally modify the previously established purpose, sources and uses of the Road Fund activities.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Sparks that:

**Section 1.** Capital project fund number 1401, the "Road Fund", is modified as to purpose, sources, and uses by this resolution, and that the Chief Financial Officer is hereby authorized to submit the executed resolution to the State Department of Taxation.

- Section 2.** The object and purpose of the Road Fund is for the fiscal administration of the resources dedicated for the maintenance, repair, reconstruction and construction of roads and streets, including related expenditures as allowed by NRS 354.560 and to account for the RTC RRIF monies held in trust.
- Section 3.** The fund currently has an established fund balance related to the original purpose and the fund balance related to RTC RRIF monies will be transferred from the RTC Road Impact Fund.
- Section 4.** Source or sources from which the fund will be replenished are:
- (a) Motor vehicle fuel tax revenues received from the State.
  - (b) Electric and gas franchise fees as approved by Council.
  - (c) TMWA right of way fees
  - (d) General revenues of the City.
  - (e) Federal and State grants-in-aid.
  - (f) Interest earned on the idle cash in the fund.
  - (g) Any bequests earmarked for the fund.
  - (h) Appropriations from other City funds and transfers as the City Council may deem necessary.
  - (i) Regional Road Impact Fees to be held in trust for the Regional Transportation Commission.
  - (j) Interest on collected Regional Road Impact Fees to be held in trust for the Regional Transportation Commission.
- Section 5.** Method for controlling revenues and expenditures of the fund shall be on the modified accrual basis as defined by the provision of chapter 354, Nevada Revised Statutes.
- Section 6.** The General Bank account of the city shall receive all monetary resources of the fund and all disbursements shall be made through the General Bank Account. Petty cash transactions will be reimbursed through appropriate documentation and withdrawals.
- Section 7.** Obligations and encumbrances against this fund shall be authorized only by the City Manager or by appropriate action of the City Council.
- Section 8.** All idle cash shall be invested in accordance with the City's investment policies and state statutes.
- Section 9.** All fixed assets acquired through the use of this fund or donated by the RTC shall be transferred upon completion or donation, to the appropriate fund for accountability, maintenance, repair or replacement.

**Section 10.** The reasonableness of the fund balance will be evaluated annually during the budget process with revenue and expenditure budgets set to maintain an appropriate minimum level of fund balance to carry out the purpose of the fund and to be maintained in accordance with Nevada Revised Statutes.

**IT IS FURTHER RESOLVED** that the City Clerk shall forward the necessary documents to the Department of Taxation, State of Nevada.

**PASSED AND ADOPTED** on this 22<sup>nd</sup> day of February, 2021 by the following vote of the City Council.

**AYES** \_\_\_\_\_

**NAYS** \_\_\_\_\_

**ABSENT** \_\_\_\_\_

**ABSTAIN** \_\_\_\_\_

**APPROVED** this 22<sup>nd</sup> day of February, 2021.

By \_\_\_\_\_  
Ed Lawson, Mayor

ATTEST:

APPROVED AS TO FORM AND  
LEGALITY:

By \_\_\_\_\_  
Lisa Hunderman  
City Clerk

By \_\_\_\_\_  
Chester Adams  
City Attorney