

**RESOLUTION ESTABLISHING A SPECIAL REVENUE FUND CALLED
THE LANDSCAPE MAINTENANCE FUND TO ACCOUNT FOR LANDSCAPE
MAINTENANCE FEES FOR THE PROMONTORY, MESA MEADOWS, AND TRIPLE
CROWN SUBDIVISIONS**

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, creation of the special revenue Landscape Maintenance Fund, is in accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which defines special revenue funds as those funds for which substantially all revenues are restricted or committed for use, and

WHEREAS, on April 14, 1997, City Council approved resolutions 2457 (*Resolution to establish an expendable trust fund called the Promontory Landscape Maintenance Fund*), 2458 (*Resolution to establish an expendable trust fund called the Mesa Meadows Landscape Maintenance Fund*), and 2459 (*Resolution to establish an expendable trust fund called the Triple Crown Landscape Maintenance Fund*), which allowed for the establishment of three fiduciary funds to record monies collected pursuant to landscape maintenance agreements and covenants adopted on October 24, 1994 for the three subdivisions, and

WHEREAS, based on criteria established by Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, which the City will implement in fiscal year 2021, the activities recorded in the three landscape maintenance funds established on April 14, 1997 no longer qualify to be reported in fiduciary funds, and

WHEREAS, establishment of a special revenue fund to properly account for monies collected pursuant to the landscape maintenance agreements and covenants adopted on October 24, 1994 is appropriate to consolidate the three existing fiduciary funds currently known as the Promontory, Mesa Meadows, and Triple Crown Landscape Maintenance funds.

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

Section 1. A special revenue fund called the Landscape Maintenance fund shall be created, 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 Landscape Maintenance Fund is for the fiscal administration of the resources and expenditures in accordance with the landscape agreements entered into on October 24, 1994.
- Section 3.** Residual fund balances of the three existing landscape maintenance fiduciary funds will be transferred into the Landscape Maintenance special revenue fund, each to be considered separate accounts within one fund.
- Section 4.** Source or sources from which the fund will be replenished are:
- (a) Landscape maintenance fees established by each of the three agreements.
 - (b) City contributions as established by each of the three agreements.
 - (c) Interest earned on the idle cash in the fund.
 - (d) Any bequests earmarked for the fund.
 - (e) Appropriations from other City funds and transfers as the City Council may deem necessary.
- 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. Each subdivision will be allocated an account for reporting.
- Section 8.** All idle cash shall be invested in accordance with the City's investment policies and state statutes.
- Section 9.** 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 22nd day of February, 2021 by the following vote of the City Council.

AYES _____
NAYS _____
ABSENT _____
ABSTAIN _____

APPROVED this 22nd 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