

Governor Brian Sandoval
Chairman



State of Nevada
STATE BOARD OF FINANCE

Members
Treasurer Dan Schwartz
Controller Ron Knecht
David Funk
Steven Martin

PUBLIC NOTICE

AGENDA

MEETING OF THE STATE BOARD OF FINANCE
Tuesday, September 12, 2017
8:30 A.M.

Locations:

Via videoconference at the following locations:

Old Assembly Chambers
Capitol Building, Second Floor
101 N. Carson Street
Carson City, NV 89701

Grant Sawyer State Office Building
555 E. Washington Avenue, Suite 5100
Las Vegas, NV 89101

Agenda Items:

1. **Public Comment**
Comments from the public are invited at this time. Pursuant to NRS 241.020(2)(d)(7), the Board intends to limit to 10 minutes the time for an individual to speak and may impose reasonable restrictions on place or manner for such comment, No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board's jurisdiction. The Board may discuss but is precluded from acting on items raised during Public Comment that are not on the agenda.
2. **For discussion and possible action:** Approval of the Board of Finance minutes from the meeting held on August 8, 2017.

Presenter: Tara Hagan, Chief Deputy Treasurer

101 N. Carson Street, Suite 4
Carson City, Nevada 89701
775-684-5600
Website: NevadaTreasurer.gov/BoF

3. **For discussion and possible action** - Approval on the issuance of general obligation bonds by the State of Nevada.
- a. For possible action - Discussion and possible action on a resolution designated the “2017A Capital Improvement Bond Resolution,” authorizing the issuance and sale of the State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A in an aggregate principal amount not to exceed \$100,000,000; providing the purpose for which such bonds are issued, the form, terms, and conditions of such bonds, the manner and terms of their issuance, the manner of their execution, the method of their payment, the security therefor, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.
 - b. For possible action – Discussion and possible action on a resolution designated the “2017B Natural Resources and Refunding Bond Resolution”; authorizing the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B or the State of Nevada, General Obligation (Limited Tax) Natural Resources Bonds, Series 2017B, in the aggregate principal amount not to exceed \$10,000,000; providing for the purpose for which such bonds are issued, the form, terms, and conditions of such bonds, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.
 - c. For possible action – Discussion and possible action on a resolution designated the “2017C Open Space, Parks, Natural Resources and Refunding Bond Resolution”; authorizing the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C or the State of Nevada, General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2017C, in the aggregate principal amount not to exceed \$15,000,000; providing the purpose for which such bonds are issued, the form, terms, and conditions of such bonds and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.
 - d. For possible action – Discussion and possible action on a resolution designated the “2017D Bond Bank Bond Resolution”; authorizing the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D, in the maximum aggregate principal amount not to exceed \$6,000,000; providing the form, terms, and conditions of such bonds and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.
 - e. For possible action – Discussion and possible action on a resolution designated the “2017E Revolving Fund Matching Approval Resolution”; approving the issuance of the State of Nevada, General Obligation (Limited Tax) Safe Drinking Water

Revolving Fund Matching Bonds, Series 2017E, in the maximum aggregate principal amount not to exceed \$6,600,000.

- f. For possible action – Discussion and possible action on a resolution designated the “2017F Revolving Fund Matching Approval Resolution”; approving the issuance of the State of Nevada, General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds, Series 2017F, in the maximum aggregate principal amount not to exceed \$4,000,000.

Presenter: Lori Chatwood, Deputy Treasurer – Debt Management

- 4. **For discussion and possible action:** Discussion and possible action (a) regarding the State Treasurer’s quarterly investment report for the quarter ended June 30, 2017 and (b) to approve or disapprove the Treasurer’s investment policies for the General Portfolio and the Local Government Investment Pool (LGIP).

Presenter: Tara Hagan, Chief Deputy Treasurer

- 5. Board Members’ comments, including discussion of future agenda items and status of past, present and future projects or other matters within the Board’s jurisdiction.

6. Public Comment

Comments from the public are invited at this time. Pursuant to NRS 241.020(2)(d)(7), the Board intends to limit to 10 minutes the time for an individual to speak and reserves the right to impose other reasonable restrictions on place or manner for such comment, No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board’s jurisdiction. The Board may discuss but is precluded from acting on items raised during Public Comment that are not on the agenda.

ADJOURNMENT

Notes:

Items may be taken out of order; items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time.

Prior to the commencement and conclusion of a quasi judicial proceeding that may affect the due process rights of an individual, the Board may refuse to consider public comment. See NRS 233B.126.

The State Board of Finance is pleased to make reasonable accommodations for persons with physical disabilities. Please call (775) 684-7109 if assistance is needed.

Tara Hagan, Secretary to the Board may be contacted at (775) 684-5600 to obtain copies of supporting materials, which are available to the public at 101 N. Carson St., Carson City, NV 89701.

THIS AGENDA HAS BEEN POSTED IN THE FOLLOWING PUBLIC LOCATIONS:

- **Capitol Building, 1st & 2nd Floors, Carson City, Nevada**
- **Legislative Building, Carson City, Nevada**
- **Nevada State Library, Carson City, Nevada**
- **Blasdel Building, Carson City, Nevada**
- **Grant Sawyer Building, Las Vegas, Nevada**
- **City Halls in Reno, Elko and Henderson, Nevada**

Also online at: http://www.nevadatreasurer.gov/Finances/Board/BOF_Home/ and
<https://notice.nv.gov/>

STATE BOARD OF FINANCE
August 8, 2017 – 8:30 AM
Summary Minutes

Location:

Via videoconference at the following locations:

Old Assembly Chambers
Capitol Building, Second Floor
101 N. Carson Street
Carson City, NV 89701

Grant Sawyer State Office Building
555 E. Washington Avenue, Suite 5100
Las Vegas, NV 89101

Governor Sandoval called the meeting to order at 8:31 a.m.

Board members present:

Governor Brian Sandoval – Carson City
Treasurer Dan Schwartz – Las Vegas
Controller Ron Knecht – Carson City
Dave Funk – Carson City
Steve Martin – Las Vegas

Others present:

Tara Hagan – Nevada Treasurer’s Office
Budd Milazzo – Nevada Treasurer’s Office
Kimberly Arnett – Nevada Treasurer’s Office
CJ Manthe – Nevada Housing Division
Michael Holliday – Nevada Housing Division
Fred Eoff – Public Financial Management, Inc.
Daralyn Dobson – Nevada Division of Environmental Protection
Jason Cooper – Nevada Division of Environmental Protection
Liz Kingsland - Nevada Division of State Lands
Eric Johnson – Nevada Division of State Parks
Jen Idema – Parks
Dominique Etchegoyen – Parks
Eric Novak – Praxis
Lorri Murphy – Ovation
Alan Molasky – Ovation
Bruce Breslow – Business & Industry
Terry Reynolds – Business & Industry
Tawny Polito – Business & Industry
Liz Obrian – Wildlife
Jack Robb – Wildlife
Ted Kniesche – Fulcrum Bioenergy
Eric Pryor – Fulcrum Bioenergy
Jeanne Benedetti – Fulcrum Bioenergy
Jim Macias – Fulcrum Bioenergy
Joria Wang – Orrick
Zach Solomon – Morgan Stanley

Jim Blandford – Baird & Co.
Ryan Warburton – Gilmore & Bell
Jacob Carlton – Gilmore & Bell
Dennis Belcourt – Office of the Attorney General
Dane Hillyard – Greenstreet Companies
John Peterson – JNA Consulting Group

Agenda Item 1 – Public Comment.

There was no public comment in Carson City or Las Vegas.

Agenda Item 2 – Approval of the Board of Finance minutes from the meeting held on June 13, 2017.

Dave Funk motioned to approve Agenda Item 2. Steve Martin seconded the motion. Motion passed unanimously.

Agenda Item 3 – Discussion and possible action on the approval of the bonding program to be included in the fall 2017 issuance of general obligation and refunding bonds by the State of Nevada.

- 1) Department of Administration - Capital Improvement Projects (~\$92 million)
 - a) 2015 CIP Tranche 3 (~\$13 million)
 - b) 2017 CIP Tranche 1 (~\$65 million)
 - c) 2017 CIP Reno DMV Building (~\$13.5 million)
 - d) Refundings if identified
- 2) Department of Conservation and Natural Resources (~\$92 million)
 - a) Q1 Program (~\$4.6 million)
 - i) Parks (~\$1.7 million)
 - ii) Wildlife (~\$1.9 million)
 - iii) State Lands (~\$1 million)
 - b) Drinking Water State Revolving Fund-Federal Matching Bonds (~\$6.6 million)
 - c) Clean Water State Revolving Fund-Federal Matching Bonds (~\$4 million)
 - d) Clean Water State Revolving Fund-Leveraged Bonds (~\$70 million)
 - e) Tahoe Environmental Improvement (~\$5 million)
 - f) Capital Improvement Water Grants (~\$1.0 million)
 - g) Refundings if identified
- 3) Municipal Bond Bank (~\$6 million)
 - a) Carson City (~\$6 million)

Lori Chatwood, with the State Treasurer’s Office, presented to the Board the proposed bonding programs to be included in the upcoming State of Nevada general obligation securities issuance. Ms. Chatwood stated that if the Board was to approve the recommended bond programs in the sale, the STO will present to the Board at the September 12, 2017, the resolutions and details that go with that sale. Ms. Chatwood explained the tentative schedule for the fall sale is approval from Board of Finance at the September 12, 2017 meeting; bond sale on October, 17, 2017; and

bond closing and receipt of proceeds on November 7, 2017. Ms. Chatwood stated that all of the bonds that the STO have proposed in the sale are within the debt capacity.

Governor Sandoval asked Ms. Chatwood if she had any concerns with the program bonding requests and Ms. Chatwood stated that she did not have any concerns. She noted that STO has worked very closely with the various agencies and has experienced great teamwork in the expenditure of prior proceeds as well as planning for the proceeds that will be issued in the future. She noted that the post-issuance compliance reporting and oversight which was established a few years ago has been successful for all parties.

Treasurer Schwartz wanted to know the state's affordability which can be issued. Ms. Chatwood stated that \$854,772,379 is the debt capacity under the constitutional debt limit and clarified that in the chart on page 2 everything listed in red has not been issued yet but what has been proposed to issue so that the money isn't spent twice.

Controller Knecht motioned to approve Agenda Item 3. David Funk seconded the motion. Motion passed unanimously.

Agenda Item 4 – Discussion and possible action on the Nevada Housing Division's request to approve the Findings of Fact pertaining to the issuance of up to \$30,000,000 of Multi-Unit Housing Revenue Bonds (Tenaya Senior Apartments), for the purpose of construction of a 272-unit affordable housing rental project in Las Vegas, Nevada. The project owner/developer will be a limited liability company, which will consist of entities owned by Ovation Development Corporation and Coordinated Living of Southern Nevada, Inc. Wells Fargo Bank; N.A. will be the equity investor limited partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

CJ Manthe requested approval of the Findings of Facts pertaining to the issuance of up to \$30,000,000 of Nevada Housing Division multi-unit housing revenue bonds for the Tenaya Senior Apartments. The bonds will be used to provide financing for the construction of a 272-unit affordable housing apartment complex located in Las Vegas. The rental housing will serve low income seniors and is located immediately south of Craig Road on Tenaya Way. The proposed construction will provide high quality energy efficient affordable rental housing, for seniors that are at or below 60% of area median income. As a benchmark, a household of two would be at or below \$30,000 annual income to qualify for residency at the complex. The proposed apartment community will have a full complement of amenities, including community common space for recreation, meetings and social gatherings. Ms. Manthe explained that the Housing Division will be the conduit issuer on this project and that there will not be any liability for the repayment of the bonds to the State of Nevada nor the Housing Division. The bonds will be paid for by the developer through the project revenues. The project is being financed by Citi Bank and will be structured in two phases, Construction Phase and Permanent Phase. Wells Fargo Bank will act as a limited partner and will provide an equity investment of \$14,300,000.

Ms. Manthe noted that the Housing Division in conjunction with the Board of Finance has reason to celebrate the overall projects that have been brought forth and approved by the Board over the past three years. The Board has approved 15 separate transactions which have resulted in 3,243 units of which ~1,800 are new units. Ms. Manthe thanked the Board for its review and approval of these important projects over the past three years which have provided many Nevadans with affordable housing.

Governor Sandoval asked Ms. Manthe if she knew how many units it would take to cure the shortage of units needed. Ms. Manthe stated that one of their housing studies estimated that in Nevada 187,600 households in the Las Vegas area are considered cost burdened which means they are paying more than 30% of their income towards rent. She noted that based on this information the Division estimates that there would need to be hundreds of thousands of units created in order to meet 100% of the needs. Governor Sandoval asked Ms. Manthe how many projects they are currently planning to build. Michael Holliday, with the Housing Division, stated that there are currently 1,500 units planning to be built and that it has two more projects it anticipates to bring forth to the Board in the next several months. Governor Sandoval questioned what some of the barriers are to building more units. Mr. Holliday indicated that the cost of land and cost of labor are currently two significant barriers in Nevada.

David Funk asked if the bulk of the 1,500 units are in the metropolitan areas or if any are in the rural part of the state. Mr. Holliday stated that because these are bigger projects they will all be built in the urban areas.

Controller Knecht asked that since there are a substantial number of vacant abandoned properties in Las Vegas and Clark County would it be possible to find a way to renovate these properties and then make them available to low income families. Ms. Manthe stated that the Housing Division doesn't really focus on that type of development but all of their financing programs and funding program encourage both new construction as well as preservation. She stated that the funding does allow them to acquire and rehabilitate existing developments but they have limited resources in which to identify these types of properties. Controller Knecht questioned if the Division is doing anything to find this type of inventory. Ms. Manthe also stated that they have an economist on their staff and as part of their annual affordable housing survey they could add trying to find abandoned structures to preserve.

Controller Knecht asked if this project and other projects which have been brought to the Board, are subject to prevailing wage and project labor agreement restrictions. Mr. Holliday stated that would be dependent upon the mix of federal funds; he noted that he doesn't believe they have brought a project to the Board in the last three years that was subject to prevailing wage.

David Funk, for the record, stated that on Exhibit B under Interest Payments it should be corrected after "Permanent Phase which is estimated to occur 18" to state "18 Months".

Governor Sandoval asked Alan Molasky, with Ovation who is the builder, when this project will break ground. Mr. Molasky stated they should break ground in six months.

David Funk motioned to approve Agenda Item 4. Steve Martin seconded the motion. Motion passed unanimously.

Agenda Item 5 – Discussion and possible action on the request by the Director of the State of Nevada Department of Business and Industry to approve the Findings of Fact pertaining to the issuance of industrial development revenue bonds in an amount not to exceed \$150,000,000 for the purpose of assisting in the financing of a bio refinery facility to be used for the disposal of solid waste and conversion to renewable fuel products to be located on a 19.4-acre site in the Tahoe-Reno Industrial Center in Storey County, Nevada. The project will be owned by Fulcrum Sierra BioFuels, LLC, and operated by Fulcrum BioEnergy, Inc. Approval of the Board of Finance is required pursuant to NRS 349.580(2).

Bruce Breslow, with the Department of Business and Industry, requested approval of the Findings of Fact pertaining to the issuance of industrial development revenue bonds in an amount not to exceed \$150,000,000 for the purpose of assisting in the financing of a bio refinery facility to be used for the disposal of solid waste and conversion to renewable fuel products to be located on a 19.4-acre site in the Tahoe-Reno Industrial Center in Storey County, Nevada. The project will be owned by Fulcrum Sierra BioFuels, LLC and operated by Fulcrum BioEnergy, Inc. Mr. Breslow stated that Fulcrum has already built a feed stock facility off of Interstate 80 (near the Tahoe-Reno Industrial Center) to take garbage to separate and sort it to keep it from going into the landfill. The project before the Board is phase two, which is a plant that will turn 200,000 tons of waste into 11,000,000 gallons of high quality, synthetic renewable jet and diesel fuel every year. The fuel produced, has been tested, certified and approved for use in commercial vehicles, military and commercial aviation use worldwide. Mr. Breslow stated that the salaries on this project are higher than any other projects he has seen. He explained that managers and supervisors are ranging up to \$64 an hour; up to \$32 an hour for operators; \$29 an hour for maintenance crews; and more than \$17 an hour for equipment operators. Mr. Breslow stated the project will be built at the Tahoe-Reno Industrial Center which is a short distance from the feed stock facility.

David Robertson, financial advisor on the project, stated that the cost will be approximately \$280,000,000 to fund the construction of the feed stock and bio refinery facility. The construction will start in September 2017 and is estimated to be completed by December of 2019. He provided the job creation estimates on the project and noted that there is an estimated budget of over \$6,000,000 annual salary for 130 continual, permanent jobs for the area. There will be approximately 500 construction jobs which support over 1000 indirect jobs. Mr. Robertson stated that tax estimates suggest that property taxes could be \$13,000,000 over a ten

year tax abatement period with sales taxes of \$11,000,000 generated during the construction period. Regarding the security of the bonds, Mr. Robertson stated that this will be 100% project financing. He stated that there will be no guarantees and no obligation to the state of Nevada. The state is facilitating the issuance of the bonds but there will be no obligation now or in the future for the state.

Mr. James Macias with Fulcrum noted that the firm has worked with its largest partners such as BP, the military and various airlines and spent over \$100 million to get this process ready for a commercial application. He noted that the firm does have a demonstration process plant in South Carolina which has allowed it to run this process from A to Z and perfect it over the past two years. He noted that there are many factors that make this project attractive to bond investors which include financing with 50% debt and 50% equity (over two-times debt coverage) and securing a private insurance policy for 100% of the project costs.

Controller Knecht asked Mr. Robertson if the construction costs were \$280,000,000. Mr. Robertson stated yes, that is the construction costs. Controller Knecht questioned why there is mention of \$347,000,000 costs listed in their report and asked for clarification on the two numbers. Mr. Robertson stated the \$280,000,000 is the actual cost of construction and the balance is the financing cost, calculated interest, debt service reserve and cost of issuance.

Controller Knecht asked since the Department of Defense (DOD) and Engineering Procurement Construction contractor (EPC) have contributed financially to the project what type of rights or claims do they have on the project. Jim Macias, with Fulcrum, stated there are no rights or ties on the project and explained that it is equity-like investment in the project. He noted that the DOD doesn't make equity investments but rather provides grants and it's an attractive investment for them. Mr. Macias noted that the EPC has the right with the last \$15 million to receive a cash lump sum or equity rights. Regarding the financial structure, Controller Knecht wanted to know if the various projects are turnkey projects where they're committed to a certain date of completion. Mr. Macias stated that yes that is the case. It was their process and design but it has gone through so much testing that they were able to get a general contractor to come in and design it as a turnkey. Controller Knecht inquired about any penalties for the contractor who may not meet the required date(s). Mr. Macias noted that the contracts have day per day penalties tied to these dates.

Controller Knecht asked if they are assuming that the interest rates will go up during the next three years. Mr. Breslow stated that once the bonds are sold it's a fixed rate for the life of the bonds.

Controller Knecht noted that although the State has limited risk associated with this project, he questioned that if the project is predicated on \$70 per barrel for crude oil and with the price closer to \$50 per barrel questioned how this affects the overall financials if this price per barrel

stayed around \$50 per barrel over the next 10 years. Mr. Macias noted that \$70 is a forecast over the life of the project. He stated that a lower price per barrel would allow them to maintain a level of sufficient cash and a return for equity investors.

Treasurer Schwartz asked Fulcrum if this is the first such project for the firm. Mr. Macias stated that yes it is the first commercial plant. Treasurer Schwartz asked if the fuel is gas or liquid. Mr. Macias stated that it is liquid fuel. Treasurer Schwartz asked what could go wrong with the project. Mr. Macias stated that they have worked really hard to de-risk the project from feedstock risk, price risk of feedstock, to operating costs, technology performance and financing. He stated that this didn't mean that something else couldn't go wrong but that the firm has a good contractor and a good design. He explained that as a hands owner, they review and approve everything their contractor does and inspects all the equipment to help ensure that the project is executed properly.

Controller Knecht motioned to approve Agenda Item 5. David Funk seconded the motion. Motion passed unanimously.

Agenda Item 6 – Discussion and possible action on the request by the Director of the State of Nevada Department of Business and Industry to approve the Findings of Fact pertaining to the issuance of charter school revenue bonds in an amount not to exceed \$32,190,000 for the purpose of assisting in financing the acquisition of charter school facilities and the related land and improvements to be owned and operated by Doral Academy of Nevada for its educational purposes to be comprised of (i) an approximately 58,029 square-foot school building located on an approximately 4.24-acre site located at 9025 West Cactus Avenue and (ii) an approximately 62,229 square-foot school building located on an approximately 3.83-acre site located at 9625 West Saddle Avenue, each located in Las Vegas in Clark County, Nevada. Approval of the Board of Finance is required pursuant to NRS 388A.650.

Bruce Breslow, with the Department of Business and Industry, requested approval of the Findings of Fact pertaining to the issuance of charter school revenue bonds in an amount not to exceed \$32,190,000 for the purpose of assisting in financing the acquisition of charter school facilities and the related land and improvements to be owned and operated by Doral Academy of Nevada for its educational purposes. Mr. Breslow stated that they are asking for approval from the Board to purchase the two buildings, located on the Cactus campus and Saddle campus in Las Vegas, Nevada, to help save the cost of leasing the buildings currently.

Governor Sandoval asked if there was any intent to open a campus in Northern Nevada. Mr. Robertson stated that there is a campus opening this year in Northern Nevada and it's located in the Southwest part of town in Reno.

Treasurer Schwartz asked if the bonds on this project will be rated. Jim Blandford, with Baird and Co., stated that yes and they've received a rating of a BB + on the bonds. Treasurer Schwartz

asked if they think there are enough qualified buyers to complete the financing. Mr. Blandford stated that they have underwritten about \$2.8 billion of charter school bonds in the last 15 years and there is more than enough demand to place these bonds.

Controller Knecht motioned to approve Agenda Item 6. David Funk seconded the motion. Motion passed unanimously.

Agenda Item 7 – Board members’ comments including discussion of future agenda items and status of past, present and future projects or other matters within the Board’s jurisdiction.

Member David Funk stated his official term on the Board will expire in October 2016. His last Board meeting will be on via teleconference for the September 2016 meeting. Mr. Funk stated that it has been an honor and a privilege to serve on this Board through three Governors’ since 2001 and he explained that it is time to give someone else in our community the opportunity to serve and be a part of this incredible committee.

Governor Sandoval, Controller Knecht and Treasurer Schwartz thanked Mr. Funk, on behalf of the state of Nevada for his service and stated that it has been an honor and privilege to work with him on the Board of Finance.

Agenda Item 8 – Public Comment

There were no comments in Carson City or Las Vegas.

David Funk motioned to adjourn the meeting. Controller Knecht seconded the motion. Motion passed unanimously.

Meeting was adjourned at 10:15 a.m.

Dan Schwartz
State Treasurer



STATE OF NEVADA
OFFICE OF THE STATE TREASURER

TO: Board of Finance Members
FROM: Lori Chatwood, Deputy Treasurer of Debt Management
SUBJECT: September 12, 2017 BoF Agenda Item #3a-f General Obligation Issuances
DATE: August 24, 2017

Agenda Item #3a-f

For discussion and possible action - Approval on the issuance of general obligation bonds by the State of Nevada.

a. For possible action - Discussion and possible action on a resolution designated the "2017A Capital Improvement Bond Resolution," authorizing the issuance and sale of the State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A in an aggregate principal amount not to exceed \$100,000,000; providing the purpose for which such bonds are issued, the form, terms, and conditions of such bonds, the manner and terms of their issuance, the manner of their execution, the method of their payment, the security therefor, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.

b. For possible action – Discussion and possible action on a resolution designated the "2017B Natural Resources and Refunding Bond Resolution"; authorizing the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B or the State of Nevada, General Obligation (Limited Tax) Natural Resources Bonds, Series 2017B, in the aggregate principal amount not to exceed \$10,000,000; providing for the purpose for which such bonds are issued, the form, terms, and conditions of such bonds, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.

CARSON CITY OFFICE
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(775) 684-5623 Fax

STATE TREASURER PROGRAMS
Governor Guinn Millennium Scholarship Program
Nevada Prepaid Tuition Program
Unclaimed Property
College Savings Plans of Nevada
Nevada College Kick Start Program

LAS VEGAS OFFICE
555 E. Washington Avenue, Suite 4600
Las Vegas, Nevada 89101-1074
(702) 486-2025 Telephone
(702) 486-3246 Fax

c. For possible action – Discussion and possible action on a resolution designated the “2017C Open Space, Parks, Natural Resources and Refunding Bond Resolution”; authorizing the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C or the State of Nevada, General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2017C, in the aggregate principal amount not to exceed \$15,000,000; providing the purpose for which such bonds are issued, the form, terms, and conditions of such bonds and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.

d. For possible action – Discussion and possible action on a resolution designated the “2017D Bond Bank Bond Resolution”; authorizing the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D, in the maximum aggregate principal amount not to exceed \$6,000,000; providing the form, terms, and conditions of such bonds and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters.

e. For possible action – Discussion and possible action on a resolution designated the “2017E Revolving Fund Matching Approval Resolution”; approving the issuance of the State of Nevada, General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds, Series 2017E, in the maximum aggregate principal amount not to exceed \$6,600,000.

f. For possible action – Discussion and possible action on a resolution designated the “2017F Revolving Fund Matching Approval Resolution”; approving the issuance of the State of Nevada, General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds, Series 2017F, in the maximum aggregate principal amount not to exceed \$4,000,000.

BACKGROUND:

NRS 349.071 - The State Board of Finance (the “Board”) may issue and redeem securities on behalf of the State, when such issue is authorized by law, in the manner provided by the State Securities Law.

NRS 226.110(10) - The State Treasurer (the “Treasurer”) is directly responsible for the issuance of any obligation authorized on behalf and in the name of the State (except as provided in NRS 538.206, NRS 319, and NRS 349.400-.987 inclusive).

The Treasurer’s Office, in cooperation with other state agencies with authority to implement bonding projects, coordinates the timing, rating agency presentations, and professional services necessary to issue securities on behalf of the State.

The bonding programs to be included in the Fall 2017 issuance of general obligation and refunding bonds were approved at the August 8, 2017 Board of Finance meeting.

Prior to the issuance of securities by the Treasurer, the Board must approve a resolution(s) which describes the authority to issue and/or refund prior securities issuances and the parameters upon which the Treasurer or designee may bind the State on the sale date.

The division of bonds into different series is determined by the State’s bond counsel based upon factors such as whether the debt is subject to the State Constitutional debt limit (“the debt limit”), exempt from the debt limit and the revenue stream utilized to pay the debt.

While the expectation is that bond yields will continue to rise, municipal bond rates are currently well below their 10 year average. The Treasurer’s Office continues to review the State’s debt portfolio for possible refunding candidates. Securing authorization by the Board to pursue even marginal current and advance refunding candidates enables the Treasurer’s Office to be more nimble in exploring possible refundings for the purpose of generating savings and to move quickly should rates unexpectedly fall.

The aggregate par amount for each series is comprised of either new money or a combination of new money and refundings. Advance refundings are considered when they produce a net present value savings of 3% or greater. The estimated refunding savings reflected in these proposed issuances are based upon the current rate environment. Continued volatility in the capital markets could increase and/or reduce these proposed savings.

Attachment A of this memo summarizes the maximum aggregate refunding par amounts and the anticipated refunding sizing and savings authorized by the 2017B and 2017C bond resolutions.

Agenda Item #3a:

The 2017A Capital Improvement Bond Resolution (the “2017A Bonds”) authorizes the issuance and sale of capital improvement bonds in an aggregate principal amount not to exceed \$100,000,000.

The 2017A Bonds are “New Money” bonds issued for the purpose of financing various capital improvement projects authorized by:

- Assembly Bill (AB) 491 (*the 2015 Capital Improvement Project (CIP) Act*) Section 6 in the face amount of not more than \$98,500,000 with remaining authorization of \$21,900,471. An aggregate principal amount not to exceed \$14,500,000 will be issued subject to this authorization.
- Senate Bill (SB) 546 (*the 2017 CIP Act*) Section 6 in the face amount of not more than \$117,912,005 with remaining authorization of \$117,912,005. An aggregate principal amount not to exceed \$68,500,000 will be issued subject to this authorization.
- SB 546 (the 2017 CIP Act) Section 8(1) in the face amount of not more than \$42,016,797 with remaining authorization of \$42,016,797 for the purpose of financing project 17-C04, construction of the new Department of Motor Vehicles (DMV) Service Office, Reno (*the “Reno DMV Service Office”*). An aggregate principal amount not to exceed \$14,500,000 will be issued subject to this authorization.
 - Pursuant to SB 546 Section 8(3), 12% of the annual bond repayment costs of the bonds attributable to the Reno DMV Service Office will be paid from the Pollution Control Account created by NRS 445B.830 and the remaining 88% by the State Highway Fund.
 - Pursuant to SB 546 Section 8(2), the Board shall not issue the bonds for the Reno DMV Service Office unless the Board determines that the money budgeted or to be budgeted will be sufficient to pay the bond repayment costs of the bonds issued for the Reno DMV Service Office.
 - The Board shall be entitled to rely on a certification of the Director of the Office of Finance in the Office of the Governor that the money budgeted and to be budgeted pursuant SB 546 Section 8(3) will be sufficient to pay the bond repayment costs of the bonds issued for the Reno DMV Service Office. This certification is included as Attachment B of this memo.
 - Pursuant to SB 546 Section 47 (2), the Board desires to amend and supplement the 2015D Bond Resolution to permit the use of the remaining proceeds of the 2015D Bonds issued for the construction of the 15-C04 project, construction of the Las Vegas DMV Service Office, for the construction of the 17-C04 project, Reno DMV Service Office.

The 2017A Bonds are general obligations of the State subject to the debt limit, paid with property tax, and which conform to the parameters of the debt limit and affordability model.

The State does not generally levy ad valorem taxes to pay general obligation bonds expected to be paid with other available money (NRS 349.244). However, in the event other available money was insufficient to pay the bonds, the bonds have the same claim to ad valorem tax receipts as other general obligation bonds of the State.

Agenda Item #3b:

The 2017B Natural Resources and Refunding Resolution (the “2017B Bonds”) authorizes the issuance and sale of natural resources and refunding bonds in an aggregate principal amount not to exceed \$10,000,000.

The 2017B Bonds are a combination of “New Money” and refunding bonds issued for the purpose of financing the costs of environmental improvement projects for the Lake Tahoe Basin (the “Tahoe Projects”), for the program providing grants for water conservation and capital improvements to certain water systems (the “Water Grants Project Act”), and refunding projects authorized by:

- SB 438 of the 2011 legislative session and SB 546 (the 2017 CIP Act) Section 28 in the face amount of not more than \$5,000,000 with remaining authorization of \$5,000,000 for the *Tahoe Projects*. An aggregate principal amount not to exceed \$2,500,000 will be issued subject to this authorization.
- Nevada Revised Statutes (NRS) 349.986 and SB 546 (the 2017 CIP Act) Section 29 in the face amount of not more than \$1,000,000 with remaining authorization of \$1,000,000 for the *Water Grants Project Act*. An aggregate principal amount not to exceed \$1,000,000 will be issued subject to this authorization.
 - Pursuant to NRS 349.986, the aggregate principal outstanding at October 1, 2017 (prior to issuance) is projected to be \$52,842,355 (not inclusive of this proposed bond issuance) well under the maximum aggregate outstanding principal amount of \$125,000,000.
- NRS 349.330 in an amount necessary to effect the *refunding of all or a portion of the 2008A Bonds* (approximately \$6,500,000). The 2008A bonds were issued pursuant to NRS 331.160 and paid from the Marlette Lake Water System Fund. Savings received from this refunding will benefit the Marlette Lake Water System Fund.

The 2017B Bonds are general obligations of the State exempt from the debt limit, paid with property tax, and which conform to the parameters of the debt limit and affordability model.

The 2017B Bonds are considered to be self-supporting as these bonds are expected to be paid in full from revenues received from the Marlette Lake Water System Fund. The State does not generally levy ad valorem taxes to pay general obligation bonds expected to be paid with other available money (NRS 349.244). However, in the event other available money was insufficient to pay the bonds, the bonds have the same claim to ad valorem tax receipts as other general obligation bonds of the State.

Attachment A of this memo summarizes the anticipated refunding sizing and savings.

Agenda Item #3c:

The 2017C Open Space, Parks, Natural Resources (the “Q1 Program”) and Refunding Resolution (the “2017C Bonds”) authorizes the issuance and sale of Q1 Program and refunding bonds in an aggregate principal amount not to exceed \$15,000,000.

The 2017C Bonds are a combination of “New Money” and refunding bonds issued in order to preserve water quality, protect open space, lakes, rivers, wetlands, and wildlife habitat; and restore and improve parks, recreational areas, and historic and Natural authorized by:

- Chapter 6, Statutes of Nevada 2001, 17th special legislative session in an amount not to exceed \$200,000,000 (the “Question 1”) was placed on the November, 5, 2002 general election ballot and approved by a majority of the registered voters, as amended, and SB 546 (the 2017 CIP Act) Section 27 in the face amount of not more than \$4,600,000 with remaining authorization of \$4,600,000. An aggregate principal amount not to exceed \$4,600,000 will be issued subject to this authorization.
 - Pursuant to Question 1, an amount not to exceed \$27,000,000 for property acquisition or capital improvements and renovations by the Division of State Parks with remaining authorization of \$1,776,531. An aggregate principal amount not to exceed \$1,700,000 will be issued subject to this authorization.
 - Pursuant to Question 1, an amount not to exceed \$27,500,000 for property acquisition, facility development and renovation, or wildlife habitat improvements by the Department of Wildlife with remaining authorization of \$1,962,280. An aggregate principal amount not to exceed \$1,900,000 will be issued subject to this authorization.
 - Pursuant to Question 1, an amount not to exceed \$30,500,000 to provide grants for State agencies, local governments or qualifying private nonprofit organizations for various programs including recreational trails, urban parks, habitat conservation, open spaces, and general natural resource protection by the Division of State Lands with remaining authorization of \$6,090,140. An aggregate principal amount not to exceed \$1,000,000 will be issued subject to this authorization.
- NRS 349.330 in an amount necessary to effect the refunding of all or a portion of the 2008B and 2009E Bonds (approximately \$5,400,000).

The 2017C Bonds are general obligations of the State exempt from the debt limit, paid with property tax, and which conform to the parameters of the debt limit and affordability model.

Attachment A of this memo summarizes the anticipated refunding sizing and savings.

Agenda Item #3d:

The 2017D Bond Bank Bond Resolution (the “2017D Bonds”) authorizes the issuance and sale of Bond Bank bonds in an aggregate principal amount not to exceed \$6,000,000.

The 2017D Bonds are “New Money” bonds issued for the purpose of making a loan to Carson City, Nevada by the purchase of their bonds validly issued for a purpose related to natural resources authorized by:

- NRS Chapter 350A-Purchase of Municipal and Revenue Securities by State.
 - Pursuant to NRS 350A.150(2), the Municipal Bond Bank aggregate outstanding principal at October 1, 2017 (prior to issuance) is projected to be \$89,555,000 (not inclusive of this proposed bond issuance) well under the maximum aggregate outstanding principal amount of \$1,800,000,000.
 - Pursuant to NRS 350A.160, the Board shall not become obligated with respect to a particular lending project unless the Board has determined that the lending project is for a purpose related to natural resources and exempt from the limitation on state debt set forth in Section 3 of Article 9 of the Nevada Constitution.
 - NRS 350A.090 defines “Purpose related to natural resources” as a purpose necessary, expedient or advisable for the protection and preservation of any property or natural resources of the State, or for obtaining the benefits thereof, including without limitation water projects, sewer projects, projects to protect and preserve the natural resources and property of the State from floods and park projects which preserve natural landscape or wildlife habitat or both.
 - Attachment C of this memo includes a copy of a letter dated July 14, 2017 from the Chief Financial Officer of Carson City, Nevada to the Treasurer, as Administrator of the Municipal Bond Bank, requesting a loan to Carson City by the purchase of their general obligation (limited tax) sewer bonds in an aggregate principal amount not to exceed \$6,000,000 to be additionally secured by sewer fund pledged revenues and drainage fund pledged revenues, for the purpose of financing the cost of acquiring, constructing, improving, and equipping sewerage projects as defined in NRS 244A.050, which includes drainage and flood control projects.

The 2017D Bonds are general obligations of the State exempt from the debt limit, paid with property tax, and which conform to the parameters of the debt limit and affordability model.

The 2017D Bonds are considered to be self-supporting as these bonds are expected to be paid in full from revenues received from the local government as payment on their State loan. The State does not generally levy ad valorem taxes to pay general obligation bonds expected to be

paid with other available money (NRS 349.244). However, in the event other available money was insufficient to pay the bonds, the bonds have the same claim to ad valorem tax receipts as other general obligation bonds of the State.

Agenda Item #3e:

The 2017E Revolving Fund Matching Approval Resolution (the “2017E Bonds”) authorizes the issuance and sale of Safe Drinking Water Revolving Fund (DWSRF) Matching bonds in an aggregate principal amount not to exceed \$6,600,000.

The 2017E Bonds are “New Money” bonds issued to match ~20% of the expected \$33,000,000 in federal grants for the purpose of supporting the purposes of the account to finance the construction of projects created in the State treasury known as the account for the revolving fund authorized by:

- NRS 445A.200-445A.295 Account for the Revolving Fund and Account for Set-Aside Programs.
 - Pursuant to NRS 445A.290(2), the Treasurer, subject to the approval of the Board, and at the direction of the Administrator of the Nevada Division of Environmental Protection of the Department of Conservation and Natural Resources, will authorize the issuance of the 2017E Bonds.
 - Attachment D of this memo includes a copy of a letter dated August 1, 2017 from the Administrator of the Nevada Division of Environmental Protection of the Department of Conservation and Natural Resources requesting the issuance of bonds to match federal DWSRF capitalization grants.

The 2017E Bonds are general obligations of the State exempt from the debt limit, paid with property tax, and which conform to the parameters of the debt limit and affordability model.

The 2017E Bonds are considered to be self-supporting as these bonds are additionally secured by an irrevocable pledge and lien on available amounts on deposit in the DWSRF consisting of amounts received from local governments as interest payments (and not principal payments) on State loans to local governments for drinking water system projects. The State does not generally levy ad valorem taxes to pay general obligation bonds expected to be paid with other available money (NRS 349.244). However, in the event other available money was insufficient to pay the bonds, the bonds have the same claim to ad valorem tax receipts as other general obligation bonds of the State.

Agenda Item #3f:

The 2017F Revolving Fund Matching Approval Resolution (the “2017F Bonds”) authorizes the issuance and sale of Water Pollution Control Revolving Fund (CWSRF) Matching bonds in an aggregate principal amount not to exceed \$4,000,000.

The 2017F Bonds are “New Money” bonds issued to match ~20% of the expected \$20,000,000 in federal grants for the purpose of supporting the purposes of the account to finance the construction of treatment works and the implementation of pollution control projects authorized by:

- NRS 445A.060-445A.160 Account to Finance the Construction of Treatment Works and the Implementation of Pollution Control Projects.
 - Pursuant to NRS 445A.155(2), the Treasurer, subject to the approval of the Board, and at the direction of the Director of the Department of Conservation and Natural Resources with the approval of the Director of the Office of Finance, Office of the Governor, will authorize the issuance of the 2017F Bonds.
 - Pursuant to NRS 445A.155(3), before any bonds are issued, the Board must certify that sufficiency of the revenues in the Revolving Fund to pay, when due, the interest and installments of principal on the bonds.
 - Attachment E of this memo includes a copy of a letter dated July 31, 2017 from the Director of the Office of Finance, Office of the Governor and the Director of the Department of Conservation and Natural Resources requesting the issuance of bonds to match federal CWSRF capitalization grants including a financial model which demonstrates the CWSRF’s ability to pay the debt service on the proposed bonds as well as the existing bonds of the CWSRF.

The 2017F Bonds are general obligations of the State exempt from the debt limit, paid with property tax, and which conform to the parameters of the debt limit and affordability model.

The 2017F Bonds are considered to be self-supporting as these bonds are additionally secured by an irrevocable pledge and lien on available amounts on deposit in the CWSRF consisting of amounts received from local governments as interest payments (and not principal payments) on State loans to local governments for water pollution control projects. The State does not generally levy ad valorem taxes to pay general obligation bonds expected to be paid with other available money (NRS 349.244). However, in the event other available money was insufficient to pay the bonds, the bonds have the same claim to ad valorem tax receipts as other general obligation bonds of the State.

Attachment A

Summary of Anticipated Refundings, Sizing, and Savings

Attachment A

SUMMARY OF 2017A-F REFUNDING BONDS

September 12, 2017 Board of Finance

(Pre-Issuance)

Series	Program	Uses	Refunding Par Authorized	Estimated Par 8/18/2017	Estimated Total Savings (\$) 8/18/17	Estimated PV Savings (\$) 8/18/17	Estimated PV Savings (%) Refunded Par	Term (Years)
Series 2017B	Natural Resources	Refunding	\$ 6,500,000	\$ 2,730,000	\$ 811,433	\$ 414,948	14.38%	20
Series 2017C	Q1-Open Space	Refunding	\$ 5,400,000	\$ 3,545,000	\$ 362,279	\$ 309,382	8.11%	12
				\$ 6,275,000	\$ 1,173,712	\$ 724,330		

Attachment B

Certification of Sufficiency of Money Budgeted

For

CIP Project 17-C04, Reno DMV Service Office

Bond Repayment Costs

Brian Sandoval
Governor



James R. Wells, CPA
Director

Janet Murphy
Deputy Director

**STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE**

209 E. Musser Street, Room 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

August 10, 2017

State of Nevada Board of Finance
Carson City, Nevada

Re: Project 17-C04, Construct New Department of Motor Vehicles Service Office, Reno –
Sufficiency of Money Budgeted for Bond Repayment Costs

Chairman Sandoval and Members of the Board of Finance:

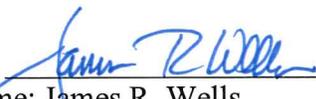
The State of Nevada Board of Finance (the “**Board**”) is authorized by Section 8 of Chapter 606, Statutes of Nevada, 2017 (the “**2017 DMV Capital Improvement Program Project**”), to issue general obligation bonds of the State of Nevada in the principal amount not to exceed \$42,016,797 (the “**Bonds**”) for the purpose of financing the costs of the project numbered and identified in the Executive Budget for the 2017-2019 biennium and otherwise described as Project 17-C04, Construct New Department of Motor Vehicles Service Office, Reno.

I understand that the Bonds must mature within 20 years following the date of passage of the 2017 DMV Capital Improvement Program Project (i.e., not later than June 16, 2037). I further understand that the Board plans to issue a portion of the Bonds later this year.

In my capacity as the Director of the State of Nevada Governor’s Finance Office, I hereby certify to the Board that the money budgeted and to be budgeted as described in subsection 3 of the 2017 DMV Capital Improvement Program Project will be sufficient to meet the repayment costs of the Bonds.

STATE OF NEVADA GOVERNOR’S FINANCE OFFICE

Dated: 8/10/17

By: 
Name: James R. Wells
Title: Director

Attachment C

Municipal Bond Bank Loan Request Letter



CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

July 14, 2017

Lori K. Chatwood
Deputy Treasurer of Debt Management
Office of Nevada State Treasurer
101 North Carson Street, Suite 4
Carson City, Nevada 89701

Re: Request to Utilize the State Municipal Bond Bank for Sewer Projects Within Carson City

Dear Lori:

Carson City requests that the State of Nevada Treasurer's Office consider issuing bonds through the Nevada State Municipal Bond Bank to finance sewer projects within Carson City.

Carson City has recently received approval from its Debt Management Commission to issue up to \$6,000,000 in General Obligation (Limited Tax) Sewer Bonds (Additionally Secured by Pledged Revenues) (the "Bonds"). The City adopted a Resolution of Intent for the Bonds on July 6, 2017. The City anticipates adopting a bond ordinance authorizing the issuance of the Bonds on September 21, 2017 and the completion of its 90-day petition period on October 9, 2017. A copy of the City's current sewer CIP is attached, which includes projects to be partially funded by the Bonds.

Your consideration of this request would be greatly appreciated. Please do not hesitate to contact me should you have any questions.

Sincerely,

Nancy Paulson, CPA
Chief Financial Officer/Risk Manager

Attachment

Fund:	Sewer Fund	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022
Capital Improvement:	Equipment Replacement-Sewer Facility/Building Rehab	\$ 200,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	\$ 300,000.00
	Groundwater Protection	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00
	Vehicle Replacement	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
	Equipment Replacement - Wastewater	-	42,500.00	350,000.00	205,000.00	-
	Treatment Facility Rehabilitation	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00
	Vehicle Replacement	150,000.00	150,000.00	150,000.00	100,000.00	100,000.00
	Communications - SCADA	83,000.00	55,000.00	-	55,000.00	-
	Collection - Sewer line & Manhole Replace/rehab/slip lining	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00
	Collection Lift Station Reconstruction	2,000,000.00	2,000,000.00	3,050,000.00	2,050,000.00	50,000.00
	Reuse - Brunswick Canyon Reservoir Inlet/Outlet & Aeration	-	-	-	200,000.00	2,000,000.00
	Reuse - EVGC Rehabilitation	-	250,000.00	450,000.00	-	-
	Reuse - Pipe Corrosion Protection	435,000.00	-	1,500,000.00	1,500,000.00	930,000.00
	Reuse - Joint Pipe Coupling Rehabilitation	-	-	-	700,000.00	1,000,000.00
	Reuse - System Pipeline Air Release Rehabilitation	-	-	50,000.00	50,000.00	50,000.00
	Treatment - WRRF Phase 1a and 1b	2,667,665.00	-	50,000.00	100,000.00	100,000.00
	Treatment - Capital Improvements	6,480,000.00	3,240,000.00	-	-	-
Funding Source:	Charges for Services/Debt					
Completion Date:		6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Fund Total		\$ 12,380,665.00	\$ 6,202,500.00	\$ 6,065,000.00	\$ 5,325,000.00	\$ 4,895,000.00

Attachment D

Administrator of the Division of Environmental Protection's Bond Issuance Authorization Letter



NEVADA DIVISION OF
**ENVIRONMENTAL
PROTECTION**

STATE OF NEVADA
Department of Conservation & Natural Resources
Brian Sandoval, Governor
Bradley Crowell, Director
Greg Lovato, Administrator

August 1, 2017

Dan Schwartz
Nevada State Treasurer
101 North Carson Street Suite 4
Carson City, Nevada 89701

Re: Proposed Bond for the Drinking Water State Revolving Fund Program

Dear Treasurer Schwartz:

The Nevada Department of Conservation and Natural Resources, through its Division of Environmental Protection (NDEP), manages Nevada's Drinking Water State Revolving Fund (DWSRF) in accordance with NRS 445A.200 through 445A.295. Similar to all other states, Nevada deposits a combination of annual federal capitalization grants and periodic matching funds to the DWSRF to provide financial assistance to drinking water systems and to support other drinking water programs.

In accordance with NRS 445A.290, NDEP's Administrator may request that the State Treasurer issue bonds to match federal DWSRF capitalization. In conjunction with other bond issues, the State Treasurer issues DWSRF match bonds as general obligations of the State of Nevada with the DWSRF series repaid by DWSRF loan interest payments and earnings.

NDEP is requesting enough proceeds to match 20% of our expected \$33,000,000 in federal grants, totaling \$6,600,000, along with bond issuance costs estimated at \$99,000. The final amount and structure of the bond and cost of issuance will be determined closer to the sale date.

Attached is a financial model, which demonstrates the DWSRF's ability to pay the debt service on the proposed bonds, as well as the existing bonds of the Program. Additionally, a list of current borrowers and their credit ratings, along with pending loan applicants, are included. If you have any questions please contact: Daralyn Dobson, Administrative Services Officer III, Office of Financial Assistance at 901 S. Stewart Street, Suite 4001, Carson City, NV 89701. Her phone number is 775.687.9489. Her email is: ddobson@ndep.nv.gov.

We appreciate your assistance on behalf of Nevada's DWSRF and the communities, water systems, and users/rate payers which benefit from the financing provided by Nevada's DWSRF.

Respectfully,

Greg Lovato, Administrator
Nevada Division of Environmental Protection

Attachments

**Drinking Water State Revolving Loan Fund
Coverage Calculations
as of July 28 ,2017**

Fiscal Year	Beginning Retained Earnings	Period Earnings Available for Match Debt Service	Match Debt Service	Current Match Coverage	Revolving Match Coverage
2018	7,009,718.06	4,591,313.71	3,714,412.50	1.24	3.12
2019	7,886,619.27	5,159,356.15	4,150,576.25	1.24	3.14
2020	8,895,399.17	4,990,443.11	3,298,228.75	1.51	4.21
2021	10,587,613.53	4,733,261.35	2,202,768.75	2.15	6.96
2022	13,118,106.13	4,417,484.09	1,888,996.25	2.34	9.28
2023	15,646,593.97	4,106,473.50	1,860,773.75	2.21	10.62
2024	17,892,293.72	3,796,348.77	1,821,813.75	2.08	11.90
2025	19,866,828.74	3,500,571.27	1,795,416.25	1.95	13.02
2026	21,571,983.76	3,214,571.17	1,766,356.25	1.82	14.03
2027	23,020,198.68	2,965,367.59	1,236,096.25	2.40	21.02
2028	24,749,470.02	2,726,406.39	963,748.75	2.83	28.51
2029	26,512,127.66	2,487,888.39	930,076.25	2.67	31.18
2030	28,069,939.80	2,252,083.59	901,478.75	2.50	33.64
2031	29,420,544.64	2,018,720.06	867,956.25	2.33	36.22
2032	30,571,308.45	1,818,834.41	834,583.75	2.18	38.81
2033	31,555,559.11	1,636,614.46	427,061.25	3.83	77.72
2034	32,765,112.32	1,480,873.63	410,313.75	3.61	83.46
2035	33,835,672.20	1,325,028.85	393,566.25	3.37	89.34
2036	34,767,134.80	1,191,277.72	376,818.75	3.16	95.43
2037	35,581,593.77	1,116,318.18	360,071.25	3.10	101.92
2038	36,337,840.70	1,064,818.92	343,323.75	3.10	108.94
2039	37,059,335.87	1,041,842.54	-		
2040	38,101,178.41	1,036,263.86	-		
2041	39,137,442.27	1,035,614.34	-		
2042	#REF!	1,034,841.02	-		

Notice:

The above coverage calculations were prepared by the Office of Financial Assistance with information known to the Office through the above date. Program and market conditions are subject to change continuously.

The Office prepared this coverage ratio with the following assumptions:

- 1) Loans
 - a) Cash needs for committed and future loans total \$55,820,119.03.
 - b) Forecasted Interest Bearing Loans total \$50,790,819.91.
 - C) Forecasted Interest Bearing loans assumed a 20 year maturity at 2.34% interest.
 - c) No allowance for default.
- 2) Bonds
 - a) A new match bond issued at par on November 1, 2017 with a 5% interest over twenty (20) years. Proceeds to cover cost of issuance.
 - b) No new leverage bond
 - c) Existing debt service included in coverage

Attachment E

Director of the Office of Finance, Office of the Governor's

And

Director of the Department of Conservation

and Natural Resources'

Bond Issuance Authorization and Sufficiency of Revenues

Letter



NEVADA DIVISION OF
**ENVIRONMENTAL
 PROTECTION**

STATE OF NEVADA
 Department of Conservation & Natural Resources
 Brian Sandoval, Governor
 Bradley Crowell, Director
 Greg Lovato, Administrator

July 31, 2017

James R. Wells, CPA
 Director
 Office of Finance, Office of the Governor
 209 East Musser Street, Room 200
 Carson City, Nevada 89701

Re: Proposed Bond for the Clean Water State Revolving Fund Program

Dear Mr. Wells:

The State of Nevada Division of Environmental Protection, Clean Water State Revolving Loan Fund must obtain approval from the Governor's Office of Finance before the State Treasurer can issue General Obligation Bonds of the State (NRS 445A.155).

Your approval is required before authorization of the State Treasurer to issue a State of Nevada General Obligation Water Pollution Control Revolving Fund Match Bond. The Program is requesting enough proceeds to match 20% of our expected \$20,000,000 in federal grants, totaling \$4,000,000, along with bond issuance costs estimated at \$60,000. The final amount and structure of the bond and cost of issuance will be determined closer to the sale date.

For the purpose of the State's affordability model, the bonds are considered self-supporting and paid with the pledged revenue of the State Revolving Fund (SRF) loan repayments. It is not part of the affordability study.

Attached is a financial model, which demonstrates the SRF's ability to pay the debt service on the proposed bonds, as well as the existing bonds of the Program. Additionally, a list of current borrowers and their credit ratings, along with pending loan applicants, are included. If you have any questions please contact: Daralyn Dobson, Administrative Services Officer III, Office of Financial Assistance at 901 S. Stewart Street, Suite 4001, Carson City, NV 89701. Her phone number is 775.687.9489. Her email is: ddobson@ndep.nv.gov.

Please indicate your approval by signing below and returning a copy of this letter to the State Treasurer and Daralyn.

Upon receipt of this letter, I authorize the State Treasurer to arrange the issuance of the bonds.

DEPARTMENT OF CONSERVATION & NATURAL RESOURCES

Approved and Authorized by:

[Signature] for
 Bradley Crowell, Director
James R. Lawrence, Deputy Director

Date: 7/31/17

OFFICE OF FINANCE, OFFICE OF THE GOVERNOR

Approved and Authorized by:

[Signature]
 James R. Wells, CPA, Director

Date: 8/2/17

Attachments:

State of Nevada Clean Water Revolving Fund Loan Program
Debt Service Coverage Ratio
as of July 28, 2017

Fiscal Year	Period Earnings Available for Match Debt Service			Period Earnings Available for Leverage Debt Service			Revolving Leverage Coverage
	Beginning Retained Earnings	Match Debt Service	Revolving Match Coverage	Beginning Cash Reserves	Leverage Debt Service	Current Leverage Coverage	
2018	18,006,047.02	5,411,539.33	8.98	37,988,156.76	7,034,363.70	3.44	8.84
2019	22,814,836.35	6,119,765.93	3.50	1,269,573.76	7,344,925.00	3.43	3.60
2020	27,184,702.28	5,865,539.61	3.45	6,395,093.93	7,331,675.00	3.58	4.45
2021	31,351,741.89	5,503,287.37	3.34	17,399,299.81	7,136,175.00	3.71	6.15
2022	35,208,729.26	5,111,007.27	4.99	32,870,535.67	26,085,639.89	7.58	17.13
2023	39,294,736.53	4,744,739.71		51,429,168.29	26,079,884.06	7.51	22.32
2024	44,039,476.24	4,389,792.92		69,291,212.64	25,766,986.25		
2025	48,429,269.16	4,048,340.82		90,668,405.97	21,039,052.28		
2026	52,477,609.98	3,749,775.66		107,659,117.43	19,452,249.19		
2027	56,227,385.64	3,458,701.14		123,361,590.96	18,079,142.25		
2028	59,686,086.78	3,178,969.24		137,982,032.07	17,438,781.10		
2029	62,865,056.02	2,895,327.37		152,241,843.93	17,491,695.94		
2030	65,760,383.39	2,602,872.10		166,838,212.50	16,395,729.10		
2031	68,363,255.49	2,329,995.74		180,631,069.50	15,109,883.73		
2032	70,693,251.23	2,081,701.96		193,410,957.49	12,070,116.02		
2033	72,774,953.19	1,890,142.46		203,399,371.55	11,040,172.23		
2034	74,665,095.65	1,724,796.45		216,662,042.48	9,999,355.69		
2035	76,389,892.10	1,576,313.70		220,823,960.56	8,133,412.67		
2036	77,966,205.80	1,459,007.62		227,381,059.53	7,059,401.54		
2037	79,425,213.42	1,371,669.41		232,981,453.45	5,652,528.20		
2038	80,796,882.83	1,299,837.92		237,262,312.24	3,251,418.23		

Notice:

The above coverage calculations were prepared by the Office of Financial Assistance with information known to the Office through the above date. Program and market conditions are subject to change continuously. The Office prepared this coverage ratio with the following assumptions:

1) Loans

- a) Cash needs for committed and future loans total \$72,248,494.44. \$69,97,674.28 are for interest bearing loans
- b) Forecasted Interest Bearing Loans assumed a 20 year maturity at 2.34% interest
- c) No allowance for default

2) Bonds

- a) A new match bond issued at par on November 1, 2017 with a 5% interest over four (4) years. Proceeds to cover cost of issuance.
- b) No new leverage bond
- c) Existing debt service included in coverage

RESOLUTION

A RESOLUTION DESIGNATED THE “2017A CAPITAL IMPROVEMENT BOND RESOLUTION”; AUTHORIZING THE ISSUANCE AND SALE OF THE STATE OF NEVADA GENERAL OBLIGATION (LIMITED TAX) CAPITAL IMPROVEMENT BONDS, SERIES 2017A; PROVIDING THE PURPOSE FOR WHICH SUCH BONDS ARE ISSUED, THE FORM, TERMS, AND CONDITIONS OF SUCH BONDS, THE MANNER AND TERMS OF THEIR ISSUANCE, THE MANNER OF THEIR EXECUTION, THE METHOD OF THEIR PAYMENT, THE SECURITY THEREFOR, AND OTHER DETAILS IN CONNECTION THEREWITH; PROVIDING FOR THE LEVY AND COLLECTION OF ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BONDS; AND PROVIDING OTHER RELATED MATTERS.

WHEREAS, the state board of finance (the “Board”) of the State of Nevada (the “State”) is authorized by Chapter 549, Statutes of Nevada, 2015, as amended (the “2015 Capital Improvement Project Act”) to issue general obligation bonds in the face amount of not more than \$98,500,000 for the purpose of financing various capital improvement projects described in Section 6 of the 2015 Capital Improvement Project Act (the “2015 Capital Improvement Project”); and

WHEREAS, the Board has previously issued its State of Nevada General Obligation (Limited Tax) Capital Improvement and Refunding Bonds, Series 2015D in the aggregate principal amount of \$248,935,000 (the “2015D Bonds”), of which \$36,170,000 was issued pursuant to the 2015 Capital Improvement Project Act and a resolution designated the “2015D Capital Improvement and Refunding Bond Resolution” adopted by the Board on August 18, 2015 (the “2015D Bond Resolution”) for the purpose of financing a portion of the 2015 Capital Improvement Project; and

WHEREAS, the Board has previously issued its State of Nevada General Obligation (Limited Tax) Capital Improvement and Cultural Centers Bonds, Series 2016C in the aggregate principal amount of \$35,180,000, of which \$33,635,000 was issued pursuant to the 2015 Capital Improvement Project Act for the purpose of financing a portion of the 2015 Capital Improvement Project; and

WHEREAS, the Board has determined at this time to issue a portion of the general obligation bonds authorized by the legislature pursuant to the 2015 Capital Improvement Project Act in an aggregate

principal amount not to exceed \$14,500,000 for the purpose of financing a portion of the 2015 Capital Improvement Project;

WHEREAS, the Board is authorized by Chapter 606, Statutes of Nevada, 2017, as amended (the “2017 Capital Improvement Project Act” and together with the 2015 Capital Improvement Project Act, the “Project Act”) to issue general obligation bonds in the face amount of not more than \$117,912,005 for the purpose of financing various capital improvement projects described in Section 6 of the 2017 Capital Improvement Project Act (the “2017 Capital Improvement Project”); and

WHEREAS, the Board is authorized by the 2017 Capital Improvement Project Act to issue general obligation bonds in the face amount of not more than \$42,016,797 for the purpose of financing the project numbered and identified as Project 17-C04, Construct New Department of Motor Vehicles Service Center, Reno described in Section 8 of the 2017 Capital Improvement Project Act (the “2017 DMV Project”); and

WHEREAS, the Board has not previously issued bonds pursuant to the 2017 Capital Improvement Project Act; and

WHEREAS, the Board has determined at this time to issue a portion of the general obligation bonds authorized by the legislature pursuant to the 2017 Capital Improvement Project Act in an aggregate principal amount not to exceed \$68,500,000 for the purpose of financing a portion of the 2017 Capital Improvement Project; and

WHEREAS, the Board has determined at this time to issue a portion of the general obligation bonds authorized by the legislature pursuant to the 2017 Capital Improvement Project Act in an aggregate principal amount not to exceed \$14,500,000 for the purpose of financing a portion of the 2017 DMV Project; and

WHEREAS, the Board desires to amend and supplement the 2015D Bond Resolution to permit the use of a portion of the remaining proceeds of the 2015D Bonds for the purpose of financing a portion of the 2017 DMV Project as authorized by Section 47 of the 2017 Capital Improvement Project Act which amended Section 9 of the 2015 Capital Improvement Project Act; and

WHEREAS, the State Securities Law, cited as NRS 349.150 through and including 349.364, as amended (the “Bond Act”), applies to the bonds authorized hereunder; and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348, Nevada Revised Statutes (the “Supplemental Bond Act”) apply to the Bonds; and

WHEREAS, the Board desires to provide for the public sale of general obligation bonds of the State to finance all or a portion of the 2015 Capital Improvement Project and the 2017 Capital Improvement Project and the 2017 DMV Project (collectively, the “Project”) and to issue such general obligation bonds in one series, to be designated the “State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A” (the “Bonds”); and

WHEREAS, the Bonds will be sold in an initial aggregate principal amount set forth in the certificate of the State Treasurer (the “Certificate of the Treasurer”): (i) not to exceed \$14,500,000 for the purpose of financing a portion of the 2015 Capital Improvement Project, (ii) not to exceed \$68,500,000 for the purpose of financing a portion of the 2017 Capital Improvement Project and (iii) not to exceed \$14,500,000 for the purpose of financing a portion of the 2017 DMV Project; and

WHEREAS, pursuant to Section 349.303, Bond Act, the Board is authorized to delegate to the Treasurer or designee the power to accept a binding bid for the Bonds subject to certain requirements specified in this Resolution; and

WHEREAS, the Treasurer or designee is authorized to accept the bid submitted by the lowest responsible bidder for the Bonds as determined by the Treasurer or designee and set forth in the Certificate of the Treasurer (the “Purchaser”), for the purchase of the Bonds at a price equal to the principal amount thereof, less the discount, of not more than 9 percent of the principal amount, or plus a premium, if any, in each case as shown on the Certificate of the Treasurer, and otherwise upon the terms and conditions provided in this Resolution and in the Certificate of the Treasurer; and

WHEREAS, as required by NRS 349.225, the Board has approved the issuance of the Bonds pursuant to this Resolution; and

WHEREAS, the Board, on behalf of and in the name of the State, has determined and does declare:

A. To secure and preserve the public health, safety, convenience, and welfare, it is necessary to issue the Bonds for the Project pursuant to the Project Act, the Bond Act, the Supplemental Bond Act, and all supplemental laws;

B. Each of the limitations and other conditions to the issuance of the Bonds in the Project Act, the Bond Act, the Supplemental Bond Act, and in any other relevant act of the State have been met; and pursuant to Section 349.352, Bond Act, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion; and

C. The money budgeted or to be budgeted by the State Legislature as described in subsection 3 of Section 8 of the 2015 Capital Improvement Project Act and subsection 3 of Section 8 of the 2017 Capital Improvement Project Act while the Bonds remain outstanding will be sufficient to pay the bond repayment costs of the portion of the Bonds issued for the purpose of financing the 2017 DMV Project.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF FINANCE OF THE STATE OF NEVADA:

Section 1. *Title.* This Resolution shall be known as the “2017A Capital Improvement Bond Resolution.”

Section 2. *Defined Terms.* In addition to the terms defined in the “Whereas” clauses of this Resolution, capitalized undefined terms used herein shall have the following meanings:

“*Authorized Denomination*” means denominations of \$5,000 or any integral multiple thereof.

“*Board*” means the State Board of Finance of the State of Nevada.

“*Bond Requirements*” means the principal of, and interest and redemption premium, if any, on, the Bonds.

“*Bonds*” means the State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A.

“*Capital Improvement Acquisition Fund*” means a separate account held by the Treasurer and designated as the “State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A Capital Improvement Acquisition Fund.”

“*Certificate of the Treasurer*” means the certificate executed by the Treasurer on or after the sale of the Bonds and on or before the closing on the Bonds.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Consolidated Bond Fund*” means the fund created pursuant to NRS 349.090 and further described in NRS 349.236.

“*Custodial Deposit*” means deposit of Bonds pursuant to a book-entry only system of registration as provided in Section 22 hereof.

“*Disclosure Dissemination Agent*” means Digital Assurance Certification, L.L.C., as the disclosure dissemination agent for the State with respect to the Bonds, or any successor disclosure dissemination agent appointed by the State.

“*Federal Securities*” means federal securities as defined in Section 349.172, Bond Act, or any successor provision thereto.

“*Interest Payment Date*” means May 1 and November 1 of each year, commencing May 1, 2018.

“*Owner*” means the person in whose name a Bond is registered on the books of registry maintained by the Registrar.

“*Paying Agent*” means U.S. Bank National Association, and its successors and assigns.

“*Purchaser*” means the initial purchaser of the Bonds named in the Certificate of Treasurer.

“*Registrar*” means U.S. Bank National Association, and its successors and assigns.

“*Regular Record Date*” means the fifteenth (15th) day of the calendar month preceding each Interest Payment Date (other than a special interest payment date established pursuant to Section 17 hereof for defaulted interest).

“*Securities Depository*” means Cede & Co., as nominee of The Depository Trust Company, or its successor appointed pursuant to Section 22 hereof, which successor must be both a “clearing corporation” as defined in subsection 3 of NRS Section 104.8102, and a qualified and registered “clearing agency” under Section 17A of the Securities Exchange Act of 1934, as amended.

“*Special Record Date*” means a special record date fixed by the Registrar pursuant to Section 17 hereof for the payment of defaulted interest.

“*Taxes*” means annual general (ad valorem) taxes.

“*Treasurer*” means the State Treasurer.

Section 3. *Authority for Resolution.* This Resolution is adopted pursuant to the Project Act, the Bond Act, the Supplemental Bond Act, and all supplemental laws.

Section 4. *Acceptance of Bids.* Pursuant to Section 349.303, Bond Act, the Board hereby delegates to the Treasurer or designee the authority to accept a binding bid for the Bonds from the Purchaser pursuant to the Certificate of the Treasurer subject to the following requirements:

A. the effective interest rate on the Bonds, calculated in accordance with Chapter 99 of NRS, must not exceed by more than 3% the “Index of Twenty Bonds” which was most recently published in The Bond Buyer prior to the receipt of the Purchaser’s bid;

B. the Treasurer or designee, in the Treasurer’s or designee’s discretion, will determine the dates on which, if any, and the prices at which the Bonds may be called for redemption prior to maturity;

C. the purchase price for the Bonds will be an amount equal to the aggregate principal amount of the Bonds as set forth in the Certificate of the Treasurer less a discount, if

any, of not more than 9 percent of such aggregate principal amount, or plus a premium, if any, all as set forth in the Certificate of the Treasurer; and

D. the aggregate principal amount of the Bonds payable in any particular year must not exceed \$70,000,000.

Section 5. *Life of Project.* The Board has determined and declares:

A. The estimated life or estimated period of usefulness of the Project financed or refinanced with the proceeds of the Bonds is not less than the average maturity of the Bonds; and

B. The Bonds will mature at times not exceeding such estimated life or estimated periods of usefulness.

Section 6. *Necessity of Project and Bonds.* It is necessary and in the best interests of the State that the Board undertake the Project and defray the cost by the issuance of the Bonds.

Section 7. *Authorization of Project.* The Board has determined to undertake the Project and defray the cost by the issuance of the Bonds.

Section 8. *Estimated Cost of Project.* The cost of the Project is estimated not to exceed the amount received from the sale of the Bonds, excluding any such cost to be defrayed by any source other than the proceeds of the Bonds.

Section 9. *Resolution to Constitute Contract.* In consideration of the purchase and the acceptance of the Bonds by the Owners thereof from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the State and the Owners of the Bonds.

Section 10. *Bonds Equally Secured.* The covenants and agreements of the State and the Board set forth in this Resolution shall be for the equal benefit, protection, and security of the Owners of any and all of the outstanding Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction, except as otherwise expressly provided in or pursuant to this Resolution.

Section 11. *General Obligations.* All of the Bonds and the Bond Requirements shall constitute general obligations of the State, which hereby pledges its full faith and credit for their payment. All Bond Requirements shall be payable from Taxes as provided in this Resolution.

Section 12. *Non-Exempted Debt.* The issuance of the Bonds constitutes an exercise of the authority conferred by the first paragraph of Section 3, Article 9, of the Constitution of the State, and the Bonds will be treated as bonds to which the limitations stated in the first paragraph of said Section apply.

Section 13. *Limitations upon Security.* Pursuant to Section 349.250, Bond Act, the payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the State, except the proceeds of Taxes and any other monies pledged for the payment of the Bonds. No property of the State, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

Section 14. *Limitations upon Recourse.* Pursuant to Section 349.252, Bond Act, no recourse shall be had for the payment of the Bond Requirements or for any claim based thereon or otherwise upon this Resolution, against any individual member of the Board or any officer or other agent of the State, past, present, or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute, or rule of law, or by the enforcement of any penalty, or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

Section 15. *No Repeal of Bond Act.* Pursuant to Section 349.256, Bond Act, the faith of the State is hereby pledged that the Project Act, the Bond Act, the Supplemental Bond Act and any other law supplemental or otherwise pertaining thereto, and any other act concerning the Bonds or the Taxes, or both, shall neither be repealed nor amended nor otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding Bonds, until all the Bonds have been discharged in full or provision for their payment and redemption has been fully made.

Section 16. *Authorization of Bonds.* For the purpose of defraying the cost of the Project, there are hereby authorized to be issued the Bonds in the aggregate principal amount designated in the Certificate of the Treasurer which amount will not exceed \$100,000,000 and will include (i) the principal

amount for the 2015 Capital Improvement Project which shall not exceed \$14,500,000, (ii) the principal amount for the 2017 Capital Improvement Project which shall not exceed \$68,500,000 and (iii) the principal amount for the 2017 DMV Project which shall not exceed \$14,500,000.

Section 17. *Bond Details.* The Bonds will be dated as of their date of delivery to the Purchaser as set forth in the Certificate of the Treasurer and shall be issued in Authorized Denominations. The Bonds shall bear interest from their date until their respective fixed maturity dates (or, if called for redemption prior to maturity as provided below, their redemption dates) at the respective rates per annum set forth in the Certificate of the Treasurer calculated on the basis of a 360-day year of twelve 30-day months, payable on each Interest Payment Date; provided that those Bonds which are reissued upon transfer, exchange or other replacement shall bear interest at the applicable rates set forth in the Certificate of the Treasurer from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds. The Bonds will mature on the dates and in the principal amounts and bear interest at the rates per annum set forth in the Certificate of the Treasurer. The portion of the Bonds used to finance the 2015 Capital Improvement Project will mature within 20 years following the date of passage of the 2015 Capital Improvement Project Act (i.e., not later than June 12, 2035). The portion of the Bonds used to finance the 2017 Capital Improvement Project and the 2017 DMV Project will mature within 20 years following the date of passage of the 2017 Capital Improvement Project Act (i.e., not later than June 16, 2037).

The principal of and redemption premium, if any, on any Bond shall be payable to the Owner thereof upon maturity or prior redemption thereof and upon presentation and surrender at the principal office of the Paying Agent, or such other office as may be designated by the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after redemption or maturity, it shall continue to bear interest at the interest rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the Owner thereof by check or draft mailed by first-class mail by the Paying Agent, on each Interest Payment Date (or, if such Interest Payment Date is not a business day, on the next succeeding business day), to the Owner thereof, at such Owner's address, as shown on the

registration records kept by the Registrar as of the Regular Record Date. Interest not so timely paid or duly provided for shall cease to be payable to the Owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner thereof, at such Owner's address, as shown on the registration records of the Registrar as of the close of business on a Special Record Date fixed for the purpose of paying any such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than ten days prior thereto by first-class mail to each such Owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Section 18. *Redemption.*

A. *Optional Redemption.* The Bonds, or portions thereof in Authorized Denominations, maturing on and after the date designated in the Certificate of the Treasurer, shall be subject to optional redemption prior to their respective maturities, on and after the date designated in the Certificate of the Treasurer, at the option of the State to be exercised by delivery of a written certificate of the Treasurer to the Registrar, in whole or in part at any time, from any maturities selected by the State and by lot within a maturity, at a price equal to the principal amount of each Bond, or portion thereof, to be so redeemed, plus accrued interest thereon to the redemption date and a premium, if any, computed in accordance with the schedule contained in the Certificate of the Treasurer.

B. *Mandatory Redemption.* The Bonds, if any, described in the Certificate of the Treasurer as Term Bonds (the "Term Bonds") are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the

redemption date. As and for a sinking fund for the redemption of the Term Bonds, there shall be deposited into the Consolidated Bond Fund on or before May 1 of the years described in the Certificate of the Treasurer, a sum which, together with other moneys available in the “State of Nevada, General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A Tax Fund—Principal,” is sufficient to redeem (after credit is provided below) on the dates and in the principal amounts of Term Bonds as provided in the Certificate of the Treasurer.

Not more than 60 days nor less than 30 days prior to each sinking fund payment dates for the Term Bonds, the Registrar shall proceed to select for redemption (by lot in such manner as the Registrar may determine) a principal amount of the Term Bonds equal to the aggregate principal amount of such Term Bonds redeemable with the required sinking fund payment.

At the option of the Treasurer to be exercised by delivery of a written certificate to the Registrar not less than 60 days next preceding any sinking fund redemption date, the State may (i) deliver to the Registrar for cancellation Term Bonds (which are subject to sinking fund redemption on such sinking fund redemption date) or portions thereof in Authorized Denominations in an aggregate principal amount desired by the Treasurer, or (ii) specify a principal amount of such Term Bonds (which are subject to sinking fund redemption on such sinking fund redemption date) or portions thereof in Authorized Denominations which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation with respect to such Term Bonds. Each Term Bond or portion thereof so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the State on such sinking fund redemption date and any excess shall be so credited against future sinking fund redemption obligations in such manner as the Treasurer determines. In the event the Treasurer shall utilize the provisions of clause (i) of the first sentence of this paragraph on behalf of the State, the certificate required by the first

sentence of this paragraph shall be accompanied by the respective Term Bonds or portions thereof to be cancelled.

Section 19. *Redemption Notice.* Unless waived by any Owner of a Bond to be redeemed, notice of redemption shall be given by the Registrar (on direction of the Treasurer given not less than 60 days prior to the redemption date), by electronic mail as long as Cede & Co. or its nominee or successor depository is the Owner of the Bonds and otherwise by first-class, postage prepaid mail, at least 30 days but not more than 60 days prior to the redemption date, to the Owner of any Bond all or a part of which is called for redemption at his address as it last appears on the registration records kept by the Registrar, and electronically (1) to the Disclosure Dissemination Agent or (2) if Digital Assurance Certification, L.L.C. no longer serves as the Disclosure Dissemination Agent and the State has not appointed a successor Disclosure Dissemination Agent, to the Municipal Securities Rulemaking Board (“MSRB”) via its Electronic Municipal Market Access system. The notice shall identify the Bonds or portions thereof to be redeemed, specify the redemption date and any conditions relating to such redemption, if any, and state that on such date the principal amount thereof, accrued interest and premium, if any, thereon will become due and payable at the principal office of the Paying Agent or such other office as may be designated by the Paying Agent, and that after such redemption date interest will cease to accrue.

After such notice and presentation of said Bonds, the Bonds called for redemption will be paid. Actual receipt of the notice by the Disclosure Dissemination Agent, MSRB or the Owners of Bonds shall not be a condition precedent to redemption of such Bonds. Failure to give such notice to the Disclosure Dissemination Agent, MSRB or the Owner of any Bond designated for redemption, or any defect therein, shall not affect the validity of the proceedings for redemption of any other Bond. A certificate by the Registrar that notice of redemption has been given as provided in this section shall be conclusive as against all parties; and no Owner whose Bond is called for redemption or any other Owner of any Bond may object thereto or may object to the cessation of interest on the redemption date on the ground that he failed to actually receive such notice of redemption.

Notwithstanding any provision of this section to the contrary, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the Owners of the Bonds called for redemption in the same manner as the original notice of redemption was given.

Section 20. *Negotiability.* Subject to the registration provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code-Investment Securities, and each Owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code-Investment Securities.

Section 21. *Registration, Transfer and Exchange of Bonds.* Except as otherwise provided in Section 22 hereof:

A. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender of any Bond at the Registrar, or at such other office as may be designated by the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the Owner or such Owner's attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations, as provided in Section 17 hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the Owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar shall require the payment by the Owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and shall charge a sum sufficient to pay the cost of preparing and authenticating a new Bond.

B. The Registrar shall not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds by the Registrar and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for redemption as herein provided.

C. The person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute Owner thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the Owner thereof or such Owner's legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the State may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

E. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or the Registrar to the Board upon request.

Section 22. *Custodial Deposit.*

A. Notwithstanding the foregoing provisions of Sections 17 to 21 hereof, the Bonds shall initially be evidenced by one Bond for each year in which the respective series of Bonds

mature in denominations equal to the aggregate principal amount of the respective Bonds maturing in that year. Such initially delivered Bonds shall be registered in the name of “Cede & Co.” as nominee for the Securities Depository. The Bonds may not thereafter be transferred or exchanged except:

(1) to any successor of the Securities Depository; or

(2) upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its functions, and the designation by the State of a new Securities Depository; or

(3) upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its functions, and the failure by the State, after reasonable investigation, to locate another qualified depository institution to carry out such depository functions; or

(4) upon determination by the Board that a book-entry only system of registration is not beneficial to the State and/or the Owners of the Bonds.

B. In the case of a transfer to a successor of the Securities Depository as referred to in clause (1) of Subsection A hereof or designation of a new Securities Depository pursuant to clause (2) of Subsection A hereof, upon receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity shall be issued to such successor or new Securities Depository, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) or (4) of Subsection A hereof, and receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in Authorized Denominations as provided in and subject to the limitations of Section 17 hereof, registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new

Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

C. The Registrar and the Paying Agent shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by a Securities Depository.

D. The State, the Registrar and the Paying Agent shall endeavor to cooperate with any Securities Depository in effectuating payment of the Bond Requirements of the Bonds by arranging for payment in such a manner that funds representing such payments are available to the Securities Depository on the date they are due.

E. Upon any partial redemption of any maturity of the Bonds, the Securities Depository in its discretion may request the State to issue and authenticate a new Bond or shall make an appropriate notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Paying Agent prior to payment.

Section 23. *Execution and Authentication.*

A. Prior to the execution of any Bond and pursuant to Section 349.284, Bond Act, to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS, and to the Supplemental Bond Act, the Governor of the State, the State Controller, the Secretary of State and the Treasurer (the "Governor," the "Controller," the "Secretary" and the "Treasurer," respectively) shall each file with the Secretary his or her manual signature certified under oath.

B. Pursuant to Section 349.282, Bond Act, the Bonds shall be approved, signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor, shall be countersigned and executed with the manual or facsimile signature of the Controller, and shall be countersigned, subscribed and executed with the manual or facsimile signature of the Treasurer. There shall be affixed on the Bonds the manual or facsimile

impression of the great seal of the State, and each Bond shall each be attested, signed and executed with the manual or facsimile signature of the Secretary.

C. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form provided in Exhibit A, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds initially delivered pursuant to this Resolution, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.

Section 24. *Use of Predecessor's Signature.* The Bonds bearing the signatures of the officers in office at the time of their execution shall be the valid and binding obligations of the State, notwithstanding that before their delivery any or all of the persons who executed them shall have ceased to fill their respective offices. The Governor, the Controller, the Treasurer and the Secretary, at the time of the execution of a signature certificate relating to the Bonds, may each adopt as and for his or her own facsimile signature the facsimile signature of his predecessor in office if such facsimile signature appears upon any of the Bonds.

Section 25. *Incontestable Recital.* Pursuant to Section 349.274, Bond Act, the Bonds shall contain a recital that they are issued pursuant to the Bond Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of their issuance.

Section 26. *State Tax Exemption.* Pursuant to Section 349.354, Bond Act, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

Section 27. *Bond Execution.* The Governor, Controller, Treasurer and Secretary are authorized and directed to prepare and to execute the Bonds as provided above.

Section 28. *Initial Registration.* The Registrar shall maintain the registration records of the State for the Bonds, showing the name and address of the Owner of each Bond authenticated and delivered, the date of authentication, the maturity of the Bond, and its interest rate, bond number and its principal amount.

Section 29. *Bond Delivery.* After such registration and after their execution and authentication as provided herein, the Treasurer or designee shall cause the Bonds to be delivered to the respective Purchaser thereof, upon payment being made in accordance with the terms of their sale.

Section 30. *Bond Form.* Subject to the provisions of this Resolution, the Bonds shall be in substantially the form attached hereto as Exhibit A, with such omissions, insertions, endorsements and variations as may be required by the circumstances, be required or permitted by this Resolution, or be consistent with this Resolution and necessary and appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto.

Section 31. *Consolidated Bond Fund.* Pursuant to Section 349.236, Bond Act, payment of the Bond Requirements of the Bonds shall be made from the Consolidated Bond Fund of the State, under the provisions of NRS 349.080 through 349.140, except to the extent any provision is otherwise made for such payment by the Project Act or this Resolution.

Section 32. *General Tax Levies.* There shall be levied in each calendar year annually until all of the Bond Requirements of the Bonds shall have been fully paid, satisfied and discharged, a Tax on all property, both real and personal, subject to taxation within the boundaries of the State, fully sufficient together with the revenue which will result from the application of the rate to the net proceeds of minerals, to pay and retire the Bonds, without regard to any statutory tax limitations now or thereafter existing, but subject to the limitations imposed by NRS 361.453, and by Section 2 of Article 10 of the Constitution of the State, and after there are made due allowances for probable delinquencies.

Section 33. *Budget Provisions.* In the preparation of the budget for the State, the State Legislature shall first make proper provisions through the levy of sufficient Taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the State, including, without limitation, the Bonds subject to the limitations imposed by Section 2 of Article 10 of the Constitution of the State and by NRS 361.453, and the amount of money necessary for this purpose shall be a first charge against all revenues received by the State.

Section 34. *Priorities for Bonds.* As provided in NRS 361.463, in any year the total Taxes levied against the property in the State by all overlapping units within the boundaries of the State may exceed the limitation imposed by NRS 361.453 and it shall become necessary for that reason to reduce the levies made by any of those units, the reduction so made shall be in Taxes levied by such units (including, without limitation, the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The Taxes levied for the payment of bonded indebtedness and the interest thereon enjoy a priority over taxes levied by each such unit (including, without limitation, the State), for all other purposes where reduction is necessary in order to comply with the limitation imposed by NRS 361.453.

Section 35. *Correlation of Levies.* Such Taxes shall be levied and collected in the same manner and at the same time as other Taxes are levied and collected. The proceeds of Taxes levied to pay interest on the Bonds shall be kept by the Treasurer in a special fund designated as the “State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A Tax Fund-Interest,” and the proceeds of Taxes levied to pay the principal of the Bonds shall be kept in a special fund designated as the “State of Nevada General Obligation (Limited Tax) Capital Improvement Bonds, Series 2017A Tax Fund-Principal.” Such funds shall be used for no other purpose than the payment of interest on and principal of the Bonds, respectively, as the same become due.

Section 36. *Use of General Fund.* Any sums coming due on the Bonds at any time when there are on hand from such Taxes (and any other available moneys) insufficient funds to pay the same shall be promptly paid when due from general funds on hand belonging to the State, reimbursement to be made

for such general funds in the amounts so advanced when the Taxes have been collected, pursuant to Section 349.242, Bond Act.

Section 37. *Use of Other Funds.* Nothing in this Resolution prevents the State from applying any funds (other than Taxes) that may be available for that purpose to the payment of the Bond Requirements of the Bonds, including without limitation any funds described in the Project Act, and upon such payment, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to Section 349.244, Bond Act.

Section 38. *Legislative Duties.* In accordance with Sections 349.238 through 349.244, Bond Act, it shall be the duty of the State Legislature, at the time and in the manner provided by law for levying other taxes of the State, if such action shall be necessary to effectuate the provisions of this Resolution, to ratify and carry out the provisions of this Resolution with reference to the annual levy and collection of such Taxes; and the State Legislature shall require the officers of the State to levy, extend and collect such Taxes in the manner provided by law for the purpose of creating funds for the payment of the Bond Requirements of the Bonds.

Section 39. *Appropriation of Taxes.* In accordance with Section 349.248, Bond Act, there is specially appropriated the proceeds of such Taxes to the payment of the Bond Requirements of the Bonds; and such appropriations shall neither be repealed nor such Taxes postponed or diminished (except as otherwise expressly provided) until the Bond Requirements of the Bonds have been wholly paid.

Section 40. *Use of Bond Proceeds.* Pursuant to Section 349.294, Bond Act, amounts received from the sale of the Bonds shall be deposited promptly by the Treasurer in the Capital Improvement Acquisition Fund and used for the purpose of effecting the Project and paying the costs of issuance of the Bonds therefor.

Section 41. *Investments.* Pursuant to NRS 349.304, the Board hereby authorizes the Treasurer to cause to be invested and reinvested any proceeds of Taxes, pledged revenues and any proceeds from the issuance of the Bonds. Pursuant to NRS 349.304, any gain from the investment of any proceeds of the Bonds credited to the Capital Improvement Acquisition Fund shall be deposited promptly upon its receipt

to the Capital Improvement Acquisition Fund and applied to the Project and the costs of issuance of the Bonds therefor.

Section 42. *Use of Acquisition Funds.* The moneys in the Capital Improvement Acquisition Fund, except as otherwise expressly provided, shall be used and paid out solely for the purpose of paying the cost of the Project and the costs of issuance of the Bonds therefor.

Section 43. *Prevention of Bond Default.* Except as otherwise expressly provided by this Resolution, the Treasurer shall use any Bond proceeds credited to the Capital Improvement Acquisition Fund, without further order or warrant, to pay the Bond Requirements of the Bonds, as the same become due, whenever and to the extent moneys otherwise available therefor are insufficient for that purpose. The Treasurer or designee shall promptly notify the Board of any such use. Any moneys so used shall be restored to the applicable fund, from the first revenues thereafter received and available for such restoration.

Section 44. *Defeasance.* When all Bond Requirements of a series of Bonds have been duly paid, the pledge and lien and all obligations hereunder with respect to such series of Bonds shall thereby be discharged and such Bonds shall no longer be deemed to be outstanding within the meaning of this Resolution. A Bond will be deemed to be paid when there has been placed in irrevocable escrow an amount sufficient (including the known minimum yield available for such purpose from Federal Securities, as defined in Section 349.174, Bond Act, in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of such Bond, as the same become due to the final maturity thereof or upon any prior redemption date as of which the Board shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of such Bond for payment, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the Bond Requirements of such Bonds as the same become due. The Federal Securities shall become due at or before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the State and the escrow agent at the time of the creation of the escrow or trust. For the purpose of this section "Federal Securities" shall

include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the holder thereof. Upon direction of the Treasurer or designee, the Paying Agent shall mail written notice of the defeasance of any Bonds to the Owners of such Bonds at the addresses last shown on the registration records for such Bonds maintained by the Registrar.

Section 45. *Tax Covenant.* The State covenants for the benefit of the Owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the State, or any facilities financed or refinanced with the proceeds of the Bonds if such action or omission would (i) cause interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code or (ii) cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55 (b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of all of the Bonds until the date on which all obligations of the State in fulfilling the above covenants have been met.

Section 46. *Modification, Alteration, Supplementation or Amendment of Resolution.*

A. The Board may, from time to time, modify, amend, supplement or alter this Resolution without the consent of, or notice to any of the Owners of the Bonds or the insurer of the Bonds, if any, for any one or more of the following purposes:

(1) to add to the agreements of the Board or the State contained in this Resolution, other agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the Board or the State;

(2) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Resolution, or in regard to matters or questions arising under this Resolution, as the Board may deem necessary or desirable and not inconsistent with this Resolution;

(3) to grant to or confer any additional rights, remedies, powers or authorities that may be lawfully granted to or conferred upon the Owner of the Bonds;

(4) to evidence the appointment of successors to any depositories, custodians, Paying Agent(s) or Bond Registrar(s); or

(5) to make any other change which shall not have a material adverse effect on the interests of the Owners of the Bonds.

B. The Board may, from time to time, modify, amend, alter, or supplement this Resolution other than as provided in A above; provided that the Board shall give notice to the Owners of the Bonds and the insurer of the Bonds, if any, in the manner herein described and shall receive the written consent of the Owners of not less than 51% of the Bonds then outstanding or the insurer of the Bonds, if any; provided, however, that no such supplemental proceedings shall:

(1) extend the maturity date or due date of any mandatory sinking fund redemption with respect to any Bond outstanding hereunder;

(2) reduce or extend the time of payment of the principal of, redemption premium or interest on any Bond outstanding hereunder;

(3) reduce any premium payable upon the redemption of any Bond hereunder or advance the date upon which any Bond may first be called for redemption prior to its stated maturity date;

(4) give to any Bond or Bonds a preference over any other Bond or Bonds; or

(5) reduce the percentage of Bonds the Owners of which are required to consent to any proceedings amending or supplementing the provisions hereof.

C. In the event that the Board intends to enter into or adopt any modification, alteration or amendment of this Resolution as described in B above, the Treasurer or designee shall mail, by registered or certified mail, to the insurer of the Bonds, if any, and the Owners of the Bonds at their addresses as shown on the registration books maintained by the Registrar, a

notice of such intention along with a description of such amendment or modification not less than 30 days prior to the proposed effective date of such amendment or modification. The consents of the insurer of the Bonds, if any, or the Owners of the Bonds need not approve the particular form of wording of the proposed amendment, modification or supplement, but it shall be sufficient if such consents approve the substance thereof. Failure of the insurer of the Bonds, if any, or the Owner of any Bond to receive the notice required herein shall not affect the validity of any proceedings supplemental hereto if the insurer of the Bonds, if any, or the required number of Owners of the Bonds shall provide their written consent to such amendment or modification.

D. No such supplemental resolution which is described in B above shall become effective unless the insurer of the Bonds, if any, or Owners of at least 51% in aggregate principal amount of the Bonds then outstanding shall have filed with the Secretary of the Board within three (3) months after the date of adoption of such supplemental resolution properly executed instruments approving the adoption of such supplemental resolution, each such instrument to be accompanied by proof of insurance or ownership of the Bonds satisfactory to the secretary of the Board to which such instrument refers.

E. Any supplemental resolution adopted and becoming effective in accordance with the provisions of this Section shall thereafter form a part of this Resolution and all conditions of this Resolution for any and all purposes, and shall be effective as to all Owners of Bonds then outstanding and no notation or legend of such modifications and amendments shall be required to be made thereon.

Section 47. *Purchaser Not Responsible.* The validity of the Bonds shall not be dependent on or be affected by the validity or regularity of any proceedings relating to the Project. The Purchaser and any Owner of the Bonds shall in no manner be responsible for the application or disposal by the State or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys described in this Resolution.

Section 48. *Limitations upon Contract.* The enforceability of the obligations of the State is subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the United States Constitution.

Section 49. *Replacement of Registrar or Paying Agent.* If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Board shall reasonably determine that it is in the best interest of the State to appoint a successor Registrar or Paying Agent, the Board may, upon notice mailed to each Owner of any Bond at such Owner's address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the State shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

Any corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Registrar or Paying Agent under this Resolution, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in this Resolution to the contrary notwithstanding.

Section 50. *Continuing Disclosure Undertaking.* The State covenants for the benefit of the holders and beneficial owners of the Bonds to comply with the provisions of the Disclosure Dissemination Agent Agreement, in substantially the form on file with the secretary of the Board, to be executed by the Treasurer or designee, with any amendments deemed necessary by the Treasurer or designee, and delivered in connection with the delivery of the Bonds.

Section 51. *Amendment and Supplement to 2015D Bond Resolution.* The Board hereby amends and supplements the 2015D Bond Resolution pursuant to Section 46(A) of the 2015D Bond Resolution as

follows: notwithstanding anything in the 2015D Bond Resolution to the contrary, the State may use a portion of the moneys on deposit in the Capital Improvement Acquisition Account created pursuant to the 2015D Bond Resolution for the purpose of financing a portion of the 2017 DMV Project as authorized by Section 47 of the 2017 Capital Improvement Project Act which amended Section 9 of the 2015 Capital Improvement Project Act.

Section 52. *Delegated Powers.* The officers of the State are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

- A. The printing of the Bonds;
- B. The completion and execution of the Disclosure Dissemination Agent Agreement in substantially the form filed with the secretary of the Board and such certificates and agreements as may be reasonably required by the Purchaser relating, among other things, to the execution of the Bonds, the deposit of the Bonds with The Depository Trust Company, the tenure and identity of the officials of the Board and of the State, the delivery of the Bonds, the assessed valuation of the taxable property in and the indebtedness of the State, the receipt of the purchase price of the Bonds, the exemption of interest on the Bonds from gross income and alternative taxable income for federal income tax purposes, and, if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;
- C. The execution and delivery of appropriate agreements with the Registrar and Paying Agent as to their services hereunder;
- D. The assembly and dissemination of financial and other information concerning the State and the Bonds;
- E. The preparation and circulation of a preliminary official statement, notice of sale and official statement for the Bonds in the forms specified by the Treasurer or designee. The Treasurer or designee is authorized to deem the official statement or the preliminary official statement to be a “final” official statement on behalf of the State for the purposes of Rule 15c2-12

promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended;

F. The completion and execution of the Certificate of the Treasurer and the Disclosure Dissemination Agent Agreement; and

G. The issuance and sale of the Bonds pursuant to the provisions of this Resolution.

Section 53. *Ratification.* All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and the officers of the State, and otherwise taken by the State in connection with:

A. The Project; and

B. The issuance and sale of the Bonds, is ratified, approved and confirmed, including without limitation the preparation and distribution of a preliminary official statement and a final official statement relating to the Bonds and the supplement thereto and the convening of the meeting at which this Resolution is adopted.

Section 54. *Additional Securities.* The Board reserves the privilege of issuing additional general obligation securities authorized by law at any time or from time to time for any lawful purpose.

Section 55. *Resolution Irrepealable.* After any of the Bonds are issued, this Resolution shall constitute an irrevocable contract between the State and the Owner or Owners of the Bonds; and this Resolution, if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged except as this Resolution may be amended, modified, supplemented or altered pursuant to Section 46 hereof.

Section 56. *Repealer.* All bylaws, orders, resolutions, other instruments, or parts thereof, inconsistent with this Resolution are repealed to the extent of such inconsistency.

Section 57. *Severability.* If any section, subsection, 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, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 58. *Effective Date.* This Resolution shall be in full force and effect from and after its adoption.

ADOPTED on September 12, 2017.

Chairman, State Board of Finance

Attest:

Secretary
State Board of Finance

EXHIBIT A
FORM OF BOND

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

UNITED STATES OF AMERICA

STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX) CAPITAL IMPROVEMENT BOND
SERIES 2017A

No.			\$	
	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated as of</u>	<u>CUSIP</u>
		May 1, 20__	_____, 2017	

OWNER:

PRINCIPAL AMOUNT: DOLLARS

The State of Nevada (the "State") for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner, or registered assigns, the Principal Amount, on the Maturity Date (unless called for earlier redemption), and to pay interest thereon on May 1 and November 1 of each year, commencing on May 1, 2018 at the Interest Rate, until the Principal Amount is paid or payment has been provided therefor. This Bond will bear interest from the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the date of this Bond. The principal of and redemption premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of the State's paying agent for the Bonds (as hereinafter defined), presently U.S. Bank National Association (the "Paying Agent"), or at such other office as may be designated by the Paying Agent. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed by first-class mail to the person in whose name this Bond is registered in the registration records of the State maintained by the

State's registrar for the Bonds, presently U.S. Bank National Association (the "Registrar"), and at the address appearing thereon, as of the close of business on the fifteenth (15th) day of the calendar month preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid (or duly provided for) shall cease to be payable to the person who is the Owner as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner as of the close of business on a Special Record Date for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owner by first-class mail not less than ten (10) days prior thereto. Alternative means of payment of interest may be used if mutually agreed to by the Owner and the Paying Agent, as provided in the resolution of the state board of finance of the State (the "Board") authorizing the issuance of the Bonds and designated in Section 1 thereof as the "2017A Capital Improvement Bond Resolution" (the "Resolution"), duly adopted by the Board prior to the issuance of the Bonds. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

This Bond is one of a series of bonds (the "Bonds"), of like tenor except as to number and denominations, issued pursuant to the Resolution.

[The Bonds are issuable solely as fully registered Bonds in denominations of \$5,000 each or any integral multiple thereof and are exchangeable for fully registered Bonds of the same maturity in equivalent aggregate principal amounts and in authorized denominations at the aforesaid office of the Registrar but only in the manner, subject to the limitations and on payment of the charges provided in the Resolution.

The Registrar will not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business fifteen (15) days before the day of the mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for prior redemption.

This Bond is transferable by the Owner in person or by such Owner's duly authorized attorney on the registration records kept by the Registrar upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered Bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this Bond, subject to such terms and conditions, and on payment of the charges as set forth in the Resolution.]¹

The State, the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute Owner hereof for the purpose of payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest.

[The Bonds shall not be transferable or exchangeable except as set forth in the Resolution.]²

The Bonds are issued by the State, upon its behalf and upon its credit, for the purpose of paying, wholly or in part, the cost of the Project set forth in the Resolution, under the authority of and in full compliance with the constitution and laws of the State, and pursuant to the Resolution. A copy of the Resolution is on file in the office of the ex-officio secretary of the State Board of Finance, in Carson City, Nevada, for public inspection.

The Bonds, or portions thereof, will be subject to redemption prior to their respective maturities, at the option of the Treasurer, as provided in the Resolution and the Certificate of the Treasurer (as defined in the Resolution).

[Upon partial prior redemption of Bonds, Cede & Co., in its discretion, may request the Registrar to authenticate a new Bond or shall make an appropriate notation on this Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this Bond must be presented to the Paying Agent prior to prepayment.]²

[Certain of the Bonds shall be subject to mandatory sinking fund redemption as provided in the Certificate of the Treasurer.]³

In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar will, without charge to the Owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. Redemption shall be made upon not more than sixty (60) nor less than thirty (30) days prior notice as provided in the Resolution.

This Bond must be registered in the name of the Owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this Bond shall be valid unless made on the registration records maintained by the Registrar at its principal office, or such other office as may be designated by the Registrar, by the Owner or such Owner's attorney duly authorized in writing.

It is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the State in the issuance of this Bond; that the total indebtedness of the State, including that of this Bond, does not exceed any limit of indebtedness prescribed by the constitution or laws of the State; that provision has been made for the levy and collection of annual general (ad valorem) taxes sufficient to pay the principal of, redemption premiums, if any, and interest on this Bond when the same become due (except to the extent other funds are available therefor), subject to the limitations imposed by the constitution and statutes of the State; and that the full faith and credit of the State are hereby irrevocably pledged to the punctual payment of the principal of, redemption premiums, if any, and interest on this Bond according to its terms.

Reference is made to the Resolution and all modifications and amendments thereof, if any, to the act authorizing the issuance of the Bonds, *i.e.*, Chapter 549, Statutes of Nevada, 2015, as amended (the "2015 Capital Improvement Project Act") and Chapter 606, Statutes of Nevada, 2017, as amended (the "2017 Capital Improvement Project Act" together with the 2015 Capital Improvement Project Act, the "Project Act"), and all laws amendatory thereof, to Sections 349.150 to 349.364, Nevada Revised Statutes, designated in Section 349.150 thereof as the State Securities Law (the "Bond Act"), to Chapter

348, Nevada Revised Statutes (the “Supplemental Bond Act”) and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the Bonds, the accounts, funds or revenues pledged, the terms and conditions upon which the Bonds are issued, and a statement of rights duties, immunities and obligations of the State, and the rights and remedies of the Owner of this Bond.

The Bonds are issued pursuant to the Project Act, the Bond Act, the Supplemental Bond Act, and all laws supplemental thereto; pursuant to Section 349.274, Bond Act, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to Section 349.354, Bond Act, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of Nevada Revised Statutes and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of Nevada Revised Statutes.

In accordance with Section 349.252, Bond Act, no recourse shall be had for the payment of the principal of, redemption premium, if any, and interest on this Bond or for any claim based thereon or otherwise in respect to the Resolution, against any individual member of the Board, or any officer or other agent of the State, past, present or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

This Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the State, acting by and through the Board, has caused this Bond to be signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor of the State, to be countersigned with the manual or facsimile signature of the Controller of the State, and to be attested, signed and executed with the manual or facsimile signature of the Secretary of State; has caused the manual or facsimile impression of the great seal of the State to be affixed hereon;

and has caused this Bond to be countersigned, subscribed and executed with the manual or facsimile signature of the State Treasurer; all as of the ____ day of _____, 2017.

THE STATE OF NEVADA

(Manual or Facsimile Signature)
Governor of the State of Nevada

[MANUAL OR FACSIMILE SEAL]

Attest:

(Manual or Facsimile Signature)
Secretary of State

Countersigned:

(Manual or Facsimile Signature)
State Controller

Countersigned:

(Manual or Facsimile Signature)
State Treasurer

- 1 - Insert only if Bonds are delivered pursuant to Section 22A(A)(3) of this Resolution.
- 2 - Insert only if the Bonds are initially delivered to the Depository Trust Company pursuant to Section 22(A) of this Resolution.
- 3 - Insert only if the Certificate of the Treasurer designates any of the Bonds as term bonds.

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION FOR BONDS]

Date of authentication and registration:

This is one of the Bonds described in the within mentioned Resolution, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

U.S. BANK NATIONAL ASSOCIATION,
as Registrar

By _____
Authorized Officer

[End of Form of Registrar's Certificate of Authentication for Bonds]

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address, including Zip Code, and Federal Taxpayer Identification or Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Form of Assignment]

[FORM OF PREPAYMENT PANEL]

The following installments of principal (or portions thereof) of this bond have been prepaid in accordance with the terms of the Resolution authorizing the issuance of this bond.

<u>Date of Prepayment</u>	<u>Maturity Principal</u>	<u>Principal Prepaid</u>	<u>Signature of Authorized Representative of DTC</u>
_____	_____	_____	_____
_____	_____	_____	_____

[End of Form of Prepayment Panel]

STATE OF NEVADA)
) ss.
CARSON CITY)

I, Tara R. Hagan, the Chief Deputy Treasurer of the State of Nevada (the “State”), and ex-officio secretary of the State Board of Finance (the “Board”), do hereby certify that:

1. The foregoing pages constitute a true, correct, complete and compared copy of the 2017A Capital Improvement Bond Resolution, which resolution was passed and adopted by the Board at its duly held meeting on September 12, 2017, in the Old Assembly Chambers, Capitol Building, Second Floor, 101 North Carson Street, Carson City, Nevada 89701 and at the Grant Sawyer State Office Building, 555 East Washington Avenue, Suite 5100, Las Vegas, Nevada.

2. The original of the 2017A Capital Improvement Bond Resolution was signed by the chairman of the Board and authenticated by me as ex-officio secretary of the Board and was recorded in the minute book of the Board kept for that purpose in my office.

3. All members of the Board (other than Ronald Knecht), *i.e.*,

Governor:	Brian Sandoval
Treasurer	Daniel M. Schwartz
Controller:	Ronald L. Knecht
Other Members:	Steven E. Martin and David A. Funk

attended such meeting and voted in favor of the passage of the 2017A Capital Improvement Bond Resolution.

4. All members of the Board were given due and proper notice of such meeting.

5. Pursuant to NRS 241.020, written notice of such meeting was given at least three working days before the meeting:

(a) By giving a copy of the notice to each member of the Board;

(b) By posting a copy of the notice on the official website of the State of Nevada pursuant to NRS 232.2175, at the principal office of the Board, or if there is no principal office, at the building in which the meeting was held, and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

- (i) Capitol Building, Carson City, Nevada;
- (ii) Blasdel Building, Carson City, Nevada;
- (iii) Legislative Building, Carson City, Nevada;
- (iv) Nevada State Library, Carson City, Nevada;
- (v) Grant Sawyer Building, Las Vegas, Nevada;
- (vi) City Hall, Reno, Nevada;
- (vii) City Hall, Elko, Nevada;
- (viii) City Hall, Henderson, Nevada; and

(c) By giving a copy of the notice to each person, if any, who has requested notice of the meetings of the Board in the same manner in accordance with the provisions of Chapter 241 of NRS.

6. A copy of the notice so given is attached to this certificate as Exhibit A.

7. No other proceedings were adopted and no other action taken or considered at such meeting relating to the subject matter of the 2017A Capital Improvement Bond Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand on September ____, 2017.

Secretary
State Board of Finance

EXHIBIT A

(Copy of Notice of Meeting)

RESOLUTION

A RESOLUTION DESIGNATED THE "2017B NATURAL RESOURCES AND REFUNDING BOND RESOLUTION"; AUTHORIZING THE ISSUANCE AND SALE OF THE STATE OF NEVADA, GENERAL OBLIGATION (LIMITED TAX) NATURAL RESOURCES AND REFUNDING BONDS, SERIES 2017B OR THE STATE OF NEVADA, GENERAL OBLIGATION (LIMITED TAX) NATURAL RESOURCES BONDS, SERIES 2017B; PROVIDING THE PURPOSE FOR WHICH SUCH BONDS ARE ISSUED, THE FORM, TERMS, AND CONDITIONS OF SUCH BONDS, AND OTHER DETAILS IN CONNECTION THEREWITH; PROVIDING FOR THE LEVY AND COLLECTION OF ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BONDS; AND PROVIDING OTHER RELATED MATTERS.

WHEREAS, the Board of Finance (the "Board") of the State of Nevada (the "State") is authorized by Section 28 of Chapter 606, Statutes of Nevada 2017 and Chapter 437, Statutes of Nevada, 2011, as amended (collectively, the "Tahoe Project Act") to issue \$5,000,000 in general obligation bonds for the purpose of financing the costs of environmental improvement projects for the Lake Tahoe Basin as provided in the Tahoe Project Act (the "Tahoe Project"); and

WHEREAS, the Board has determined at this time to issue general obligation bonds authorized by the legislature pursuant to the Tahoe Project Act in an aggregate principal amount not to exceed \$2,500,000, for the purpose of financing the Tahoe Project; and

WHEREAS, the Board of the State is authorized by Section 29 of Chapter 606, Statutes of Nevada 2017 (the "Water Grants Project Act") to issue \$1,000,000 in general obligation bonds as provided in NRS 349.986 for the program for providing grants for water conservation and capital improvements to certain water systems (the "Water Grants Project" and together with the Tahoe Project, the "Natural Resources Project"); and

WHEREAS, the Board has determined at this time to issue general obligation bonds authorized by the legislature pursuant to the Water Grants Project Act in an aggregate principal amount not to exceed \$1,000,000, for the purpose of financing the Water Grants Project; and

WHEREAS, the Board has previously issued its State of Nevada General Obligation (Limited Tax) Natural Resources Bonds, Series 2008A (the "2008A Bonds"); and

WHEREAS, the State Securities Law, cited as Nevada Revised Statutes ("NRS") 349.150 through and including 349.364, as amended (the "Bond Act"), applies to the bonds authorized hereunder; and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348, Nevada Revised Statutes (the "Supplemental Bond Act") apply to the bonds authorized hereunder; and

WHEREAS, the Board desires to provide for the sale of general obligation bonds of the State to finance the Natural Resources Project and to refinance all or a portion of the 2008A Bonds (the "Refunding Project" and together with the Natural Resources Project, the "Project") and to be designated the "State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B" or the "State of Nevada General Obligation (Limited Tax) Natural Resources Bonds, Series 2017B" (the "Bonds"); and

WHEREAS, the Bonds will be sold in the principal amount set forth in the Certificate of the Treasurer (the "Certificate of the Treasurer") which amount is not to exceed \$10,000,000: (i) \$2,500,000 for the purpose of financing the Tahoe Project; (ii) \$1,000,000 for the purpose of financing the Water Grants Project; and (iii) if the State Treasurer or designee determines that interest rate savings can be effected, the State Treasurer or designee is authorized to specify in the Certificate of the Treasurer which maturities of the 2008A Bonds, if any, will be refunded (the "Refunded Bonds") with a portion of the proceeds of the Bonds in an additional amount not to exceed the amount necessary to effect the Refunding Project; and

WHEREAS, pursuant to NRS 349.303, the Board is authorized to delegate to the Treasurer or designee the power to accept a binding bid for the Bonds subject to certain requirements specified in this Resolution; and

WHEREAS, the Treasurer or designee is authorized to accept the bid submitted by the lowest responsible bidder for the Bonds as determined by the Treasurer or designee and as set forth in the Certificate of the Treasurer (the "Purchaser"), for the purchase of the Bonds at a price equal to the principal amount thereof, less the discount, of not more than 9 percent of the principal amount, or plus a premium, if any, in each case as shown on the Certificate of the Treasurer, and otherwise upon the terms and conditions provided in this Resolution and in the Certificate of the Treasurer; and

WHEREAS, the Board, on behalf of and in the name of the State, has determined and does declare:

A. To secure and preserve the public health, safety, convenience, and welfare, it is necessary to issue the Bonds for the Project, pursuant to the Tahoe Project Act, the Water Grants Project Act, the Bond Act, the Supplemental Bond Act, and all supplemental laws; and

B. Each of the limitations and other conditions to the issuance of the Bonds in the Tahoe Project Act, the Water Grants Project Act, the Bond Act, the Supplemental Bond Act, and in any other relevant act of the State have been met; and pursuant to NRS 349.352, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF FINANCE OF THE STATE OF NEVADA:

Section 1. Title. This Resolution shall be known as the "2017B Natural Resources and Refunding Bond Resolution".

Section 2. Defined Terms. In addition to the terms defined in the "Whereas" clauses of this Resolution, capitalized undefined terms used herein shall have the following meanings:

"Acquisition Account" means a separate account held by the Treasurer and designated as the "State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B Acquisition Account."

"Authorized Denomination" means denominations of \$5,000 or any integral multiple thereof.

"Board" means the Board of Finance of the State of Nevada.

"Bond Requirements" means the principal of, and interest and redemption premium, if any, on the Bonds.

"Bonds" means the State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B or the State of Nevada General Obligation (Limited Tax) Natural Resources Bonds, Series 2017B.

"Certificate of the Treasurer" means the certificate executed by the Treasurer or designee on or after the sale of the Bonds and on or before the closing on the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

"Consolidated Bond Fund" means the fund created pursuant to NRS 349.236.

"Custodial Deposit" means deposit of Bonds pursuant to a book-entry only system of registration as provided in Section 22 hereof.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., as the disclosure dissemination agent for the State with respect to the Bonds, or any successor disclosure dissemination agent appointed by the State.

"Escrow Account" means the escrow account designated as the "State of Nevada General Obligation (Limited Tax) Refunding Bonds, Series 2017B & C Escrow Account."

"Escrow Agreement" means the "State of Nevada General Obligation (Limited Tax), Refunding Bonds, Series 2017B & C Escrow Agreement" between the Escrow Bank and the State relating to the Escrow Account for the Refunded Bonds.

"Escrow Bank" means U.S. Bank National Association, and its successors and assigns, if any.

"Federal Securities" means federal securities as defined in NRS 349.172, or any successor provision thereto.

"Interest Payment Date" means May 1 and November 1 of each year, commencing the May 1 or November 1 next succeeding the date of delivery of the Bonds.

"Owner" means the person in whose name a Bond is registered on the registration panel affixed to the Bond and the records maintained by the Registrar.

"Paying Agent" means U.S. Bank National Association, and its successors and assigns.

"Registrar" means U.S. Bank National Association, and its successors and assigns.

"Regular Record Date" means the 15th day of the calendar month preceding each Interest Payment Date (other than a special interest payment date established pursuant to Section 17 hereof for defaulted interest).

"Refunded Bonds" means the 2008A Bonds designated in the Certificate of the Treasurer.

"Securities Depository" means Cede & Co., as nominee of The Depository Trust Company, or its successor appointed pursuant to Section 22 hereof, which successor must be both a "clearing corporation" as defined in NRS 104.8102, and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended.

"Special Record Date" means a special record date fixed by the Registrar pursuant to Section 17 hereof for the payment of defaulted interest.

"Taxes" means annual general (ad valorem) taxes.

"Treasurer" means the State Treasurer.

Section 3. Authority for Resolution. This Resolution is adopted pursuant to the Tahoe Project Act, the Water Grants Project Act, the Bond Act, the Supplemental Bond Act, and all supplemental laws.

Section 4. Acceptance of Bids. Pursuant to NRS 349.303, the Board hereby delegates to the Treasurer or designee the authority to accept a binding bid for the Bonds from the Purchaser subject to the following requirements:

A. the effective interest rate on the Bond, calculated in accordance with Chapter 99 of NRS, must not exceed by more than 3% the "Index of Twenty Bonds" which was most recently published in The Bond Buyer before the Purchaser's bid was received;

B. the Treasurer or designee, in the Treasurer's or designee's discretion, will determine the dates on which, if any, and the prices at which the Bonds may be called for redemption prior to maturity; provided that any redemption price shall not exceed 101% of the aggregate principal amount of the Bonds called for redemption;

C. the purchase price for the Bonds will be an amount equal to the aggregate principal amount of the Bonds as set forth in the Certificate of the Treasurer less a discount, if any, of not more than 9 percent of such aggregate principal amount, or plus a premium, if any, all as set forth in the Certificate of the Treasurer; and

D. the aggregate principal amount of the Bonds maturing in any particular year must not exceed \$7,000,000.

Section 5. Life of Project. The Board has determined and declares:

A. The estimated life or estimated period of usefulness of the Project financed or refinanced with the proceeds of the Bonds is not less than the average maturity of the Bonds; and

B. The Bonds will mature at times not exceeding such estimated life or estimated periods of usefulness.

Section 6. Necessity of Project and Bonds. It is necessary and in the best interests of the State that the Board undertake the Project and defray their cost by the issuance of the Bonds.

Section 7. Authorization of Project. The Board has determined to undertake the Project and defray the cost by the issuance of the Bonds.

Section 8. Estimated Cost of Project. The cost of the Project is estimated not to exceed the amount received from the sale of the Bonds, excluding any such cost to be defrayed by any source other than the proceeds of the Bonds.

Section 9. Resolution to Constitute Contract. In consideration of the purchase and the acceptance of the Bonds by the Owners thereof from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the State and the Owners of the Bonds.

Section 10. Bonds Equally Secured. The covenants and agreements of the State and the Board set forth in this Resolution shall be for the equal benefit, protection, and security of the Owners of any and all of the outstanding Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction, except as otherwise expressly provided in or pursuant to this Resolution.

Section 11. General Obligations. All of the Bonds and the Bond Requirements shall constitute general obligations of the State, which hereby pledges its full faith and credit for their payment. All Bond Requirements shall be payable from Taxes as provided in this Resolution.

Section 12. Exempted Debt. The issuance of the Bonds constitutes an exercise of the authority conferred by the second paragraph of Section 3, Article 9, of the Constitution of the State, and the Bonds will be treated as bonds to which the limitations stated in the first paragraph of said Section do not apply.

Section 13. Limitations upon Security. Pursuant to NRS 349.250, the payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the State, except the proceeds of Taxes and any other monies pledged for the payment of the Bonds. No property of the State, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

Section 14. Limitations upon Recourse. Pursuant to NRS 349.252, no recourse shall be had for the payment of the Bond Requirements or for any claim based thereon or otherwise upon this Resolution, against any individual member of the Board or any officer or other agent of the State, past, present, or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute, or rule of law, or by the enforcement of any penalty, or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

Section 15. No Repeal of Bond Act. Pursuant to NRS 349.256, the faith of the State is hereby pledged that the Tahoe Project Act, the Water Grants Project Act, the Bond Act, the Supplemental Bond Act and any other law supplemental or otherwise pertaining thereto, and any other act concerning the Bonds or the Taxes, or both, shall neither be repealed nor amended nor otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding Bonds, until all the Bonds have been discharged in full or provision for their payment and redemption has been fully made.

Section 16. Authorization of Bonds. For the purpose of defraying the cost of the Project, there are hereby authorized to be issued the Bonds in the aggregate principal amount designated in the Certificate of the Treasurer, not to exceed \$10,000,000 (\$2,500,000 for the purpose of financing the Tahoe Project, \$1,000,000 for the purpose of financing the Water Grants Project and the principal amount sufficient to effect the Refunding Project, if any, not to exceed \$6,500,000).

Section 17. Bond Details. The Bonds will be dated as of their date of delivery to the Purchaser and shall be issued in Authorized Denominations. The Bonds shall bear interest from their date until their respective fixed maturity dates (or, if called for redemption prior to maturity as provided below, their redemption dates) at the respective rates per annum set forth in the Certificate of the Treasurer calculated on the basis of a 360-day year of twelve 30-day months, payable on each Interest Payment Date; provided that those Bonds which are reissued upon transfer, exchange or

other replacement shall bear interest at the applicable rates set forth in the Certificate of the Treasurer from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds. The Bonds will mature on the dates and in the principal amounts and bear interest at the rates per annum set forth in the Certificate of the Treasurer. The Bonds will mature within 20 years following their date of delivery.

The principal of and redemption premium, if any, on any Bond shall be payable to the Owner thereof upon maturity or prior redemption thereof and upon presentation and surrender at the principal office of the Paying Agent, or such other office as may be designated by the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after redemption or maturity, it shall continue to bear interest at the interest rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the Owner thereof by check or draft mailed by first-class mail by the Paying Agent, on each Interest Payment Date (or, if such Interest Payment Date is not a business day, on the next succeeding business day), to the Owner thereof, at such Owner's address, as shown on the registration records kept by the Registrar as of the Regular Record Date. Interest not so timely paid or duly provided for shall cease to be payable to the Owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner thereof, at such Owner's address, as shown on the registration records of the Registrar as of the close of business on a Special Record Date fixed for the purpose of paying any such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than ten days prior thereto by first-class mail to each such Owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Section 18. Redemption.

A. Optional Redemption. The Bonds, or portions thereof in Authorized Denominations, maturing on and after the date designated in the Certificate of the Treasurer, shall be

subject to optional redemption prior to their respective maturities, on and after the date designated in the Certificate of the Treasurer, at the option of the State to be exercised by delivery of a written certificate of the Treasurer to the Registrar, in whole or in part at any time, from any maturities selected by the State and by lot within a maturity, at a price equal to the principal amount of each Bond, or portion thereof, to be so redeemed, plus accrued interest thereon to the redemption date and a premium, if any, computed in accordance with the schedule contained in the Certificate of the Treasurer.

B. Mandatory Redemption. The Bonds, if any, described in the Certificate of the Treasurer as Term Bonds (the "Term Bonds") are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date. As and for a sinking fund for the redemption of the Term Bonds, there shall be deposited into the Consolidated Bond Fund on or before the dates described in the Certificate of the Treasurer, a sum which, together with other moneys available in the "State of Nevada, General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B Tax Fund--Principal," is sufficient to redeem (after credit is provided below) on the dates and in the principal amounts of Term Bonds as provided in the Certificate of the Treasurer.

Not more than 60 days nor less than 30 days prior to each sinking fund payment dates for the Term Bonds, the Registrar shall proceed to select for redemption (by lot in such manner as the Registrar may determine) a principal amount of the Term Bonds equal to the aggregate principal amount of the Term Bonds redeemable with the required sinking fund payments.

At the option of the Treasurer to be exercised by delivery of a written certificate to the Registrar not less than 60 days next preceding any sinking fund redemption date, the State may (i) deliver to the Registrar for cancellation Term Bonds (which are subject to sinking fund redemption on such sinking fund redemption date) or portions thereof in Authorized Denominations in an aggregate principal amount desired by the Treasurer, or (ii) specify a principal amount of such Term Bonds (which are subject to sinking fund redemption on such sinking fund redemption date) or portions thereof in Authorized Denominations which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation with respect to such Term Bonds. Each Term Bond or portion thereof so delivered or previously redeemed shall be

credited by the Registrar at 100% of the principal amount thereof against the obligation of the State on such sinking fund redemption date and any excess shall be so credited against future sinking fund redemption obligations in such manner as the Treasurer determines. In the event the Treasurer shall utilize the provisions of clause (i) of the first sentence of this paragraph on behalf of the State, the certificate required by the first sentence of this paragraph shall be accompanied by the respective Term Bonds or portions thereof to be cancelled.

Section 19. Notice of Redemption. Unless waived by any Owner of a Bond to be redeemed, notice of redemption shall be given by the Registrar (on direction of the State Treasurer given not less than 60 days prior to the redemption date), by electronic mail as long as Cede & Co. or a nominee or a successor depository is the Owner of the Bonds, and otherwise by first class postage prepaid mail, at least 30 days but not more than 60 days prior to the redemption date, to the Owner of any Bond all or a part of which is called for redemption at the Owner's address as it last appears on the registration records kept by the Registrar, and electronically (1) to the Disclosure Dissemination Agent or (2) if Digital Assurance Certification, L.L.C. no longer serves as the Disclosure Dissemination Agent and the State has not appointed a successor Disclosure Dissemination Agent, to the Municipal Securities Rulemaking Board ("MSRB") via its Electronic Municipal Market Access system. The notice shall identify the Bonds or portions thereof to be redeemed, specify the redemption date and state that on such date the principal amount thereof, accrued interest and premium, if any, thereon will become due and payable at the principal office of the Paying Agent or such other office as may be designated by the Paying Agent, and that after such redemption date interest will cease to accrue.

After such notice and presentation of said Bonds, the Bonds called for redemption will be paid. Actual receipt of the notice by the Disclosure Dissemination Agent, MSRB or the Owners of Bonds shall not be a condition precedent to redemption of such Bonds. Failure to give such notice to the Disclosure Dissemination Agent, MSRB or the Owner of any Bond designated for redemption or any defect therein, shall not affect the validity of the proceedings for redemption of any other Bond. A certificate by the Registrar that notice of redemption has been given as provided in this section shall be conclusive as against all parties; and no Owner whose Bond is called for redemption or any other Owner of any Bond may object thereto or may object to the cessation of

interest on the redemption date on the ground that he failed to actually receive such notice of redemption.

Notwithstanding the provisions of this section, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the Owners of the Bonds called for redemption in the same manner as the original notice of redemption was given.

Section 20. Negotiability. Subject to the registration provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code--Investment Securities, and each Owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code--Investment Securities.

Section 21. Registration, Transfer and Exchange of Bonds. Except as otherwise provided in Section 22 hereof:

A. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender of any Bond at the Registrar, or at such other office as may be designated by the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the Owner or attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations, as provided in Section 17 hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the Owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar shall require the payment by the Owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and shall charge a sum sufficient to pay the cost of preparing and authenticating a new Bond.

B. The Registrar shall not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds by the Registrar and ending at the close of

business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for redemption as herein provided.

C. The person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute Owner thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the Owner thereof or legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the State may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

E. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or the Registrar to the Board upon request.

Section 22. Custodial Deposit.

A. Notwithstanding the foregoing provisions of Sections 17 to 21 hereof, the Bonds shall initially be evidenced by one or more Bonds for each year in which the series of Bonds mature in denominations equal to the aggregate principal amounts of the Bonds maturing in that year. Such initially delivered Bonds shall be registered in the name of "Cede & Co." as nominee for the Securities Depository. The Bonds may not thereafter be transferred or exchanged except:

1. to any successor of the Securities Depository; or
2. upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its functions, and the designation by the State of a new Securities Depository; or

3. upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its functions, and the failure by the State, after reasonable investigation, to locate another qualified depository institution to carry out such depository functions; or

4. upon determination by the Board that a book-entry only system of registration is not beneficial to the State and/or the Owners of the Bonds.

B. In the case of a transfer to a successor of the Securities Depository as referred to in clause (1) of Subsection A hereof or designation of a new Securities Depository pursuant to clause (2) of Subsection A hereof, upon receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity shall be issued to such successor or new Securities Depository, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) or (4) of Subsection A hereof, and receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in Authorized Denominations as provided in and subject to the limitations of Section 17 hereof, registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

C. The Registrar and the Paying Agent shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by a Securities Depository.

D. The State, the Registrar and the Paying Agent shall endeavor to cooperate with any Securities Depository in effectuating payment of the Bond Requirements of the Bonds by arranging for payment in such a manner that funds representing such payments are available to the Securities Depository on the date they are due.

E. Upon any partial redemption of any maturity of the Bonds, the Securities Depository in its discretion may request the State to issue and authenticate a new Bond or shall make an appropriate notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Paying Agent prior to payment.

Section 23. Execution and Authentication.

A. Prior to the execution of any Bond and pursuant to NRS 349.284, to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS, and to the Supplemental Bond Act, the Governor of the State, the State Controller, the Secretary of State and the State Treasurer (the "Governor," the "Controller," the "Secretary" and the "Treasurer," respectively) shall each file with the Secretary such officer's manual signature certified under oath.

B. Pursuant to NRS 349.282, the Bonds shall be approved, signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor, shall be countersigned and executed with the manual or facsimile signature of the Controller, and shall be countersigned, subscribed and executed with the manual or facsimile signature of the Treasurer. There shall be affixed on the Bonds the manual or facsimile impression of the great seal of the State, and each Bond shall each be attested, signed and executed with the manual or facsimile signature of the Secretary.

C. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form provided in Exhibit A, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds initially delivered pursuant to this Resolution, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.

Section 24. Use of Predecessor's Signature. The Bonds bearing the signatures of the officers in office at the time of their execution shall be the valid and binding obligations of the State, notwithstanding that before their delivery any or all of the persons who executed them shall have ceased to fill their respective offices. The Governor, the Controller, the Treasurer and the Secretary, at the time of the execution of a signature certificate relating to the Bonds, may each adopt as and for such officer's own facsimile signature the facsimile signature of such officer's predecessor in office if such facsimile signature appears upon any of the Bonds.

Section 25. Incontestable Recital. Pursuant to NRS 349.274, the Bonds shall contain a recital that they are issued pursuant to the Bond Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of their issuance.

Section 26. State Tax Exemption. Pursuant to NRS 349.354, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

Section 27. Bond Execution. The Governor, Controller, Treasurer and Secretary are authorized and directed to prepare and to execute the Bonds as provided above.

Section 28. Initial Registration. The Registrar shall maintain the registration records of the State for the Bonds, showing the name and address of each Bond authenticated and delivered, the date of authentication, the maturity of the Bond, and its interest rate, bond number and its principal amount.

Section 29. Bond Delivery. After such registration and after their execution and authentication as provided herein, the Treasurer or designee shall cause the Bonds to be delivered to the respective Purchaser thereof, upon payment being made in accordance with the terms of their sale.

Section 30. Bond Form. Subject to the provisions of this Resolution, the Bonds shall be in substantially the form attached hereto as Exhibit A, with such omissions, insertions, endorsements and variations as may be required by the circumstances, be required or permitted by this Resolution, or be consistent with this Resolution and necessary and appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto.

Section 31. Consolidated Bond Fund. Pursuant to NRS 349.236, payment of the Bond Requirements of the Bonds shall be made from the Consolidated Bond Fund of the State, under the provisions of NRS 349.080 through 349.140, except to the extent any provision is otherwise made for such payment by the Tahoe Project Act, the Water Grants Project Act, the Bond Act or this Resolution.

Section 32. General Tax Levies. There shall be levied in each calendar year annually until all of the Bond Requirements of the Bonds shall have been fully paid, satisfied and discharged, a Tax on all property, both real and personal, subject to taxation within the boundaries of the State, fully sufficient together with the revenue which will result from the application of the rate

to the net proceeds of minerals, to pay and retire the Bonds, without regard to any statutory tax limitations now or thereafter existing, but subject to the limitations imposed by NRS 361.453, and by Section 2 of Article 10 of the Constitution of the State, and after there are made due allowances for probable delinquencies.

Section 33. Budget Provisions. In the preparation of the budget for the State, the State Legislature shall first make proper provisions through the levy of sufficient Taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the State, including, without limitation, the Bonds subject to the limitations imposed by Section 2 of Article 10 of the Constitution of the State and by NRS 361.453, and the amount of money necessary for this purpose shall be a first charge against all revenues received by the State.

Section 34. Priorities for Bonds. As provided in NRS 361.463, in any year the total Taxes levied against the property in the State by all overlapping units within the boundaries of the State may exceed the limitation imposed by NRS 361.453 and it shall become necessary for that reason to reduce the levies made by any of those units, the reduction so made shall be in Taxes levied by such units (including, without limitation, the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The Taxes levied for the payment of bonded indebtedness and the interest thereon enjoy a priority over taxes levied by each such unit (including, without limitation, the State), for all other purposes where reduction is necessary in order to comply with the limitation imposed by NRS 361.453.

Section 35. Correlation of Levies. Such Taxes shall be levied and collected in the same manner and at the same time as other Taxes are levied and collected. The proceeds of Taxes levied to pay interest on the Bonds shall be kept by the Treasurer in a special account designated as the "State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B Tax Account--Interest," and the proceeds of Taxes levied to pay the principal of the Bonds shall be kept in a special account designated as the "State of Nevada General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B Tax Account--Principal." Such funds shall be used for no other purpose than the payment of interest on and principal of the Bonds, respectively, as the same become due.

Section 36. Use of General Fund. Any sums coming due on the Bonds at any time when there are on hand from such Taxes (and any other available moneys) insufficient funds to

pay the same shall be promptly paid when due from general funds on hand belonging to the State, reimbursement to be made for such general funds in the amounts so advanced when the Taxes have been collected, pursuant to NRS 349.242.

Section 37. Use of Other Funds. Nothing in this Resolution prevents the State from applying any funds (other than Taxes) that may be available for that purpose to the payment of the Bond Requirements of the Bonds, including without limitation any funds described in the Tahoe Project Act, the Water Grants Project Act, and upon such payment, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to NRS 349.244.

Section 38. Legislative Duties. In accordance with NRS 349.238 through 349.244, it shall be the duty of the State Legislature, at the time and in the manner provided by law for levying other taxes of the State, if such action shall be necessary to effectuate the provisions of this Resolution, to ratify and carry out the provisions of this Resolution with reference to the annual levy and collection of such Taxes; and the State Legislature shall require the officers of the State to levy, extend and collect such Taxes in the manner provided by law for the purpose of creating funds for the payment of the Bond Requirements of the Bonds.

Section 39. Appropriation of Taxes. In accordance with NRS 349.248, there is specially appropriated the proceeds of such Taxes to the payment of the Bond Requirements of the Bonds; and such appropriations shall neither be repealed nor such Taxes postponed or diminished (except as otherwise expressly provided) until the Bond Requirements of the Bonds have been wholly paid.

Section 40. Use of Bond Proceeds. Pursuant to NRS 349.294, amounts received from the sale of the Bonds shall be deposited promptly by the Treasurer and shall be accounted for in the following manner and priority and are hereby pledged for such purposes:

A. First, there shall be credited to the Escrow Account from the proceeds of the Bonds, an amount sufficient to establish, together with any other moneys therein (including moneys deposited therein from the debt service fund for the Refunded Bonds), any initial cash balance remaining uninvested and to buy the Federal Securities designated in the Escrow Agreement for credit to the Escrow Account, to be used solely for the purpose of paying the Bond Requirements of the Refunded Bonds as provided in the Escrow Agreement. After completion of the Refunding

Project, any unexpended balance of Bond proceeds in the Escrow Account shall be deposited in the Consolidated Bond Fund for the payment of the principal of and interest on the Bonds.

B. Second, an amount sufficient to pay the costs of issuance of the Bonds shall be credited to the State of Nevada, General Obligation (Limited Tax) Natural Resources and Refunding Bonds, Series 2017B Costs of Issuance Account (the "Costs of Issuance Account") to be held by the Treasurer and used for the purpose of paying the costs of issuance of the Bonds. Any proceeds of the Bonds remaining in the Costs of Issuance Account after paying the costs of issuance of the Bonds shall be deposited in the Acquisition Account.

C. Third, the amount received from the sale of the Bonds for the purposes of effecting the Natural Resources Project shall be credited to the Acquisition Account hereby created.

Section 41. Investments. Pursuant to NRS 349.304, the Board hereby authorizes the Treasurer to cause to be invested and reinvested any proceeds of Taxes and any proceeds from the issuance of the Bonds. Pursuant to NRS 349.304, (i) any gain from the investment of any proceeds of the Bonds credited to the Acquisition Account shall be deposited promptly upon its receipt to the Acquisition Account and applied to the Natural Resources Project; and (ii) any gain from the investment of any proceeds of the Bonds credited to the Cost of Issuance Account shall be deposited promptly upon its receipt to the Costs of Issuance Account and applied to the costs of issuance of the Bonds.

Section 42. Use of Acquisition Account. The moneys in the Acquisition Account, except as otherwise expressly provided, shall be used and paid out solely for the purpose of paying the cost of the Natural Resources Project and the costs of issuance of the Bonds.

Section 43. Maintenance of Escrow Account.

A. The Escrow Account shall be maintained by the State in an amount at the time of those initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities, to pay the interest due in connection with the Refunded Bonds, both accrued and not accrued, as the same become due up to and including the redemption date for the Refunded Bonds as set forth in the Escrow Agreement and the resolution authorizing the issuance of the Refunded Bonds; and to redeem, on such date the Refunded Bonds

then outstanding, in accordance with the resolution authorizing the issuance of the Refunded Bonds.

B. Moneys shall be withdrawn by the Escrow Bank from the Escrow Account in sufficient amounts and at such times to permit the payment without default of interest due in connection with the Refunded Bonds, and in accordance with the provisions of the Escrow Agreement, shall cause the notices of call for prior redemption of the then outstanding Refunded Bonds to be effected.

C. If for any reason the amount in the Escrow Account shall at any time be insufficient for its purpose, the State shall forthwith from the first moneys available therefor deposit in such account such additional moneys as shall be necessary to permit the payment in full of the principal, interest and any redemption premiums due in connection with the Refunded Bonds as herein provided.

Section 44. Call of Refunded Bonds. The State hereby elects to call for prior redemption the Refunded Bonds on the dates set forth in the Escrow Agreement. Such election and call shall be irrevocable upon the issuance of the applicable series of Bonds. The Escrow Bank is hereby authorized and directed to give directions to the paying agents and registrars for the Refunded Bonds to give notices of defeasance and call for redemption in the manner and at the time required by the resolutions authorizing the issuance of the Refunded Bonds.

Section 45. Defeasance. When all Bond Requirements of the Bond have been duly paid, the pledge and lien and all obligations hereunder with respect to such Bond shall thereby be discharged and such Bond shall no longer be deemed to be outstanding within the meaning of this Resolution. The Bond will be deemed to be paid when there has been placed in irrevocable escrow an amount sufficient (including the known minimum yield available for such purpose from Federal Securities, as defined in NRS 349.174, in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of such Bond, as the same become due to the final maturity thereof or upon any prior redemption date as of which the Board shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of such Bond for payment, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule then. The Federal Securities shall become due at or before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the State and the escrow agent at the time of the

creation of the escrow or trust. For the purpose of this section "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the holder thereof. Upon direction of the Treasurer or designee, the Paying Agent shall mail written notice of the defeasance of any Bonds to the Owners of such Bonds at the addresses last shown on the registration records for such Bonds maintained by the Registrar.

Section 46. Tax Covenant. The State covenants for the benefit of the Owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the State, or any facilities financed or refinanced with the proceeds of the Bonds if such action or omission would (i) cause interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code or (ii) cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55 (b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code. The foregoing covenant shall remain in full force and effect notwithstanding the defeasance of all of the Bonds until the date on which all obligations of the State in fulfilling the above covenant under the Code have been met.

Section 47. Modification, Alteration, Supplementation or Amendment of Resolution.

A. The Board may, from time to time, modify, amend, supplement or alter this Resolution without the consent of, or notice to any of the Owners of the Bonds or the insurer of the Bonds, if any, for any one or more of the following purposes:

1. to add to the agreements of the Board or the State contained in this Resolution, other agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the Board or the State;

2. to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Resolution, or in regard to matters or questions arising under this Resolution, as the Board may deem necessary or desirable and not inconsistent with this Resolution;

3. to grant to or confer any additional rights, remedies, powers or authorities that may be lawfully granted to or conferred upon the Owners of the Bonds;

4. to evidence the appointment of successors to any depositories, custodians, Paying Agent or Registrar; or

5. to make any other change which shall not have a material adverse effect on the interests of the Owners of the Bond.

B. The Board may, from time to time, modify, amend, alter, or supplement this Resolution other than as provided in A above; provided that the Board shall give notice to insurer of the Bonds, if any, and the Owners of the Bonds in the manner herein described and shall receive the written consent of the insurer of the Bonds, if any, or the Owners of not less than 51% of the Bonds then outstanding; provided, however, that no such supplemental proceedings shall:

1. extend the maturity date or due date of any mandatory sinking fund redemption with respect to any Bond outstanding hereunder;

2. reduce or extend the time of payment of the principal of, redemption premium or interest on any Bond outstanding hereunder;

3. reduce any premium payable upon the redemption of any Bond hereunder or advance the date upon which any Bond may first be called for redemption prior to its stated maturity date;

4. give to any Bond or Bonds a preference over any other Bond or Bonds; or

5. reduce the percentage of Bonds the Owners of which are required to consent to any proceedings amending or supplementing the provisions hereof.

C. In the event that the Board intends to enter into or adopt any modification, alteration or amendment of this Resolution as described in B above, the Treasurer or designee shall mail, by registered or certified mail, to insurer of the Bonds, if any, and the Owners of the Bonds at their addresses as shown on the registration records maintained by the Registrar, a notice of such intention along with a description of such amendment or modification not less than 30 days prior to the proposed effective date of such amendment or modification. The consents of the insurer of the Bonds, if any, or the Owners of the Bonds need not approve the particular form of wording of the proposed amendment, modification or supplement, but it shall be sufficient if such consents approve the substance thereof. Failure of the insurer of the Bonds, if any, or the Owner of

any Bond to receive the notice required herein shall not affect the validity of any proceedings supplemental hereto if the insurer of the Bonds, if any, or the required number of Owners of the Bonds shall provide their written consent to such amendment or modification.

D. No such supplemental resolution which is described in B above shall become effective unless the insurer of the Bonds, if any, or Owners of at least 51% in aggregate principal amount of the Bonds then outstanding shall have filed with the secretary of the Board within three (3) months after the date of adoption of such supplemental resolution properly executed instruments approving the adoption of such supplemental resolution, each such instrument to be accompanied by proof of insurance or ownership of the Bonds satisfactory to the Secretary to which such instrument refers.

E. Any supplemental resolution adopted and becoming effective in accordance with the provisions of this Section shall thereafter form a part of this Resolution and all conditions of this Resolution for any and all purposes, and shall be effective as to all Owners of Bonds then outstanding and no notation or legend of such modifications and amendments shall be required to be made thereon.

Section 48. Purchaser Not Responsible. The validity of the Bonds shall not be dependent on or be affected by the validity or regularity of any proceedings relating to the Project. The Purchaser and any Owner of the Bonds shall in no manner be responsible for the application or disposal by the State or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys described in this Resolution.

Section 49. Limitations upon Contract. The enforceability of the obligations of the State is subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the United States Constitution.

Section 50. Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Board shall reasonably determine that said Registrar or Paying Agent has become incapable of performing its duties hereunder, the Board may, upon notice mailed to each Owner of any Bond at such Owner's address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not

be required that the same institution serve as both Registrar and Paying Agent hereunder, but the State shall have the right to have the same institution serves as both Registrar and Paying Agent hereunder.

Any corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Registrar or Paying Agent under this Resolution, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in this Resolution to the contrary notwithstanding.

Section 51. Delegated Powers. The officers of the State are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

A. The printing of the Bonds, including a statement of insurance, if applicable;

B. The completion and execution of such certificates and agreements as may be reasonably required by the Purchaser relating, among other things, to the execution of the Bonds, the deposit of the Bonds with The Depository Trust Company, the tenure and identity of the officials of the Board and of the State, the delivery of the Bonds, the assessed valuation of the taxable property in and the indebtedness of the State, the receipt of the purchase price of the Bonds, the exemption of interest on the Bonds from gross income and alternative taxable income for federal income tax purposes, and, if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;

C. The execution and completion of the Escrow Agreement in substantially the form on file with the secretary of the Board, to be executed by the Treasurer or designee, with any amendments deemed necessary by the Treasurer or designee, and delivered in connection with the delivery of the Bonds and the execution of appropriate agreements with the Registrar and Paying Agent as to their services hereunder;

D. The assembly and dissemination of financial and other information concerning the State and the Bonds;

E. The preparation and circulation of a preliminary official statement, notice of sale and official statement for the Bonds in the forms specified by the Treasurer or designee. The Treasurer or designee is authorized to deem the official statement or the preliminary official statement to be a "final" official statement on behalf of the State for the purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended;

F. The completion of the Certificate of the Treasurer and the Disclosure Dissemination Agreement; and

G. The issuance and sale of the Bonds pursuant to the provisions of this Resolution.

Section 52. Continuing Disclosure Undertaking. The State covenants for the benefit of the holders and beneficial owners of the Bonds to comply with the provisions of the Disclosure Dissemination Agreement, in substantially the form on file with the Secretary of the Board, to be executed by the Treasurer or designee, with any amendments deemed necessary by the Treasurer or designee, and delivered in connection with the delivery of the Bonds.

Section 53. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and the officers of the State, and otherwise taken by the State in connection with:

A. The Project; and

B. The issuance and sale of the Bonds, is ratified, approved and confirmed, including without limitation the preparation and distribution of a preliminary official statement and a final official statement relating to the Bonds and the supplement thereto and the convening of the meeting at which this Resolution is adopted.

Section 54. Additional Securities. The Board reserves the privilege of issuing additional general obligation securities authorized by law at any time or from time to time for any lawful purpose.

Section 55. Resolution Irrepealable. After any of the Bonds are issued, this Resolution shall constitute an irrevocable contract between the State and the Owner or Owners of the Bonds; and this Resolution, if any Bonds are in fact issued, shall be and shall remain irrepealable

until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged except as this Resolution may be amended, modified, supplemented or altered.

Section 56. Repealer. All bylaws, orders, resolutions, other instruments, or parts thereof, inconsistent with this Resolution are repealed to the extent of such inconsistency.

Section 57. Severability. If any section, subsection, 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, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 58. Effective Date. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED on September 12, 2017.

Chairman
State Board of Finance

Attest:

Secretary
State Board of Finance

EXHIBIT A

FORM OF BOND

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX)
NATURAL RESOURCES AND REFUNDING BOND
SERIES 2017B**

No. _____ \$ _____

Interest Rate Maturity Date Dated as of CUSIP NO.
____% per annum _____ _____ _____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

The State of Nevada (the "State") for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner, or registered assigns, the Principal Amount, on the Maturity Date (unless called for earlier redemption), and to pay interest thereon on May 1 and November 1 of each year, commencing on _____ 1, 20__ at the Interest Rate calculated on the basis of a 360 day year of twelve 30-day months, until the Principal Amount is paid or payment has been provided therefor. This Bond will bear interest from the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the date of this Bond. The principal of and redemption premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of the State's paying agent for the Bonds (as hereinafter defined), presently U.S. Bank National Association (the "Paying Agent"), or at such other office as may be designated by the Paying Agent. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed by first-class mail to the person in whose name this Bond is registered in the registration records of the State maintained by the State's registrar for the Bonds, presently U.S. Bank National Association (the "Registrar"), and at the address appearing thereon, as of the close of business on the 15th day of the calendar month preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid (or duly provided for) shall cease to be payable to the person who is the Owner as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner as of the close of business on a Special Record Date for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owner by first-class mail not less than ten (10) days prior thereto. Alternative means of payment of interest may be used if mutually agreed to by the Owner and the Paying Agent, as provided in the resolution of the State Board of Finance of the State (the "Board")

authorizing the issuance of the Bonds and designated in Section 1 thereof as the "2017B Natural Resources and Refunding Bond Resolution" (the "Resolution"), duly adopted by the Board prior to the issuance of the Bonds. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

This Bond is one of a series of bonds (the "Bonds"), of like tenor except as to number and denominations, issued pursuant to the Resolution.

[The Bonds are issuable solely as fully registered Bonds in denominations of \$5,000 each or any integral multiple thereof and are exchangeable for fully registered Bonds of the same maturity in equivalent aggregate principal amounts and in authorized denominations at the aforesaid office of the Registrar but only in the manner, subject to the limitations and on payment of the charges provided in the Resolution.

The Registrar will not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business fifteen (15) days before the day of the mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for prior redemption.

This Bond is transferable by the Owner in person or by such Owner's duly authorized attorney on the registration records kept by the Registrar upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered Bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this Bond, subject to such terms and conditions, and on payment of the charges as set forth in the Resolution.]¹

The State, the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute Owner hereof for the purpose of payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest.

[The Bonds shall not be transferable or exchangeable except as set forth in the Resolution.]²

The Bonds are issued by the State, upon its behalf and upon its credit, for the purpose of paying, wholly or in part, the cost of the Project set forth in the Resolution, under the authority of and in full compliance with the constitution and laws of the State, and pursuant to the Resolution. A copy of the Resolution is on file in the office of the ex officio secretary of the Board, in Carson City, Nevada, for public inspection.

The Bonds, or portions thereof, will be subject to redemption prior to their respective maturities, at the option of the State, as provided in the Resolution.

[Upon partial prior redemption of Bonds, Cede & Co., in its discretion, may request the Registrar to authenticate a new Bond or shall make an appropriate notation on this Bond indicating

the date and amount of prepayment, except in the case of final maturity, in which case this Bond must be presented to the Paying Agent prior to prepayment.]²

[Certain of the Bonds shall be subject to mandatory sinking fund redemption as provided in the Certificate of the Treasurer.]³

In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar will, without charge to the Owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. Redemption shall be made upon not more than sixty (60) nor less than thirty (30) days prior notice as provided in the Resolution.

This Bond must be registered in the name of the Owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this Bond shall be valid unless made on the registration records maintained by the Registrar at its principal office, or such other office as may be designated by the Registrar, by the Owner or such Owner's attorney duly authorized in writing.

It is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the State in the issuance of this Bond; that the total indebtedness of the State, including that of this Bond, does not exceed any limit of indebtedness prescribed by the constitution or laws of the State; that provision has been made for the levy and collection of annual general (ad valorem) taxes sufficient to pay the principal of, redemption premiums, if any, and interest on this Bond when the same become due (except to the extent other funds are available therefor), subject to the limitations imposed by the constitution and statutes of the State; and that the full faith and credit of the State are hereby irrevocably pledged to the punctual payment of the principal of, redemption premiums, if any, and interest on this Bond according to its terms.

Reference is made to the Resolution and all modifications and amendments thereof, if any, to the act authorizing the issuance of the Bonds, *i.e.*, Section 28 of Chapter 606, Statutes of Nevada 2017 and Chapter 437, Statutes of Nevada, 2011, as amended (collectively, the "Tahoe Project Act"), Section 29 of Chapter 606, Statutes of Nevada 2017 (the "Water Grants Project Act"), and all laws amendatory thereof, to NRS 349.150 to 349.364, designated in NRS 349.150 thereof as the State Securities Law (the "Bond Act"), to Chapter 348, Nevada Revised Statutes (the "Supplemental Bond Act") and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the Bonds, the accounts, funds or revenues pledged, the terms and conditions upon which the Bonds are issued, and a statement of rights duties, immunities and obligations of the State, and the rights and remedies of the Owner of this Bond.

The Bonds are issued pursuant to the Tahoe Project Act, the Water Grants Project Act, the Bond Act, the Supplemental Bond Act, and all laws supplemental thereto; pursuant to NRS 349.274, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to NRS 349.354, the Bonds, their transfer and the income therefrom shall forever be

and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of Nevada Revised Statutes and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of Nevada Revised Statutes.

In accordance with NRS 349.252, no recourse shall be had for the payment of the principal of, redemption premium, if any, and interest on this Bond or for any claim based thereon or otherwise in respect to the Resolution, against any individual member of the Board, or any officer or other agent of the State, past, present or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

This Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the State, acting by and through the Board, has caused this Bond to be signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor of the State, to be countersigned with the manual or facsimile signature of the Controller of the State, and to be attested, signed and executed with the manual or facsimile signature of the Secretary of State; has caused the manual or facsimile impression of the great seal of the State to be affixed hereon; and has caused this Bond to be countersigned, subscribed and executed with the manual or facsimile signature of the State Treasurer; all as of _____, 2017.

THE STATE OF NEVADA

(Manual or Facsimile Signature)
Governor of the State of Nevada

[MANUAL OR FACSIMILE SEAL]

Attest:

(Manual or Facsimile Signature)
Secretary of State

Countersigned:

(Manual or Facsimile Signature)
State Controller

Countersigned:

(Manual or Facsimile Signature)
State Treasurer

- 1 - Insert only if Bonds are delivered pursuant to Section 22A(A)(3) of this Resolution.
- 2 - Insert only if the Bonds are initially delivered to the Depository Trust Company pursuant to Section 22(A) of this Resolution.
- 3 - Insert only if the Certificate of the Treasurer designates any of the Bonds as term bonds.

[End of Form of Bond]

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION FOR BONDS]

Date of authentication and registration:

This is one of the Bonds described in the within mentioned Resolution, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

U.S. BANK NATIONAL ASSOCIATION,
as Registrar

By _____
Authorized Officer

[End of Form of Registrar's Certificate of Authentication for Bonds]

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address, including Zip Code, and Federal Taxpayer
Identification or Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to transfer the within Bond on the records kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Form of Assignment]

[FORM OF PREPAYMENT PANEL]

The following installments of principal (or portions thereof) of this bond have been prepaid in accordance with the terms of the Resolution authorizing the issuance of this bond.

<u>Date of Prepayment</u>	<u>Maturity Principal</u>	<u>Principal Prepaid</u>	<u>Signature of Authorized Representative of DTC</u>
_____	_____	_____	_____
_____	_____	_____	_____

[End of Form of Prepayment Panel]

STATE OF NEVADA)
) ss.
CARSON CITY)

I am the duly chosen and qualified Chief Deputy Treasurer of the State of Nevada (the "State"), and ex officio secretary of the State Board of Finance (the "Board"), and do hereby certify that:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution was passed and adopted by the Board at the duly held meeting of September 12, 2017, in the Old Assembly Chambers of the Capitol Building, Second Floor, 101 N. Carson Street, Carson City, Nevada 89701 and at 555 E. Washington Avenue, Las Vegas, Nevada (the "Resolution").

2. The original of the Resolution was signed by the chairman of the Board and authenticated by me as ex officio secretary of the Board, and was recorded in the minute book of the Board kept for that purpose in my office.

3. The following members of the Board, i.e.,

Governor:	Brian Sandoval
Treasurer:	Daniel M. Schwartz
Other Members:	David A. Funk Steve E. Martin

attended such meeting and voted in favor of the passage of the Resolution.

4. All members of the Board were given due and proper notice of such meeting.

5. Pursuant to and in full compliance with NRS 241.020, written notice of such meeting was given at least three working days before the meeting:

(a) By giving a copy of the notice to each member of the Board;

(b) By posting a copy of the notice on the State Treasurer's website; on the official website of the State of Nevada pursuant to NRS 232.2175, at the principal office of the Board, or if there is no principal office, at the building in which the meeting was held, and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

- (i) Capitol Building, Carson City, Nevada,
- (ii) Blasdel Building, Carson City, Nevada,

- (iii) Legislative Building, Carson City, Nevada,
- (iv) Nevada State Library, Carson City, Nevada,
- (v) Grant Sawyer Building, Las Vegas, Nevada,
- (vi) City Hall, Reno, Nevada,
- (vii) City Hall, Elko, Nevada,
- (viii) City Hall, Henderson, Nevada;

and

(c) By giving a copy of the notice to each person, if any, who has requested notice of the meetings of the Board in the same manner in accordance with the provisions of Chapter 241 of NRS.

6. A copy of the notice so given is attached to this certificate as Appendix I.

7. No other proceedings were adopted and no other action taken or considered at such meeting relating to the subject matter of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand on September 12, 2017.

Secretary
State Board of Finance

APPENDIX I

(Copy of Notice of Meeting)

RESOLUTION

A RESOLUTION DESIGNATED THE "2017C OPEN SPACE, PARKS, NATURAL RESOURCES AND REFUNDING BOND RESOLUTION"; AUTHORIZING THE ISSUANCE AND SALE OF THE STATE OF NEVADA GENERAL OBLIGATION (LIMITED TAX) OPEN SPACE, PARKS, NATURAL RESOURCES AND REFUNDING BONDS, SERIES 2017C OR THE STATE OF NEVADA GENERAL OBLIGATION (LIMITED TAX) OPEN SPACE, PARKS AND NATURAL RESOURCES BONDS, SERIES 2017C; PROVIDING THE PURPOSE FOR WHICH SUCH BONDS ARE ISSUED, THE FORM, TERMS, AND CONDITIONS OF SUCH BONDS AND OTHER DETAILS IN CONNECTION THEREWITH; PROVIDING FOR THE LEVY AND COLLECTION OF ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BONDS; AND PROVIDING OTHER RELATED MATTERS.

WHEREAS, pursuant to Chapter 6, Statutes of Nevada 2001, 17th Special Session, of the Nevada Legislature a proposal to issue general obligation bonds in an amount not to exceed \$200 million in order to preserve water quality, protect open space, lakes, rivers, wetlands, and wildlife habitat; and restore and improve parks, recreational areas, and historic and Natural Resources (the "Question 1") was placed on the November 5, 2002 general election ballot (the "Election") and approved by a majority of the registered voters of the State; and

WHEREAS, pursuant to Question 1, as amended, the Board of Finance (the "Board") of the State of Nevada (the "State") is to issue general obligation bonds of the State in the principal amount of \$27,000,000 for property acquisition or capital improvements and renovations by the Division of State Parks (the "Parks Project"); \$27,500,000 for property acquisition, facility development and renovation, or wildlife habitat improvements by the Division of Wildlife (the "Wildlife Project"); \$25,000,000 for planning and developing the Las Vegas Springs Preserve, providing wildlife habitat and constructing support facilities (the "Preserve Project"); \$10,000,000 for development of a regional wetlands park at the Las Vegas Wash (the "Wetlands Project"); \$35,000,000 to establish a museum at the Las Vegas Springs Preserve (the "Museum Project"); \$10,000,000 for enhancement and restoration of the Truckee River corridor (the "Truckee River

Project"); and \$65,500,000 to provide grants for State agencies, local governments or qualifying private nonprofit organizations for various programs including recreational trails, urban parks, habitat conservation, open spaces, and general natural resource protection (the "Grants Project"; and collectively, the "Question 1 Projects"); and

WHEREAS, the State Securities Law, cited as NRS 349.150 through and including 349.364, as amended (the "Bond Act"), applies to the bonds authorized hereunder; and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348, Nevada Revised Statutes (the "Supplemental Bond Act") apply to the bonds authorized hereunder; and

WHEREAS, the Board desires to provide for the sale of general obligation bonds of the State to finance a portion of the Question 1 Projects and to issue such general obligation bonds to be designated the "State of Nevada General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C" or the "the State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2017C" (the "Bonds"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series July 1, 2003F" (the "2003F Bonds") to fund certain of the Question 1 Projects as follows: \$6,520,000 of the \$27,000,000 authorized by Question 1 for the Parks Project was authorized to be issued for the Parks Project; \$8,000,000 of the \$27,500,000 authorized by Question 1 for the Wildlife Project was authorized to be issued for the Wildlife Project; the entire \$10,000,000 of the \$10,000,000 authorized by Question 1 for the Wetlands Project was authorized to be issued for the Wetlands Project; \$4,000,000 of the \$10,000,000 authorized by Question 1 for the Truckee River Project was authorized to be issued for the Truckee River Project; and up to \$6,000,000 of the \$30,500,000 authorized by Question 1 for the portion of the Grants Project that may be financed with the proceeds of bonds which are exempt from the debt limit of the State was authorized for the Grants Project (collectively, the "2003F Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2005D" (the "2005D Bonds") to fund certain of the Question 1 Projects as follows: up to \$1,500,000 for the

Wildlife Project and up to \$3,500,000 for the Grants Project that is to be financed with the proceeds of bonds which are exempt from the State debt limit (collectively, the "2005D Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2005L" (the "2005L Bonds") to fund certain of the Question 1 Projects as follows: up to \$2,000,000 for the Grants Project that is to be financed with the proceeds of bonds which are exempt from the State debt limit (the "2005L Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2006A" (the "2006A Bonds") to fund certain of the Question 1 Projects as follows: up to \$8,500,000 for the Parks Project; up to \$8,000,000 for the Grants Project that is to be financed with the proceeds of bonds which are exempt from the State debt limit; and up to \$5,500,000 for the Wildlife Project (collectively, the "2006A Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2007C" (the "2007C Bonds") to fund certain of the Question 1 Projects as follows: up to \$4,500,000 for the Parks Project; (the "2007C Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2008B" (the "2008B Bonds") to fund certain of the Question 1 Projects as follows: up to \$6,000,000 for the Wildlife Project and up to \$4,000,000 for the Truckee River Project Project; (the "2008B Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2009E" (the "2009E Bonds") to fund certain of the Question 1 Projects as follows: up to \$5,000,000 for the Grants Project that is to be financed with the proceeds of bonds which are exempt from the State debt limit; and up to \$3,240,000 for the Wildlife Project (the "2009E Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2014C" (the

"2014C Bonds") to fund certain of the Question 1 Projects as set forth in Section 28 of Chapter 445 Statutes of Nevada 2013, as follows: up to \$2,250,000 for the Parks Project and the Grants Project that is to be financed with the proceeds of bonds which are exempt from the State debt limit (the "2014C Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2015G" (the "2015G Bonds") to fund certain of the Question 1 Projects as set forth in Chapter 445 Statutes of Nevada 2013 as follows: up to \$902,500 for the Grants Project and \$902,500 for the Parks Project that is to be financed with the proceeds of bonds which are exempt from the State debt limit (the "2015G Project"); and

WHEREAS, the Board authorized the issuance of the "State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2016B" (the "2016B Bonds") to fund certain of the Question 1 Projects as set forth in Section 28 of Chapter 445 Statutes of Nevada 2013, to fund certain of the Question 1 Projects as follows: up to \$1,023,500 for the Wildlife Project that is to be financed with the proceeds of bonds which are exempt from the State debt limit (the "2016B Project"); and

WHEREAS, the Board hereby authorizes the issuance of the Bonds as set forth in Section 27 of Chapter 606, Statutes of Nevada 2017, to fund certain of the Question 1 Projects as follows: up to \$4,600,000 consisting of Grants Project in the amount of \$1,000,000, Park Project in the amount of \$1,700,000 and Wildlife Project in the amount of \$1,900,000 (collectively, the "Improvement Project") and the Refunding Project (defined below) that is to be financed with the proceeds of bonds which are exempt from the State debt limit; and

WHEREAS, the Bonds will be sold in an initial aggregate principal amount set forth in the Certificate of the Treasurer (the "Certificate of the Treasurer"): (i) not to exceed \$4,600,000 for the purpose of the Improvement Project, and (ii) if the State Treasurer or designee determines that interest rate savings can be effected, the State Treasurer or designee is authorized to specify in the Certificate of the Treasurer which maturities of the 2008B Bonds and 2009E Bonds, if any, will be refunded (the "Refunded Bonds") with a portion of the proceeds of the Bonds (the "Refunding

Project" and together with the Improvement Project, the "Project") in an additional amount not to exceed the amount necessary to effect the Refunding Project; and

WHEREAS, pursuant to NRS 349.303, the Board is authorized to delegate to the Treasurer or designee the power to accept a binding bid for the Bonds subject to certain requirements specified in this Resolution; and

WHEREAS, the Treasurer or designee is authorized to accept the bid submitted by the lowest responsible bidder for the Bonds as determined by the Treasurer or designee and as set forth in the Certificate of the Treasurer (the "Purchaser"), for the purchase of the Bonds at a price equal to the principal amount thereof, less the discount, of not more than 9 percent of the principal amount, or plus a premium, if any, in each case as shown on the Certificate of the Treasurer, and otherwise upon the terms and conditions provided in this Resolution and in the Certificate of the Treasurer; and

WHEREAS, as required by NRS 349.225, the Board has approved the issuance of the Bonds pursuant to this Resolution; and

WHEREAS, the Board, on behalf of and in the name of the State, has determined and does declare:

A. To secure and preserve the public health, safety, convenience, and welfare, it is necessary to issue the Bonds for the Improvement Project and the Refunding Project, pursuant to Question 1, the Bond Act, the Supplemental Bond Act, and all supplemental laws of the State; and

B. Each of the limitations and other conditions to the issuance of the Bonds in Question 1, the Bond Act, the Supplemental Bond Act, and in any other relevant act of the State have been met; and pursuant to NRS 349.352, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF FINANCE OF THE STATE OF NEVADA:

Section 1. Title. This Resolution shall be known as the "2017C Open Space, Parks, Natural Resources and Refunding Bond Resolution".

Section 2. Defined Terms. In addition to the terms defined in the "Whereas" clauses of this Resolution, capitalized undefined terms used herein shall have the following meanings:

"Authorized Denomination" means denominations of \$5,000 or any integral multiple thereof.

"Board" means the State Board of Finance of the State of Nevada.

"Bond Requirements" means the principal of, and interest and redemption premium, if any, on, the Bonds.

"Bonds" means the State of Nevada General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C or the State of Nevada General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, Series 2017C.

"Certificate of the Treasurer" means the certificate executed by the Treasurer or designee on or after the sale of the Bonds and on or before the closing on the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

"Consolidated Bond Fund" means the fund created pursuant to NRS 349.090.

"Costs of Issuance Account" means a separate account held by the Treasurer and designated as the "State of Nevada, General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C, Cost of Issuance Account."

"Custodial Deposit" means deposit of Bonds pursuant to a book-entry only system of registration as provided in Section 22 hereof.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., as the disclosure dissemination agent for the State with respect to the Bonds, or any successor disclosure dissemination agent appointed by the State.

"Escrow Account" means the "State of Nevada General Obligation (Limited Tax) Refunding Bonds, Series 2017B & C Escrow Account."

"Escrow Agreement" means the "State of Nevada General Obligation (Limited Tax) Refunding Bonds, Series 2017B & C Escrow Agreement" between the Escrow Bank and the State relating to the Escrow Account for the Refunded Bonds.

"Escrow Bank" means U.S. Bank National Association, and its successors and assigns, if any.

"Federal Securities" means federal securities as defined in NRS 349.172, or any successor provision thereto.

"Interest Payment Date" means May 1 and November 1 of each year, commencing May 1, 2018.

"Natural Resources Fund" means the Fund to Protect Natural Resources created by Question 1, to be held within the State General Fund and to be administered by the Director of the Department of Conservation and Natural Resources pursuant to Question 1 and this Resolution.

"Owner" means the person in whose name a Bond is registered on the registration records maintained by the Registrar.

"Paying Agent" means U.S. Bank National Association, and its successors and assigns.

"Project" means the Improvement Project and the Refunding Project, if any.

"Purchaser" means the initial purchase of the Bonds named in the Certificate of the Treasurer.

"Registrar" means U.S. Bank National Association, and its successors and assigns.

"Regular Record Date" means the fifteenth day of the calendar month preceding each Interest Payment Date (other than a special interest payment date established pursuant to Section 17 hereof for defaulted interest).

"Securities Depository" means Cede & Co., as nominee of The Depository Trust Company, or its successor appointed pursuant to Section 22 hereof, which successor must be both a "clearing corporation" as defined in NRS 104.8102, and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended.

"Special Record Date" means a special record date fixed by the Registrar pursuant to Section 17 hereof for the payment of defaulted interest.

"Taxes" means annual general (ad valorem) taxes.

"Treasurer" means the State Treasurer.

Section 3. Authority for Resolution. This Resolution is adopted pursuant to the Election, Question 1, the Bond Act, the Supplemental Bond Act, and all supplemental laws.

Section 4. Acceptance of Bids. Pursuant to NRS 349.303, the Board hereby delegates to the Treasurer or designee the authority to accept a binding bid for the Bonds from the Purchaser pursuant to the Certificate of the Treasurer subject to the following requirements:

A. the effective interest rate on the Bonds must not exceed by more than 3% the "Index of Twenty Bonds" which was most recently published in The Bond Buyer before the Purchaser's bid was received;

B. the Treasurer or designee, in the Treasurer's or designee's discretion, will determine the dates on which, if any, and the prices at which the Bonds may be called for redemption prior to maturity;

C. the purchase price for the Bonds will be an amount equal to the aggregate principal amount of the Bonds as set forth in the Certificate of the Treasurer less a discount, if any, of not more than 9 percent of such aggregate principal amount, or plus a premium, if any, all as set forth in the Certificate of the Treasurer; and

D. the aggregate principal amount of the Bonds payable in any particular year must not exceed \$10,000,000.

Section 5. Life of Project. The Board has determined and declares:

A. The estimated life or estimated period of usefulness of the Project financed or refinanced with the proceeds of the Bonds is not less than the average maturity of the Bonds; and

B. The Bonds will mature at times not exceeding such estimated life or estimated periods of usefulness.

Section 6. Necessity of Project and Bonds. It is necessary and in the best interests of the State that the Board undertake the Project and defray the cost by the issuance of the Bonds.

Section 7. Authorization of Project. The Board has determined to undertake the Project and defray the cost by the issuance of the Bonds.

Section 8. Estimated Cost of Project. The cost of the Project is estimated not to exceed the amount received from the sale of the Bonds, excluding any such cost to be defrayed by any source other than the proceeds of the Bonds.

Section 9. Resolution to Constitute Contract. In consideration of the purchase and the acceptance of the Bonds by the Owners thereof from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the State and the Owners of the Bonds.

Section 10. Bonds Equally Secured. The covenants and agreements of the State and the Board set forth in this Resolution shall be for the equal benefit, protection, and security of the Owners of any and all of the outstanding Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction, except as otherwise expressly provided in or pursuant to this Resolution.

Section 11. General Obligations. All of the Bonds and the Bond Requirements shall constitute general obligations of the State, which hereby pledges its full faith and credit for their payment. All Bond Requirements shall be payable from Taxes as provided in this Resolution.

Section 12. Exempted Debt. The issuance of the Bonds constitutes an exercise of the authority conferred by the second paragraph of Section 3, Article 9, of the Constitution of the State, and the Bonds will be treated as bonds to which the limitations stated in the first paragraph of said Section do not apply.

Section 13. Limitations upon Security. Pursuant to NRS 349.250, the payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the State, except the proceeds of Taxes and any other monies pledged for the payment of the Bonds. No property of the State, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

Section 14. Limitations upon Recourse. Pursuant to NRS 349.252, no recourse shall be had for the payment of the Bond Requirements or for any claim based thereon or otherwise upon this Resolution, against any individual member of the Board or any officer or other agent of the State, past, present, or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute, or rule of law, or by the enforcement of any

penalty, or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

Section 15. No Repeal of Bond Act. Pursuant to NRS 349.256, the faith of the State is hereby pledged that Question 1, the Bond Act, the Supplemental Bond Act and any other law supplemental or otherwise pertaining thereto, and any other act concerning the Bonds or the Taxes, or both, shall neither be repealed nor amended nor otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding Bonds, until all the Bonds have been discharged in full or provision for their payment and redemption has been fully made.

Section 16. Authorization of Bonds. For the purpose of defraying the cost of the Project, there are hereby authorized to be issued the 2017C Bonds in the aggregate principal amount designated in the Certificate of the Treasurer which shall not exceed \$15,000,000 and will include: (i) the principal amount for the Improvement Project, which shall not exceed \$4,600,000, and (ii) the principal amount sufficient to effect the Refunding Project, if any, not to exceed \$10,400,000.

Section 17. Bond Details. The Bonds will be dated as of the date of delivery of the Bonds to the Purchaser as set forth in the Certificate of the Treasurer and shall be issued in Authorized Denominations. The Bonds shall bear interest from their date until their respective fixed maturity dates (or, if called for redemption prior to maturity as provided below, their redemption dates) at the respective rates per annum set forth in the Certificate of the Treasurer calculated on the basis of a 360-day year of twelve 30-day months, payable on each Interest Payment Date; provided that those Bonds which are reissued upon transfer, exchange or other replacement shall bear interest at the applicable rates set forth in the Certificate of the Treasurer from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds. The Bonds will mature on each of the dates and in the principal amounts and bear interest at the rates per annum set forth in the Certificate of the Treasurer. The Bonds issued must mature within 21 years of the date of the Bonds.

The principal of and redemption premium, if any, on any Bond shall be payable to the Owner thereof upon maturity or prior redemption thereof and upon presentation and surrender at the principal office of the Paying Agent, or such other office as may be designated by the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after redemption or

maturity, it shall continue to bear interest at the interest rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the Owner thereof by check or draft mailed by first-class mail by the Paying Agent, on each Interest Payment Date (or, if such Interest Payment Date is not a business day, on the next succeeding business day), to the Owner thereof, at such Owner's address, as shown on the registration records kept by the Registrar as of the Regular Record Date. Interest not so timely paid or duly provided for shall cease to be payable to the Owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner thereof, at such Owner's address, as shown on the registration records of the Registrar as of the close of business on a Special Record Date fixed for the purpose of paying any such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than ten days prior thereto by first-class mail to each such Owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Section 18. Redemption.

A. Optional Redemption. The Bonds, or portions thereof in Authorized Denominations, maturing on and after the date designated in the Certificate of the Treasurer, shall be subject to optional redemption prior to their respective maturities, on and after the date designated in the Certificate of the Treasurer, at the option of the State to be exercised by delivery of a written certificate of the Treasurer to the Registrar, in whole or in part at any time, from any maturities selected by the State and by lot within a maturity, at a price equal to the principal amount of each Bond, or portion thereof, to be so redeemed, plus accrued interest thereon to the redemption date and a premium, if any, computed in accordance with the schedule contained in the Certificate of the Treasurer.

B. Mandatory Redemption. The Bonds maturing on the dates, if any, set forth in the Certificate of the Treasurer (the "Term Bonds"), are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date. As and for a sinking fund for the redemption of Term Bonds, there shall be deposited into the Consolidated Bond Fund on or before the dates, if any, set forth in the Certificate of the Treasurer, a sum which, together with other moneys available in the "State of Nevada, General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C Tax Fund--Principal", is sufficient to redeem on the dates and in the principal amounts as set forth in the Certificate of the Treasurer.

Not more than 60 days nor less than 30 days prior to the sinking fund payment dates for the Term Bonds, the Registrar shall proceed to select for redemption (by lot in such manner as the Registrar may determine) from all outstanding Term Bonds, a principal amount of the Term Bonds equal to the aggregate principal amount of Term Bonds redeemable with the required sinking fund payments, and shall call such Term Bonds or portions thereof for redemption from the sinking fund on the next principal payment date, and give notice of such call as provided in Section 19 of this Resolution.

At the option of the Treasurer to be exercised by delivery of a written certificate to the Registrar not less than sixty days next preceding any sinking fund redemption date, it may (i) deliver to the Registrar for cancellation Term Bonds, or portions thereof (\$5,000 or any integral multiple

thereof) in an aggregate principal amount desired by the Board or, (ii) specify a principal amount of Term Bonds, or portions thereof (\$5,000 or any integral multiple thereof) which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond or portion thereof so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Board on the sinking fund redemption dates and any excess shall be so credited against future sinking fund redemption obligations in such manner as the Treasurer determines. In the event the Treasurer shall avail itself of the provisions of clause (i) of the first sentence of this paragraph on behalf of the State, the certificate required by the first sentence of this paragraph shall be accompanied by the respective Term Bonds or portions thereof to be canceled, or in the event the Bonds are registered in the name of Cede & Co., the certificate required by the first sentence of this paragraph shall be accompanied by such direction and evidence of ownership as is satisfactory to the Depository Trust Company.

Section 19. Redemption Notice. Unless waived by any Owner of a Bond to be redeemed, notice of redemption shall be given by the Registrar (on direction of the State Treasurer given not less than 60 days prior to the redemption date), by electronic mail as long as Cede & Co. or a nominee or a successor depository is the Owner of the Bonds, and otherwise by first class postage prepaid mail, at least 30 days but not more than 60 days prior to the redemption date, to the Owner of any Bond all or a part of which is called for redemption at such Owner's address as it last appears on the registration records kept by the Registrar, and electronically (1) to the Disclosure Dissemination Agent or (2) if Digital Assurance Certification, L.L.C. no longer serves as the Disclosure Dissemination Agent and the State has not appointed a successor Disclosure Dissemination Agent, to the Municipal Securities Rulemaking Board ("MSRB") via its Electronic Municipal Market Access system. The notice shall identify the Bonds or portions thereof to be redeemed, specify the redemption date and state that on such date the principal amount thereof, accrued interest and premium, if any, thereon will become due and payable at the principal office of the Paying Agent or such other office as may be designated by the Paying Agent, and that after such redemption date interest will cease to accrue. After such notice and presentation of said Bonds, the Bonds called for redemption will be paid. Actual receipt of notice by the Disclosure Dissemination Agent, MSRB or

the Owners of Bonds shall not be a condition precedent to redemption of such Bonds. Failure to give such notice to the Disclosure Dissemination Agent, MSRB or the Owner of any Bond designated for redemption or any defect therein, shall not affect the validity of the proceedings for redemption of any other Bond. A certificate by the Registrar that notice of redemption has been given as provided in this section shall be conclusive as against all parties; and no Owner whose Bond is called for redemption or any other Owner of any Bond may object thereto or may object to the cessation of interest on the redemption date on the ground that he failed to actually receive such notice of redemption. For purposes of this paragraph, "Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., as the disclosure dissemination agent for the State with respect to the Bonds, or any successor disclosure dissemination agent appointed by the State.

Notwithstanding the provisions of this section, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the Owners of the Bonds called for redemption in the same manner as the original notice of redemption was given.

Section 20. Negotiability. Subject to the registration provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code--Investment Securities, and each Owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code--Investment Securities.

Section 21. Registration, Transfer and Exchange of Bonds. Except as otherwise provided in Section 22 hereof:

A. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender of any Bond at the Registrar, or at such other office as may be designated by the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the Owner or attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate

principal amount of Bonds of the same series and maturity of other Authorized Denominations, as provided in Section 17 hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the Owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar shall require the payment by the Owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and shall charge a sum sufficient to pay the cost of preparing and authenticating a new Bond.

B. The Registrar shall not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds by the Registrar and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for redemption as herein provided.

C. The person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute Owner thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the Owner thereof or legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the State may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

E. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or the Registrar to the Board upon request.

Section 22. Custodial Deposit.

A. Notwithstanding the foregoing provisions of Sections 17 to 21 hereof, the Bonds shall initially be evidenced by one or more Bonds per maturity in denominations equal to the aggregate principal amounts of the Bonds maturing in that year. Such initially delivered Bonds shall be registered in the name of "Cede & Co." as nominee for the Securities Depository. The Bonds may not thereafter be transferred or exchanged except::

- 1.** to any successor of the Securities Depository; or
- 2.** upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its functions, and the designation by the State of a new Securities Depository; or
- 3.** upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its functions, and the failure by the State, after reasonable investigation, to locate another qualified depository institution to carry out such depository functions; or
- 4.** upon determination by the Board that a book-entry only system of registration is not beneficial to the State and/or the Owners of the Bonds.

B. In the case of a transfer to a successor of the Securities Depository as referred to in clause (1) of Subsection A hereof or designation of a new Securities Depository pursuant to clause (2) of Subsection A hereof, upon receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity shall be issued to such successor or new Securities Depository, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) or (4) of Subsection A hereof, and receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in Authorized Denominations as provided in and subject to the limitations of Section 17 hereof, registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

C. The Registrar and the Paying Agent shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by a Securities Depository.

D. The State, the Registrar and the Paying Agent shall endeavor to cooperate with any Securities Depository in effectuating payment of the Bond Requirements of the Bonds by arranging for payment in such a manner that funds representing such payments are available to the Securities Depository on the date they are due.

E. Upon any partial redemption of any maturity of the Bonds, the Securities Depository in its discretion may request the State to issue and authenticate a new Bond or shall make an appropriate notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Paying Agent prior to payment.

Section 23. Execution and Authentication.

A. Prior to the execution of any Bond by facsimile signature and pursuant to NRS 349.284, to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS, and to the Supplemental Bond Act, the Governor of the State, the State Controller, the Secretary of State and the State Treasurer (the "Governor," the "Controller," the "Secretary" and the "Treasurer," respectively) shall each file with the Secretary such officer's manual signature certified under oath.

B. Pursuant to NRS 349.282, the Bonds shall be approved, signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor, shall be countersigned and executed with the manual or facsimile signature of the Controller, and shall be countersigned, subscribed and executed with the manual or facsimile signature of the Treasurer. There shall be affixed on the Bonds the manual or facsimile impression of the great seal of the State, and each Bond shall each be attested, signed and executed with the manual or facsimile signature of the Secretary.

C. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form provided in Exhibit A, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued

hereunder. By authenticating any of the Bonds initially delivered pursuant to this Resolution, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.

Section 24. Use of Predecessor's Signature. The Bonds bearing the signatures of the officers in office at the time of their execution shall be the valid and binding obligations of the State, notwithstanding that before their delivery any or all of the persons who executed them shall have ceased to fill their respective offices. The Governor, the Controller, the Treasurer and the Secretary, at the time of the execution of a signature certificate relating to the Bonds, may each adopt as and for such officer's own facsimile signature the facsimile signature of such officer's predecessor in office if such facsimile signature appears upon any of the Bonds.

Section 25. Incontestable Recital. Pursuant to NRS 349.274, the Bonds shall contain a recital that they are issued pursuant to the Bond Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of their issuance.

Section 26. State Tax Exemption. Pursuant to NRS 349.354, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

Section 27. Bond Execution. The Governor, Controller, Treasurer and Secretary are authorized and directed to prepare and to execute the Bonds as provided above.

Section 28. Initial Registration. The Registrar shall maintain the registration records of the State for the Bonds, showing the name and address of the Owner of each Bond authenticated and delivered, the date of authentication, the maturity of the Bond, and its interest rate, bond number and its principal amount.

Section 29. Bond Delivery. After such registration and after their execution and authentication as provided herein, the Treasurer or designee shall cause the Bonds to be delivered to the Purchaser thereof, upon payment being made in accordance with the terms of their sale.

Section 30. Bond Form. Subject to the provisions of this Resolution, the Bonds shall be in substantially the form attached hereto as Exhibit A, with such omissions, insertions, endorsements and variations as may be required by the circumstances, be required or permitted by

this Resolution, or be consistent with this Resolution and necessary and appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto.

Section 31. Consolidated Bond Fund. Pursuant to NRS 349.236, payment of the Bond Requirements of the Bonds shall be made from the Consolidated Bond Fund of the State, under the provisions of NRS 349.080 through 349.140, except to the extent any provision is otherwise made for such payment by Question 1 or this Resolution.

Section 32. General Tax Levies. There shall be levied in each calendar year annually until all of the Bond Requirements of the Bonds shall have been fully paid, satisfied and discharged, a Tax on all property, both real and personal, subject to taxation within the boundaries of the State, fully sufficient together with the revenue which will result from the application of the rate to the net proceeds of minerals, to pay and retire the Bonds, without regard to any statutory tax limitations now or thereafter existing, but subject to the limitations imposed by Section 2 of Article 10 of the Constitution of the State, and after there are made due allowances for probable delinquencies.

Section 33. Budget Provisions. In the preparation of the budget for the State, the State Legislature shall first make proper provisions through the levy of sufficient Taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the State, including, without limitation, the Bonds, subject to the limitations imposed by Section 2 of Article 10 of the Constitution of the State, and the amount of money necessary for this purpose shall be a first charge against all revenues received by the State.

Section 34. Priorities for Bonds. In any year the total Taxes levied against the property in the State by all overlapping units within the boundaries of the State may exceed the limitation imposed by Section 2 of Article 10 of the Constitution of the State and it shall become necessary for that reason to reduce the levies made by any of those units, the reduction so made shall be in Taxes levied by such units (including, without limitation, the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The Taxes levied for the payment of bonded indebtedness and the interest thereon enjoy a priority over taxes levied by each such unit

(including, without limitation, the State), for all other purposes where reduction is necessary in order to comply with the limitation imposed by Section 2 of Article 10 of the Constitution of the State.

Section 35. Correlation of Levies. Such Taxes shall be levied and collected in the same manner and at the same time as other Taxes are levied and collected. The proceeds of Taxes levied to pay interest on the Bonds shall be kept by the Treasurer in a special fund designated as the "State of Nevada General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C Tax Fund--Interest," and the proceeds of Taxes levied to pay the principal of the Bonds shall be kept in a special fund designated as the "State of Nevada General Obligation (Limited Tax) Open Space, Parks, Natural Resources and Refunding Bonds, Series 2017C Tax Fund--Principal." Such funds shall be used for no other purpose than the payment of interest on and principal of the Bonds, respectively, as the same become due.

Section 36. Use of General Fund. Any sums coming due on the Bonds at any time when there are on hand from such Taxes (and any other available moneys) insufficient funds to pay the same shall be promptly paid when due from general funds on hand belonging to the State, reimbursement to be made for such general funds in the amounts so advanced when the Taxes have been collected, pursuant to NRS 349.242.

Section 37. Use of Other Funds. Nothing in this Resolution prevents the State from applying any funds (other than Taxes) that may be available for that purpose to the payment of the Bond Requirements of the Bonds, and upon such payment, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to NRS 349.244.

Section 38. Legislative Duties. In accordance with NRS 349.238 through 349.244, inclusive, it shall be the duty of the State Legislature, at the time and in the manner provided by law for levying other taxes of the State, if such action shall be necessary to effectuate the provisions of this Resolution, to ratify and carry out the provisions of this Resolution with reference to the annual levy and collection of such Taxes; and the State Legislature shall require the officers of the State to levy, extend and collect such Taxes in the manner provided by law for the purpose of creating funds for the payment of the Bond Requirements of the Bonds.

Section 39. Appropriation of Taxes. In accordance with NRS 349.248, there is specially appropriated the proceeds of such Taxes to the payment of the Bond Requirements of the

Bonds; and such appropriations shall neither be repealed nor such Taxes postponed or diminished (except as otherwise expressly provided) until the Bond Requirements of the Bonds have been wholly paid.

Section 40. Use of Bond Proceeds. Pursuant to NRS 349.294, amounts received from the sale of the Bonds shall be deposited promptly by the Treasurer and shall be accounted for in the following manner and priority and are hereby pledged for such purposes:

A. First, there shall be credited to the Escrow Account from the proceeds of the 2017C Bonds, an amount fully sufficient to establish, together with any other moneys therein (including moneys deposited therein from the debt service funds for the Refunded Bonds), any initial cash balance remaining uninvested and to buy the Federal Securities designated in the Escrow Agreement for credit to the Escrow Account, to be used solely for the purpose of paying the Bond Requirements of the Refunded Bonds as provided in the Escrow Agreement. After completion of the Refunding Project, any unexpended balance of 2017C Bond proceeds in the Escrow Account shall be deposited into the Consolidated Bond Fund.

B. Second, the amount received from the sale of the 2017C Bonds for the purpose of effecting the Improvement Project shall be credited the Natural Resources Fund and used for the purpose of effecting the Improvement Project and the costs of administering the provisions of Question 1.

C. Third, the balance of the amount received from the sale of the 2017C Bonds, after the deposits required by subsections A and B of this Section, shall be credited to the Costs of Issuance Account for the purpose of paying the costs of issuance relating to the Bonds. After all expenses have been paid, any unexpended balance of Bond proceeds shall be deposited into the Natural Resources Fund and used for the costs of administering the provisions of Question 1.

Section 41. Investments. Pursuant to NRS 349.304, the Board hereby authorizes the Treasurer to cause to be invested and reinvested any proceeds of Taxes and any proceeds from the issuance of the Bonds. Pursuant to Question 1, any gain from the investment of any proceeds of the Bonds credited to the Natural Resources Fund shall be deposited promptly upon its receipt to the Natural Resources Fund and applied to the Question 1 Projects and the costs of administering the provisions of Question 1. Pursuant to NRS 349.304, any gain from the investment of any proceeds

of the Bonds credited to the Costs of Issuance Account shall be deposited promptly upon its receipt to the Costs of Issuance Account and applied to the costs of issuance of the Bonds.

Section 42. Use of Natural Resources Fund. The moneys in the Natural Resources Fund, except as otherwise expressly provided herein, shall be used and paid out solely for the purpose of paying the cost of the Improvement Project and the costs of administering the provisions of Question 1.

Section 43. Prevention of Bond Default. Except as otherwise expressly provided by this Resolution, the Treasurer shall use any Bond proceeds credited to the Natural Resources Fund, without further order or warrant, to pay the Bond Requirements of the Bonds, as the same become due, whenever and to the extent moneys otherwise available therefor are insufficient for that purpose. The Treasurer or designee shall promptly notify the Board of any such use. Any moneys so used shall be restored to the Natural Resources Fund from the first revenues thereafter received and available for such restoration.

Section 44. Defeasance. When all Bond Requirements of a Bond have been duly paid, the pledge and lien and all obligations hereunder with respect to such Bond shall thereby be discharged and such Bond shall no longer be deemed to be outstanding within the meaning of this Resolution. A Bond will be deemed to be paid when there has been placed in irrevocable escrow an amount sufficient (including the known minimum yield available for such purpose from Federal Securities, as defined in NRS 349.174, in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of such Bond, as the same become due to the final maturity thereof or upon any prior redemption date as of which the Board shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of such Bond for payment, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the Bond Requirements of such Bond, as the same become due. The Federal Securities shall become due at or before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the State and the escrow agent at the time of the creation of the escrow or trust. For the purpose of this section "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the holder thereof. Upon direction of the Treasurer or

designee, the Paying Agent shall mail written notice of the defeasance of any Bonds to the Owners of such Bonds at the addresses last shown on the registration records for such Bonds maintained by the Registrar.

Section 45. Tax Covenant. The State covenants for the benefit of the Owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the State, or any facilities financed or refinanced with the proceeds of the Bonds if such action or omission would (i) cause interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code or (ii) cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55 (b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of all of the Bonds until the date on which all obligations of the State in fulfilling the above covenants have been met.

Section 46. Modification, Alteration, Supplementation or Amendment of Resolution.

A. The Board may, from time to time, modify, amend, supplement or alter this Resolution without the consent of, or notice to any of the Owners of the Bonds or the insurer of the Bonds, if any, for any one or more of the following purposes:

1. to add to the agreements of the Board or the State contained in this Resolution, other agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the Board or the State;

2. to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Resolution, or in regard to matters or questions arising under this Resolution, as the Board may deem necessary or desirable and not inconsistent with this Resolution;

3. to grant to or confer any additional rights, remedies, powers or authorities that may be lawfully granted to or conferred upon the Owner of the Bonds;

4. to evidence the appointment of successors to any depositories, custodians, Paying Agent or Registrar; or

5. to make any other change which shall not have a material adverse effect on the interests of the Owners of the Bonds.

B. The Board may, from time to time, modify, amend, alter, or supplement this Resolution other than as provided in A above; provided that the Board shall give notice to the insurer of the Bonds, if any, or the Owners of the Bonds in the manner herein described and shall receive the written consent of the insurer of the Bonds, if any, or the Owners of not less than 51% of the Bonds then outstanding; provided, however, that no such supplemental proceedings shall:

1. extend the maturity date or due date of any mandatory sinking fund redemption with respect to any Bond outstanding hereunder;

2. reduce or extend the time of payment of the principal of, redemption premium or interest on any Bond outstanding hereunder;

3. reduce any premium payable upon the redemption of any Bond hereunder or advance the date upon which any Bond may first be called for redemption prior to its stated maturity date;

4. give to any Bond or Bonds a preference over any other Bond or Bonds; or

5. reduce the percentage of Bonds the Owners of which are required to consent to any proceedings amending or supplementing the provisions hereof.

C. In the event that the Board intends to enter into or adopt any modification, alteration or amendment of this Resolution as described in B above, the Treasurer or designee shall mail, by registered or certified mail, to the insurer of the Bonds, if any, or the Owners of the Bonds at their addresses as shown on the registration records maintained by the Registrar, a notice of such intention along with a description of such amendment or modification not less than 30 days prior to the proposed effective date of such amendment or modification. The consent of the insurer of the Bonds, if any, or the Owners of the Bonds need not approve the particular form of wording of the proposed amendment, modification or supplement, but it shall be sufficient if such

consents approve the substance thereof. Failure of the insurer of the Bonds, if any, or the Owner of any Bond to receive the notice required herein shall not affect the validity of any proceedings supplemental hereto if the insurer of the Bonds, if any, or the required number of Owners of the Bonds shall provide their written consent to such amendment or modification.

D. No such supplemental resolution which is described in B above shall become effective unless the insurer of the Bonds, if any, has consented or the Owners of at least 51% in aggregate principal amount of the Bonds then outstanding shall have filed with the Secretary of the Board within three (3) months after the date of adoption of such supplemental resolution properly executed instruments approving the adoption of such supplemental resolution, each such instrument to be accompanied by proof of insurance or of ownership of the Bonds satisfactory to the Secretary to which such instrument refers.

E. Any supplemental resolution adopted and becoming effective in accordance with the provisions of this Section shall thereafter form a part of this Resolution and all conditions of this Resolution for any and all purposes, and shall be effective as to all Owners of Bonds then outstanding and no notation or legend of such modifications and amendments shall be required to be made thereon.

Section 47. Purchaser Not Responsible. The validity of the Bonds shall not be dependent on or be affected by the validity or regularity of any proceedings relating to the Project. The Purchaser and any Owner of the Bonds shall in no manner be responsible for the application or disposal by the State or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys described in this Resolution.

Section 48. Limitations upon Contract. The enforceability of the obligations of the State is subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the United States Constitution.

Section 49. Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the State upon direction of the Treasurer shall determine that said Registrar or Paying Agent has become incapable of performing its duties hereunder, the Board may, upon notice mailed to each Owner of any Bond at such Owner's

address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the State shall have the right to have the same institution serves as both Registrar and Paying Agent hereunder.

Any corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Registrar or Paying Agent under this Resolution, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in this Resolution to the contrary notwithstanding.

Section 50. Continuing Disclosure Undertaking. The State covenants for the benefit of the holders and beneficial owners of the Bonds to comply with the provisions of the Disclosure Dissemination Agreement, in substantially the form on file with the Secretary of the Board, to be executed by the Treasurer or designee, with any amendments deemed necessary by the Treasurer or designee and delivered in connection with the delivery of the Bonds.

Section 51. Maintenance of Escrow Account.

A. The Escrow Account shall be maintained by the State in an amount at the time of those initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities, to pay the interest due in connection with the Refunded Bonds, both accrued and not accrued, as the same become due up to and including the redemption dates for the Refunded Bonds as set forth in the Escrow Agreement and the resolutions authorizing the issuance of the Refunded Bonds; and to redeem, on such date the Refunded Bonds then outstanding, in accordance with the resolutions authorizing the issuance of the Refunded Bonds.

B. Moneys shall be withdrawn by the Escrow Bank from the Escrow Account in sufficient amounts and at such times to permit the payment without default of interest

due in connection with the Refunded Bonds, and in accordance with the provisions of the Escrow Agreement, shall cause the notices of call for prior redemption of the then outstanding Refunded Bonds to be effected. Any moneys remaining in the Escrow Account after provision shall have been made for the redemption in full of the Refunded Bonds shall revert to the State to be applied to any lawful purpose.

C. If for any reason the amount in the Escrow Account shall at any time be insufficient for its purpose, the State shall forthwith from the first moneys available therefor deposit in such account such additional moneys as shall be necessary to permit the payment in full of the principal, interest and any redemption premiums due in connection with the Refunded Bonds as herein provided.

Section 52. Call of Refunded Bonds. The State hereby elects to call for prior redemption the Refunded Bonds on the dates set forth in the Escrow Agreement. Such election and call shall be irrevocable upon the issuance of the Bonds. The Escrow Bank is hereby authorized and directed to give directions to the paying agents and registrars for the Refunded Bonds to give notices of call for redemption in the manner and at the time required by the resolutions authorizing the issuance of the Refunded Bonds and to give such other notices of defeasance and call for redemption as is deemed appropriate or advisable as is directed by the State Treasurer or Deputy thereof.

Section 53. Delegated Powers. The officers of the State are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

A. The printing of the Bonds, including a statement of insurance, if applicable;

B. The completion and execution of such certificates and agreements as may be reasonably required by the Purchaser relating, among other things, to the execution of the Bonds, the deposit of the Bonds with The Depository Trust Company, the tenure and identity of the officials of the Board and of the State, the delivery of the Bonds, the assessed valuation of the taxable property in and the indebtedness of the State, the receipt of the purchase price of the Bonds, the exemption of interest on the Bonds from gross income and alternative taxable income for federal

income tax purposes, and, if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;

C. The execution and completion of the Escrow Agreement in substantially the form on file with the secretary of the Board, to be executed by the Treasurer or designee, with any amendments deemed necessary by the Treasurer or designee, and delivered in connection with the delivery of the Bonds and the execution of appropriate agreements with the Registrar and Paying Agent as to their services hereunder;

D. The assembly and dissemination of financial and other information concerning the State and the Bonds;

E. The preparation and circulation of a preliminary official statement and official statement for the Bonds in the forms specified by the Treasurer or designee. The Treasurer or designee is authorized to deem the official statement and the preliminary official statement to be a "final" official statement on behalf of the State for the purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended;

F. The completion and execution of the Certificate of the Treasurer and the Disclosure Dissemination Agreement; and

G. The issuance and sale of the Bonds pursuant to the provisions of this Resolution.

Section 54. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and the officers of the State, and otherwise taken by the State in connection with:

A. The Project; and

B. The issuance and sale of the Bonds, is ratified, approved and confirmed, including without limitation the preparation and distribution of a preliminary official statement and a final official statement relating to the Bonds and the supplement thereto and the convening of the meeting at which this Resolution is adopted.

Section 55. Additional Securities. The Board reserves the privilege of issuing additional general obligation securities authorized by law at any time or from time to time for any lawful purpose.

Section 56. Resolution Irrepealable. After any of the Bonds are issued, this Resolution shall constitute an irrevocable contract between the State and the Owner or Owners of the Bonds; and this Resolution, if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged except as this Resolution may be amended, modified, supplemented or altered pursuant to Section 46 hereof.

Section 57. Repealer. All bylaws, orders, resolutions, other instruments, or parts thereof, inconsistent with this Resolution are repealed to the extent of such inconsistency.

Section 58. Severability. If any section, subsection, 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, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 59. Effective Date. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED on September 12, 2017.

Governor, Chairman
State Board of Finance

Attest:

Secretary
State Board of Finance

EXHIBIT A

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX)
OPEN SPACE, PARKS, NATURAL RESOURCES AND REFUNDING BOND
SERIES 2017C**

No. _____ \$ _____

Interest Rate Maturity Date Dated as of CUSIP NO.
_____% per annum _____ _____ _____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

The State of Nevada (the "State") for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner, or registered assigns, the Principal Amount, on the Maturity Date (unless called for earlier redemption), and to pay interest thereon on May 1 and November 1 of each year, commencing on May 1, 2018, at the Interest Rate calculated on the basis of a 360 day year of twelve 30-day months, until the Principal Amount is paid or payment has been provided therefor. This Bond will bear interest from the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the date of this Bond. The principal of and redemption premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of the State's paying agent for the Bonds (as hereinafter defined), presently U.S. Bank National Association (the "Paying Agent"), or at such other office as may be designated by the Paying Agent. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed by first-class mail to the person in whose name this Bond is registered in the registration records of the State maintained by the State's registrar for the Bonds, presently U.S. Bank National Association (the "Registrar"), and at the address appearing thereon, as of the close of business on the fifteenth day of the calendar month preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid (or duly provided for) shall cease to be payable to the person who is the Owner as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner as of the close of business on a Special Record Date for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owner by first-class mail not less than ten (10) days prior thereto. Alternative means of payment of interest may be used if mutually agreed to by the Owner and the Paying Agent, as provided in the resolution of the State Board of Finance of the State (the "Board") authorizing the

issuance of the Bonds and designated in Section 1 thereof as the "2017C Open Space, Parks, Natural Resources and Refunding Bond Resolution" (the "Resolution"), duly adopted by the Board prior to the issuance of the Bonds. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

This Bond is one of a series of bonds (the "Bonds"), of like tenor except as to number and denominations, issued pursuant to the Resolution.

[The Bonds are issuable solely as fully registered Bonds in denominations of \$5,000 each or any integral multiple thereof and are exchangeable for fully registered Bonds of the same maturity in equivalent aggregate principal amounts and in authorized denominations at the aforesaid office of the Registrar but only in the manner, subject to the limitations and on payment of the charges provided in the Resolution.

The Registrar will not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business fifteen (15) days before the day of the mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for prior redemption.

This Bond is transferable by the Owner in person or by such Owner's duly authorized attorney on the registration records kept by the Registrar upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered Bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this Bond, subject to such terms and conditions, and on payment of the charges as set forth in the Resolution.] ¹

The State, the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute Owner hereof for the purpose of payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest.

[The Bonds shall not be transferable or exchangeable except as set forth in the Resolution.] ²

The Bonds are issued by the State, upon its behalf and upon its credit, for the purpose of paying, wholly or in part, the cost of the Project set forth in the Resolution, under the authority of and in full compliance with the constitution and laws of the State, and pursuant to the Resolution. A copy of the Resolution is on file in the office of the ex officio secretary of the State Board of Finance, in Carson City, Nevada, for public inspection.

The Bonds, or portions thereof, will be subject to redemption prior to their respective maturities, at the option of the Treasurer, as provided in the Resolution and the Certificate of the Treasurer.

[Upon partial prior redemption of Bonds, Cede & Co., in its discretion, may request the Registrar to authenticate a new Bond or shall make an appropriate notation on this Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this Bond must be presented to the Paying Agent prior to prepayment.]²

[Certain of the Bonds shall be subject to mandatory sinking fund redemption as provided in the Resolution and the Certificate of the Treasurer.]³

In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar will, without charge to the Owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. Redemption shall be made upon not more than sixty (60) nor less than thirty (30) days prior notice as provided in the Resolution.

This Bond must be registered in the name of the Owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this Bond shall be valid unless made on the registration records maintained by the Registrar at its principal office, or such other office as may be designated by the Registrar, by the Owner or such Owner's attorney duly authorized in writing.

It is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the State in the issuance of this Bond; that the total indebtedness of the State, including that of this Bond, does not exceed any limit of indebtedness prescribed by the constitution or laws of the State; that provision has been made for the levy and collection of annual general (ad valorem) taxes sufficient to pay the principal of, redemption premiums, if any, and interest on this Bond when the same become due (except to the extent other funds are available therefor), subject to the limitations imposed by the constitution of the State; and that the full faith and credit of the State are hereby irrevocably pledged to the punctual payment of the principal of, redemption premiums, if any, and interest on this Bond according to its terms.

Reference is made to the Resolution and all modifications and amendments thereof, if any, to the acts authorizing the issuance of the Bonds, *i.e.*, Assembly Bill No. 9 of the 17th Special Session of the Nevada Legislature as approved by a majority of the registered voters of the State on November 5, 2002 (the "Question 1"), and all laws amendatory thereof, to Sections 349.150 to 349.364, Nevada Revised Statutes, designated in Section 349.150 thereof as the State Securities Law (the "Bond Act"), to Chapter 348, Nevada Revised Statutes (the "Supplemental Bond Act") and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the Bonds, the accounts, funds or revenues pledged, the terms and conditions upon which the Bonds

are issued, and a statement of rights duties, immunities and obligations of the State, and the rights and remedies of the Owner of this Bond.

The Bonds are issued pursuant to Question 1, the Bond Act, the Supplemental Bond Act, and all laws supplemental thereto; pursuant to NRS 349.274, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to NRS 349.354, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of Nevada Revised Statutes and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of Nevada Revised Statutes.

In accordance with NRS 349.252, no recourse shall be had for the payment of the principal of, redemption premium, if any, and interest on this Bond or for any claim based thereon or otherwise in respect to the Resolution, against any individual member of the Board, or any officer or other agent of the State, past, present or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

This Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the State, acting by and through the Board, has caused this Bond to be signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor of the State, to be countersigned with the manual or facsimile signature of the Controller of the State, and to be attested, signed and executed with the manual or facsimile signature of the Secretary of State; has caused the manual or facsimile impression of the great seal of the State to be affixed hereon; and has caused this Bond to be countersigned, subscribed and executed with the manual or facsimile signature of the State Treasurer; all as of _____, 2017.

THE STATE OF NEVADA

(Manual or Facsimile Signature)

Governor of the State of Nevada

[MANUAL OR FACSIMILE SEAL]

Attest:

(Manual or Facsimile Signature)

Secretary of State

Countersigned:

(Manual or Facsimile Signature)
State Controller

Countersigned:

(Manual or Facsimile Signature)
State Treasurer

- 1 - Insert only if Bonds are delivered pursuant to Section 22(A)(3) of this Resolution.
- 2 - Insert only if the Bonds are initially delivered to the Depository Trust Company pursuant to Section 22(A) of this Resolution.
- 3 - Insert only if the Certificate of the Treasurer designates any of the Bonds as term bonds.

[End of Form of Bond]

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION FOR BONDS]

Date of authentication and registration: _____

This is one of the Bonds described in the within mentioned Resolution, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

U.S. BANK NATIONAL ASSOCIATION
as Registrar

By _____
Authorized Officer

[End of Form of Registrar's Certificate of Authentication for Bonds]

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address, including Zip Code, and Federal Taxpayer
Identification or Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to transfer the within Bond on the records kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Form of Assignment]

[FORM OF PREPAYMENT PANEL]

The following installments of principal (or portions thereof) of this Bond have been prepaid in accordance with the terms of the Resolution authorizing the issuance of this Bond.

<u>Date of Prepayment</u>	<u>Maturity Principal</u>	<u>Principal Prepaid</u>	<u>Signature of Authorized Representative of DTC</u>
_____	_____	_____	_____
_____	_____	_____	_____

[End of Form of Prepayment Panel]

STATE OF NEVADA)
)
CARSON CITY) ss.

I am the Chief Deputy Treasurer of the State of Nevada (the "State") and ex officio secretary of the State Board of Finance (the "Board"), do hereby certify that:

1. The foregoing pages constitute a true, correct, complete and compared copy of the 2017C Open Space, Parks, Natural Resources and Refunding Bond Resolution, which resolution was passed and adopted by the Board at the duly held meeting of September 12, 2017, in the Old Assembly Chambers of the Capitol Building, 101 N. Carson Street, Carson City, Nevada and at 555 E. Washington Avenue, Las Vegas, Nevada.

2. The original of the 2017C Open Space, Parks, Natural Resources and Refunding Bond Resolution (the "Resolution") was signed by the chairman of the Board and authenticated by me as ex officio secretary of the Board, was duly recorded in the minute book of the Board kept for that purpose in my office.

3. The members of the Board listed below attended such meeting and voted in favor of the passage of the Resolution:

Governor:	Brian Sandoval
Treasurer:	Daniel M. Schwartz
Other Members:	David A. Funk
	Steve E. Martin

4. All members of the Board were given due and proper notice of such meeting.

5. Pursuant to NRS 241.020, written notice of such meeting was given at least three working days before the meeting:

(a) By giving a copy of the notice to each member of the Board;

(b) By posting a copy of the notice on the State Treasurer's website; on the official website of the State of Nevada pursuant to NRS 232.2175; at the principal office of the Board, or if there is no principal office, at the building in which the meeting was held; and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

(i) Capitol Building
 Carson City, Nevada,

- (ii) Blasdel Building
Carson City, Nevada,
- (iii) Legislative Building
Carson City, Nevada,
- (iv) Nevada State Library
Carson City, Nevada,
- (v) Grant Sawyer Building
Las Vegas, Nevada,
- (vi) City Hall
Reno Nevada,
- (vii) City Hall
Elko, Nevada,
- (viii) City Hall
Henderson, Nevada; and

(c) By giving a copy of the notice to each person, if any, who has requested notice of the meetings of the Board in the same manner in accordance with the provisions of Chapter 241 of NRS.

6. A copy of the notice so given is attached to this certificate as Appendix I.

7. No other proceedings were adopted and no other action taken or considered at such meeting relating to the subject matter of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand on September 12, 2017.

Secretary
State Board of Finance

APPENDIX I

(Copy of Notice of Meeting)

RESOLUTION

A RESOLUTION DESIGNATED THE "2017D BOND BANK BOND RESOLUTION"; AUTHORIZING THE ISSUANCE AND SALE OF THE STATE OF NEVADA, GENERAL OBLIGATION (LIMITED TAX) BONDS (NEVADA MUNICIPAL BOND BANK PROJECT NO. 90) SERIES 2017D, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,000,000; PROVIDING THE FORM, TERMS, AND CONDITIONS OF SUCH BONDS AND OTHER DETAILS IN CONNECTION THEREWITH; PROVIDING FOR THE LEVY AND COLLECTION OF ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BONDS; AND PROVIDING OTHER RELATED MATTERS.

WHEREAS, the State Board of Finance (the "Board") of the State of Nevada (the "State") is authorized by Chapter 350A, Nevada Revised Statutes (the "Act") to issue general obligation notes, warrants, interim debentures, bonds and temporary bonds ("state securities") for the purpose of making loans to municipalities by the purchase of their notes, warrants, interim debentures, bonds and temporary bonds validly issued for a purpose related to natural resources; and

WHEREAS, the State Treasurer (the "Treasurer"), has received a letter of the Chief Financial Officer of Carson City, Nevada (the "Municipality") and the form of an ordinance (the "Carson City Ordinance") to be adopted by the governing body of the Municipality, reciting the determination of the governing body to issue and sell its general obligation (limited tax) sewer bonds in an aggregate principal amount not to exceed \$6,000,000, to be additionally secured by sewer fund pledged revenues and drainage fund pledged revenues of Carson City (the "Carson City Bonds"), for the purpose of financing the cost of acquiring, constructing, improving, and equipping sewerage projects as defined in NRS 244A.0505, which includes drainage and flood control projects (the "Carson City Project"); and

WHEREAS, the Municipality has requested that the Treasurer, as administrator of the Municipal Bond Bank of the State under the Act, make a loan to Carson City by purchasing the related Municipal Securities (the "Project"); and

WHEREAS, the Treasurer has requested the Board to issue state securities to defray the cost of the Project; and

WHEREAS, the Board hereby determines that the state securities issued to finance the Carson City Project are for a purpose related to natural resources and exempt, pursuant to the second paragraph of Section 3, Article 9, of the Constitution of the State, from the State's debt limit; and

WHEREAS, the Board hereby declares its intent to issue state securities for the Project in an aggregate principal amount not to exceed \$6,000,000; and

WHEREAS, NRS 350A.150 provides that the State Securities Law, cited as Nevada Revised Statutes ("NRS") 349.150 through 349.364, as amended (the "Bond Act"), applies to the issuance of the bonds authorized hereunder; and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348, Nevada Revised Statutes (the "Supplemental Bond Act") apply to the bond authorized hereunder; and

WHEREAS, the Board desires to provide for the sale of the state securities to finance the Project and to issue such state securities in one series, to be designated the "State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90 Series 2017D)" (the "Bonds"); and

WHEREAS, the Bonds will be sold in the principal amount set forth in the Certificate of the Treasurer (the "Certificate of the Treasurer") which amount is not to exceed \$6,000,000, for the purpose of financing the Project; and

WHEREAS, pursuant to NRS 349.303, the Board is authorized to delegate to the Treasurer or designee the power to accept a binding bid for the Bonds subject to certain requirements specified in this Resolution; and

WHEREAS, the Treasurer or designee is authorized to accept the bid submitted by the lowest responsible bidder for the Bonds as determined by the Treasurer or designee and as set forth in the Certificate of the Treasurer (the "Purchaser"), for the purchase of the Bonds at a price equal to the principal amount thereof, less the discount, of not more than 9 percent of the principal amount, or plus a premium, if any, in each case as shown on the Certificate of the Treasurer, and otherwise upon the terms and conditions provided in this Resolution and in the Certificate of the Treasurer; and

WHEREAS, as required by NRS 349.225, the Board has approved the issuance of the Bonds pursuant to this Resolution; and

WHEREAS, the Board, on behalf of and in the name of the State, has determined and does declare:

A. To secure and preserve the public health, safety, convenience, and welfare, it is necessary to issue the Bonds for the Project, pursuant to the Act, the Bond Act, the Supplemental Bond Act, and all supplemental laws of the State;

B. Each of the limitations and other conditions to the issuance of the Bonds in the Act, the Bond Act, the Supplemental Bond Act, and in any other relevant act of the State have been met; and pursuant to NRS 349.352, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion; and

C. The issuance of the Bonds pursuant to the Act, the Bond Act and the Supplemental Bond Act is necessary, expedient and advisable for the protection and preservation of the property and natural resources of the State, and for the purpose of obtaining the benefits thereof, and constitutes an exercise of the authority conferred by the second paragraph of Section 3, Article 9, of the Constitution of the State.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF FINANCE OF THE STATE OF NEVADA:

Section 1. Title. This Resolution shall be known as the "2017D Bond Bank Bond Resolution."

Section 2. Defined Terms. In addition to the terms defined in the "Whereas" clauses of this Resolution, capitalized undefined terms used herein shall have the following meanings:

"Acquisition Account" means a separate account held by the Treasurer and designated as the "State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D Acquisition Account."

"Authorized Denomination" means denominations of \$5,000 or any integral multiple thereof.

"Board" means the Board of Finance of the State of Nevada.

"Bond Bank Fund" means the fund created pursuant to Section 350A.190, Act.

"Bonds" means the State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D.

"Bond Requirements" means the principal of, and interest and redemption premium, if any, on, the Bonds.

"Certificate of the Treasurer" means the certificate executed by the Treasurer on or after the sale of the Bonds and on or before the closing on the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

"Consolidated Bond Fund" means the fund created pursuant to NRS 349.236.

"Custodial Deposit" means deposit of Bonds pursuant to a book-entry only system of registration as provided in Section 22 hereof.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., as the disclosure dissemination agent for the State with respect to the Bonds, or any successor disclosure dissemination agent appointed by the State.

"Federal Securities" means federal securities as defined in NRS 349.172, or any successor provision thereto.

"Interest Payment Date" means May 1 and November 1 of each year, commencing the May 1 or November 1 which is at least 60 days succeeding the date of delivery of the Bonds.

"Municipality" means Carson City.

"Owner" means the person in whose name a Bond is registered on the books of registry maintained by the Registrar.

"Paying Agent" means U. S. Bank, National Association and its successors and assigns.

"Project" means the loan to the Municipality made by purchasing the related Municipal Securities.

"Registrar" means U. S. Bank, N.A., and its successors and assigns.

"Regular Record Date" means the 15th day of the calendar month preceding each Interest Payment Date (other than a special interest payment date established pursuant to Section 17 hereof for defaulted interest).

"Securities Depository" means Cede & Co., as nominee of The Depository Trust Company, or its successor appointed pursuant to Section 22 hereof, which successor must be

both a "clearing corporation" as defined in NRS 104.8102, and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended.

"Special Record Date" means a special record date fixed by the Registrar pursuant to Section 17 hereof for the payment of defaulted interest.

"Taxes" means annual general (ad valorem) taxes.

"Treasurer" means the State Treasurer.

Section 3. Authority for Resolution. This Resolution is adopted pursuant to the Act, the Bond Act, the Supplemental Bond Act, and all supplemental laws.

Section 4. Acceptance of Bids. Pursuant to NRS 349.303, the Board hereby delegates to the Treasurer or designee the authority to accept a binding bid for the Bonds from the Purchaser subject to the following requirements:

A. the effective interest rate on the Bonds, calculated in accordance with Chapter 99 of NRS, must not exceed by more than 3% the "Index of Twenty Bonds" which was most recently published in The Bond Buyer before the Purchaser's bid was received;

B. the Treasurer or designee, in the Treasurer's or designee's discretion, will determine the dates on which, if any, and the prices at which the Bonds may be called for redemption prior to maturity; provided that any redemption price shall not exceed 101% of the aggregate principal amount of the Bonds called for redemption;

C. the purchase price for the Bonds will be an amount equal to the aggregate principal amount of the Bonds as set forth in the Certificate of the Treasurer less a discount, if any, of not more than 9 percent of such aggregate principal amount, or plus a premium, if any, all as set forth in the Certificate of the Treasurer; and

D. the aggregate principal amount of the Bonds maturing in any particular year must not exceed \$6,000,000.

Section 5. Life of Project. The Board has determined and declares:

A. The estimated life or estimated period of usefulness of the Project financed or refinanced with the proceeds of the Bonds is not less than the average maturity of the Bonds; and

B. The Bonds will mature at times not exceeding such estimated life or estimated periods of usefulness.

Section 6. Necessity of Project and Bonds. It is necessary and in the best interests of the State that the Board undertake the Project and defray the cost by the issuance of the Bonds.

Section 7. Authorization of Project. The Board has determined to undertake the Project and defray the cost by the issuance of the Bonds.

Section 8. Estimated Cost of Project. The cost of the Project is estimated not to exceed the amount received from the sale of the Bonds, excluding any such cost to be defrayed by any source other than the proceeds of the Bonds.

Section 9. Resolution to Constitute Contract. In consideration of the purchase and the acceptance of the Bonds by the Owners thereof from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the State and the Owners of the Bonds.

Section 10. Bonds Equally Secured. The covenants and agreements of the State and the Board set forth in this Resolution shall be for the equal benefit, protection, and security of the Owners of any and all of the outstanding Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction, except as otherwise expressly provided in or pursuant to this Resolution.

Section 11. General Obligations. All of the Bonds and the Bond Requirements shall constitute general obligations of the State, which hereby pledges its full faith and credit for their payment. All Bond Requirements shall be payable from Taxes as provided in this Resolution.

Section 12. Exempted Debt. The issuance of the Bonds constitutes an exercise of the authority conferred by the second paragraph of Section 3, Article 9, of the Constitution of the State, and the Bonds will be treated as bonds to which the limitations stated in the first paragraph of said Section do not apply.

Section 13. Limitations upon Security. Pursuant to NRS 349.250, the payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the State, except the proceeds of Taxes and any other monies pledged for the payment of the Bonds. No property of the State, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

Section 14. Limitations upon Recourse. Pursuant to NRS 349.252, no recourse shall be had for the payment of the Bond Requirements or for any claim based thereon or otherwise upon this Resolution, against any individual member of the Board or any officer or other agent of the State, past, present, or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute, or rule of law, or by the enforcement of any penalty, or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

Section 15. No Repeal of Bond Act. Pursuant to NRS 349.256, the faith of the State is hereby pledged that the Act, the Bond Act, the Supplemental Bond Act and any other law supplemental or otherwise pertaining thereto, and any other act concerning the Bonds or the Taxes, or both, shall neither be repealed nor amended nor otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding Bonds, until all the Bonds have been discharged in full or provision for their payment and redemption has been fully made.

Section 16. Authorization of Bonds. For the purpose of defraying the cost of the Project, there are hereby authorized to be issued the Bonds in the aggregate principal amount designated in the Certificate of the Treasurer, not to exceed \$6,000,000.

Section 17. Bond Details. The Bonds will be dated as of their date of delivery to the Purchaser and shall be issued in Authorized Denominations. The Bonds shall bear interest from their date until their respective fixed maturity dates (or, if called for redemption prior to maturity as provided below, their redemption dates) at the respective rates per annum set forth in the Certificate of the Treasurer calculated on the basis of a 360-day year of twelve 30-day months, payable on each Interest Payment Date; provided that those Bonds which are reissued upon transfer, exchange or other replacement shall bear interest at the applicable rates set forth in the Certificate of the Treasurer from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds. The Bonds will mature on the dates and in the principal amounts and bear interest at the rates per annum set forth in the Certificate of the Treasurer. The Bonds will mature within 21 years following their date of delivery.

The principal of and redemption premium, if any, on any Bond shall be payable to the Owner thereof upon maturity or prior redemption thereof and upon presentation and surrender at the principal office of the Paying Agent, or such other office as may be designated

by the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after redemption or maturity, it shall continue to bear interest at the interest rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the Owner thereof by check or draft mailed by first-class mail by the Paying Agent, on each Interest Payment Date (or, if such Interest Payment Date is not a business day, on the next succeeding business day), to the Owner thereof, at such Owner's address, as shown on the registration records kept by the Registrar as of the Regular Record Date. Interest not so timely paid or duly provided for shall cease to be payable to the Owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner thereof, at such Owner's address, as shown on the registration records of the Registrar as of the close of business on a Special Record Date fixed for the purpose of paying any such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than ten days prior thereto by first-class mail to each such Owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Section 18. Redemption.

A. Optional Redemption. The Bonds, or portions thereof in Authorized Denominations, maturing on and after the date designated in the Certificate of the Treasurer, shall be subject to optional redemption prior to their respective maturities, on and after the date designated in the Certificate of the Treasurer, at the option of the State, in whole or in part at any time, from any maturities selected by the State and by lot within a maturity, at a price equal to the principal amount of each Bond, or portion thereof, to be so redeemed, plus accrued interest thereon to the redemption date and a premium, if any, computed in accordance with the schedule contained in the Certificate of the Treasurer.

B. Mandatory Redemption. The Bonds, if any, described in the Certificate of the Treasurer as Term Bonds (the "Term Bonds") are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date. As and for a sinking fund for the redemption of the Term Bonds, there shall be deposited into the Consolidated Bond Fund on or before the dates described in the Certificate of the Treasurer, a sum which, together with other moneys available in the "State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D Tax Account-Principal," is sufficient to redeem (after credit is provided below) on the dates and in the principal amounts of Term Bonds as provided in the Certificate of the Treasurer.

Not more than 60 days nor less than 30 days prior to each sinking fund payment dates for the Term Bonds, the Registrar shall proceed to select for redemption (by lot in such manner as the Registrar may determine) a principal amount of the Term Bonds equal to the aggregate principal amount of the Term Bonds redeemable with the required sinking fund payments.

At the option of the Treasurer to be exercised by delivery of a written certificate to the Registrar not less than 60 days next preceding any sinking fund redemption date, the State may (i) deliver to the Registrar for cancellation Term Bonds (which are subject to sinking fund redemption on such sinking fund redemption date) or portions thereof in Authorized Denominations in an aggregate principal amount desired by the Treasurer, or (ii) specify a principal amount of such Term Bonds (which are subject to sinking fund redemption on such sinking fund redemption date) or portions thereof in Authorized Denominations which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation with respect to such Term Bonds. Each Term Bond or portion thereof so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the State on such sinking fund redemption date and any excess shall be so credited against future sinking fund redemption obligations in such manner as the Treasurer determines. In the event the Treasurer shall utilize the provisions of clause (i) of the first sentence of this paragraph on behalf of the State, the certificate required by the first

sentence of this paragraph shall be accompanied by the respective Term Bonds or portions thereof to be cancelled.

Section 19. Redemption Notice. Unless waived by any Owner of a Bond to be redeemed, notice of redemption shall be given by the Registrar (on direction of the State Treasurer given not less than 60 days prior to the redemption date), by electronic mail as long as Cede & Co. or a nominee or a successor depository is the Owner of the Bonds, and otherwise by first class postage prepaid mail, at least 30 days but not more than 60 days prior to the redemption date, to the Owner of any Bond all or a part of which is called for redemption at the Owner's address as it last appears on the registration records kept by the Registrar, and electronically to (1) to the Disclosure Dissemination Agent or (2) if Digital Assurance Certification, L.L.C. no longer serves as the Disclosure Dissemination Agent and the State has not appointed a successor Disclosure Dissemination Agent, to the Municipal Securities Rulemaking Board ("MSRB") via its Electronic Municipal Market Access system. The notice shall identify the Bonds or portions thereof to be redeemed, specify the redemption date and state that on such date the principal amount thereof, accrued interest and premium, if any, thereon will become due and payable at the principal office of the Paying Agent or such other office as may be designated by the Paying Agent, and that after such redemption date interest will cease to accrue.

After such notice and presentation of said Bonds, the Bonds called for redemption will be paid. Actual receipt of the notice by the Disclosure Dissemination Agent, MSRB or the Owners of Bonds shall not be a condition precedent to redemption of such Bonds. Failure to give such notice to the Disclosure Dissemination Agent, MSRB or the Owner of any Bond designated for redemption, or any defect therein, shall not affect the validity of the proceedings for redemption of any other Bond. A certificate by the Registrar that notice of redemption has been given as provided in this section shall be conclusive as against all parties; and no Owner whose Bond is called for redemption or any other Owner of any Bond may object thereto or may object to the cessation of interest on the redemption date on the ground that he failed to actually receive such notice of redemption.

Notwithstanding the provisions of this section, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the

Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the Owners of the Bonds called for redemption in the same manner as the original notice of redemption was given.

Section 20. Negotiability. Subject to the registration provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code--Investment Securities, and each Owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code--Investment Securities.

Section 21. Registration, Transfer and Exchange of Bonds. Except as otherwise provided in Section 22 hereof:

A. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender of any Bond at the Registrar, or at such other office as may be designated by the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the Owner or attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations, as provided in Section 17 hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the Owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar shall require the payment by the Owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and shall charge a sum sufficient to pay the cost of preparing and authenticating a new Bond.

B. The Registrar shall not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds by the Registrar and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for redemption as herein provided.

C. The person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute Owner

thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the Owner thereof or legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the State may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

E. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or the Registrar to the Board upon request.

Section 22. Custodial Deposit.

A. Notwithstanding the foregoing provisions of Sections 17 to 21 hereof, the Bonds shall initially be evidenced by one or more Bonds for each year in which the series of Bonds mature in denominations equal to the aggregate principal amounts of the Bonds maturing in that year. Such initially delivered Bonds shall be registered in the name of "Cede & Co." as nominee for the Securities Depository. The Bonds may not thereafter be transferred or exchanged except:

- (1) to any successor of the Securities Depository; or
- (2) upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its functions, and the designation by the State of a new Securities Depository; or
- (3) upon the resignation of the Securities Depository or a determination by the State that the Securities Depository is no longer able to carry out its

functions, and the failure by the State, after reasonable investigation, to locate another qualified depository institution to carry out such depository functions; or

(4) upon determination by the Board that a book-entry only system of registration is not beneficial to the State and/or the Owners of the Bonds.

B. In the case of a transfer to a successor of the Securities Depository as referred to in clause (1) of Subsection A hereof or designation of a new Securities Depository pursuant to clause (2) of Subsection A hereof, upon receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity shall be issued to such successor or new Securities Depository, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) or (4) of Subsection A hereof, and receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in Authorized Denominations as provided in and subject to the limitations of Section 17 hereof, registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

C. The Registrar and the Paying Agent shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by a Securities Depository.

D. The State, the Registrar and the Paying Agent shall endeavor to cooperate with any Securities Depository in effectuating payment of the Bond Requirements of the Bonds by arranging for payment in such a manner that funds representing such payments are available to the Securities Depository on the date they are due.

E. Upon any partial redemption of any maturity of the Bonds, the Securities Depository in its discretion may request the State to issue and authenticate a new Bond or shall make an appropriate notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Paying Agent prior to payment.

Section 23. Execution and Authentication.

A. Prior to the execution of any Bond and pursuant to NRS 349.284, to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter

351, NRS, and to the Supplemental Bond Act, the Governor of the State, the State Controller, the Secretary of State and the State Treasurer (the "Governor," the "Controller," the "Secretary," and the "Treasurer," respectively) shall each file with the Secretary such officer's manual signature certified under oath.

B. Pursuant to NRS 349.282, the Bonds shall be approved, signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor, shall be countersigned and executed with the manual or facsimile signature of the Controller, and shall be countersigned, subscribed and executed with the manual or facsimile signature of the Treasurer. There shall be affixed on the Bonds the manual or facsimile impression of the great seal of the State, and each Bond shall each be attested, signed and executed with the manual or facsimile signature of the Secretary.

C. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form provided in Exhibit A, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds initially delivered pursuant to this Resolution, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.

Section 24. Use of Predecessor's Signature. The Bonds bearing the signatures of the officers in office at the time of their execution shall be the valid and binding obligations of the State, notwithstanding that before their delivery any or all of the persons who executed them shall have ceased to fill their respective offices. The Governor, the Controller, the Treasurer and the Secretary, at the time of the execution of a signature certificate relating to the Bonds, may each adopt as and for such officer's own facsimile signature the facsimile signature of such officer's predecessor in office if such facsimile signature appears upon any of the Bonds.

Section 25. Incontestable Recital. Pursuant to NRS 349.274, the Bonds shall contain a recital that they are issued pursuant to the Bond Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of their issuance.

Section 26. State Tax Exemption. Pursuant to NRS 349.354, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by

the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

Section 27. Bond Execution. The Governor, Controller, Treasurer and Secretary are authorized and directed to prepare and to execute the Bonds as provided above.

Section 28. Initial Registration. The Registrar shall maintain the registration records of the State for the Bonds, showing the name and address of each Bond authenticated and delivered, the date of authentication, the maturity of the Bond, and its interest rate, bond number and its principal amount.

Section 29. Bond Delivery. After such registration and after their execution and authentication as provided herein, the Treasurer or designee shall cause the Bonds to be delivered to the respective Purchaser thereof, upon payment being made in accordance with the terms of their sale.

Section 30. Bond Form. Subject to the provisions of this Resolution, the Bonds shall be in substantially the form attached hereto as Exhibit A, with such omissions, insertions, endorsements and variations as may be required by the circumstances, be required or permitted by this Resolution, or be consistent with this Resolution and necessary and appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto.

Section 31. Consolidated Bond Fund. Pursuant to NRS 349.236, payment of the Bond Requirements of the Bonds shall be made from the Consolidated Bond Fund of the State, under the provisions of NRS 349.080 through 349.140, except to the extent any provision is otherwise made for such payment by the Act or this Resolution.

Section 32. Revenues of the Project. Any money, except the proceeds of Taxes, received by the Treasurer from or in respect to the Project shall be deposited in the Bond Bank Fund, and applied in the manner and priority provided in Section 350A.190, Act. The Treasurer shall take whatever action may be necessary and appropriate to assure the prompt collection and deposit of the revenues of the Project.

Section 33. General Tax Levies. There shall be levied in each calendar year annually until all of the Bond Requirements of the Bonds shall have been fully paid, satisfied and discharged, a Tax on all property, both real and personal, subject to taxation within the

boundaries of the State, fully sufficient together with the revenue which will result from the application of the rate to the net proceeds of minerals, to pay and retire the Bonds, without regard to any statutory tax limitations now or thereafter existing, but subject to the limitations imposed by NRS 361.453, and by Section 2 of Article 10 of the Constitution of the State, and after there are made due allowances for probable delinquencies, except to the extent revenues, including without limitation revenues of the Project, are otherwise available.

Section 34. Budget Provisions. In the preparation of the budget for the State, the State Legislature shall first make proper provisions through the levy of sufficient Taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the State, including, without limitation, the Bonds subject to the limitations imposed by Section 2 of Article 10 of the Constitution of the State and by NRS 361.453, and the amount of money necessary for this purpose shall be a first charge against all revenues received by the State.

Section 35. Priorities for Bonds. As provided in NRS 361.463, in any year the total Taxes levied against the property in the State by all overlapping units within the boundaries of the State may exceed the limitation imposed by NRS 361.453 and it shall become necessary for that reason to reduce the levies made by any of those units, the reduction so made shall be in Taxes levied by such units (including, without limitation, the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The Taxes levied for the payment of bonded indebtedness and the interest thereon enjoy a priority over taxes levied by each such unit (including, without limitation, the State), for all other purposes where reduction is necessary in order to comply with the limitation imposed by NRS 361.453.

Section 36. Correlation of Levies. Such Taxes shall be levied and collected in the same manner and at the same time as other Taxes are levied and collected. The proceeds of Taxes levied to pay interest on the Bonds shall be kept by the Treasurer in a special account designated as the "State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D Tax Account--Interest," and the proceeds of Taxes levied to pay the principal of the Bonds shall be kept in a special account designated as the "State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No. 90) Series 2017D Tax Account--Principal." Such funds shall be used for no other purpose than the payment of interest on and principal of the Bonds, respectively, as the same become due.

Section 37. Use of General Fund. Any sums coming due on the Bonds at any time when there are on hand from such Taxes (and any other available moneys) insufficient funds to pay the same shall be promptly paid when due from general funds on hand belonging to the State, reimbursement to be made for such general funds in the amounts so advanced when the Taxes have been collected, pursuant to NRS 349.242.

Section 38. Use of Other Funds. Nothing in this Resolution prevents the State from applying any funds (other than Taxes) that may be available for that purpose to the payment of the Bond Requirements of the Bonds, including without limitation any funds described in the Act, and upon such payment, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to NRS 349.244.

Section 39. Legislative Duties. In accordance with NRS 349.238 through 349.244, it shall be the duty of the State Legislature, at the time and in the manner provided by law for levying other taxes of the State, if such action shall be necessary to effectuate the provisions of this Resolution, to ratify and carry out the provisions of this Resolution with reference to the annual levy and collection of such Taxes; and the State Legislature shall require the officers of the State to levy, extend and collect such Taxes in the manner provided by law for the purpose of creating funds for the payment of the Bond Requirements of the Bonds.

Section 40. Appropriation of Taxes. In accordance with NRS 349.248, there is specially appropriated the proceeds of such Taxes to the payment of the Bond Requirements of the Bonds; and such appropriations shall neither be repealed nor such Taxes postponed or diminished (except as otherwise expressly provided) until the Bond Requirements of the Bonds have been wholly paid.

Section 41. Use of Bond Proceeds. Pursuant to NRS 349.294, amounts received from the sale of the Bonds shall be deposited promptly by the Treasurer and shall be accounted for in the following manner and are hereby pledged for such purposes: the balance of the amounts received from the sale of the Bonds shall be credited to the Acquisition Account to be used to acquire the Project and to pay the costs of issuance of the Bonds.

Section 42. Investments. Pursuant to NRS 349.304, the Board hereby authorizes the Treasurer to cause to be invested and reinvested any proceeds of Taxes, pledged revenues and any proceeds from the issuance of the Bonds. Pursuant to NRS 349.304, except as it shall be required to pay the cost of the Project, any gain from the investment of any proceeds

of the Bonds credited to the Acquisition Account shall be deposited promptly upon its receipt to the Bond Bank Fund and applied as provided in NRS 350A.190.

Section 43. Use of Acquisition Account. The moneys in the Acquisition Account, except as otherwise expressly provided, shall be used and paid out solely for the purpose of paying the cost of the Project, including without limitation the purchase of the Municipal Securities related to the Project.

Section 44. Prevention of Bond Default. Except as otherwise expressly provided by this Resolution, the Treasurer shall use any Bond proceeds credited to an Acquisition Account, without further order or warrant, to pay the Bond Requirements of the related series of Bonds, as the same become due, whenever and to the extent moneys otherwise available therefor are insufficient for that purpose. The Treasurer shall promptly notify the Board of any such use. Any moneys so used shall be restored to such Acquisition Account from the first revenues thereafter received and available for such restoration.

Section 45. Sale of Municipal Securities. The Treasurer shall not sell any Municipal Securities purchased with proceeds of the Bonds unless and until the Bond Requirements of all the Bonds shall have been paid or duly provided for as described in Section 46.

Section 46. Defeasance. When all Bond Requirements of a Bond have been duly paid, the pledge and lien and all obligations hereunder with respect to such Bond shall thereby be discharged and such Bond shall no longer be deemed to be outstanding within the meaning of this Resolution. A Bond will be deemed to be paid when there has been placed in irrevocable escrow an amount sufficient (including the known minimum yield available for such purpose from Federal Securities, as defined in NRS 349.174, in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of such Bond, as the same become due to the final maturity thereof or upon any prior redemption date as of which the Board shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of such Bond for payment, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule then. The Federal Securities shall become due at or before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the State and the escrow agent at the time of the creation of the escrow or trust. For the purpose of this section

"Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the holder thereof. Upon direction of the Treasurer or designee, the Paying Agent shall mail written notice of the defeasance of any Bonds to the Owners of such Bonds at the addresses last shown on the registration records for such Bonds maintained by the Registrar.

Section 47. Tax Covenant. The State covenants for the benefit of the Owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the State, or any facilities financed or refinanced with the proceeds of the Bonds if such action or omission would (i) cause interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code or (ii) cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code. The foregoing covenant shall remain in full force and effect notwithstanding the defeasance of all of the Bonds until the date on which all obligations of the State in fulfilling the above covenant under the Code have been met.

Section 48. Modification, Alteration, Supplementation or Amendment of Resolution.

A. The Board may, from time to time, modify, amend, supplement or alter this Resolution without the consent of, or notice to any of the Owners of the Bond or the insurer of the Bonds, if any, for any one or more of the following purposes:

(1) to add to the agreements of the Board or the State contained in this Resolution, other agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the Board or the State;

(2) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Resolution, or in regard to matters or questions arising under this Resolution, as the Board may deem necessary or desirable and not inconsistent with this Resolution;

(3) to grant to or confer any additional rights, remedies, powers or authorities that may be lawfully granted to or conferred upon the Owners of the Bonds;

(4) to evidence the appointment of successors to any depositories, custodians, Paying Agent or Bond Registrar; or

(5) to make any other change which shall not have a material adverse effect on the interests of the Owners of the Bonds.

B. The Board may, from time to time, modify, amend, alter, or supplement this Resolution other than as provided in A above; provided that the Board shall give notice to the insurer of the Bonds, if any, and the Owners of the Bonds in the manner herein described and shall receive the written consent of the insurer of the Bonds, if any, or the Owners of not less than 51% of the Bonds then outstanding; provided, however, that no such supplemental proceedings shall:

(1) extend the maturity date or due date of any mandatory sinking fund redemption with respect to any Bond outstanding hereunder;

(2) reduce or extend the time of payment of the principal of, redemption premium or interest on any Bond outstanding hereunder;

(3) reduce any premium payable upon the redemption of any Bond hereunder or advance the date upon which any Bond may first be called for redemption prior to its stated maturity date;

(4) give to any Bond or Bonds a preference over any other Bond or Bonds; or

(5) reduce the percentage of Bonds the Owners of which are required to consent to any proceedings amending or supplementing the provisions hereof.

C. In the event that the Board intends to enter into or adopt any modification, alteration or amendment of this Resolution as described in B above, the Treasurer or designee shall mail, by registered or certified mail, to insurer of the Bonds, if any, and the Owners of the Bonds at their addresses as shown on the registration records maintained by the Registrar, a notice of such intention along with a description of such amendment or modification not less than 30 days prior to the proposed effective date of such amendment or modification. The consents of the insurer of the Bonds, if any, or the Owners of the Bonds need not approve the particular form of wording of the proposed amendment, modification or supplement, but it shall be sufficient if such consents approve the substance thereof. Failure of the insurer of the Bonds, if any, or the Owner of any Bond to receive the notice required herein shall not affect the

validity of any proceedings supplemental hereto if the insurer of the Bonds, if any, or the required number of Owners of the Bonds shall provide their written consent to such amendment or modification.

D. No such supplemental resolution which is described in B above shall become effective unless the insurer of the Bonds, if any, or Owners of at least 51% in aggregate principal amount of the Bonds then outstanding shall have filed with the Secretary of the Board within three (3) months after the date of adoption of such supplemental resolution properly executed instruments approving the adoption of such supplemental resolution, each such instrument to be accompanied by proof of insurance or ownership of the Bonds satisfactory to the Secretary to which such instrument refers.

E. Any supplemental resolution adopted and becoming effective in accordance with the provisions of this Section shall thereafter form a part of this Resolution and all conditions of this Resolution for any and all purposes, and shall be effective as to all Owners of Bonds then outstanding and no notation or legend of such modifications and amendments shall be required to be made thereon.

Section 49. Purchaser Not Responsible. The validity of the Bonds shall not be dependent on or be affected by the validity or regularity of any proceedings relating to the Project. The Purchaser and any Owner of the Bonds shall in no manner be responsible for the application or disposal by the State or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys described in this Resolution.

Section 50. Limitations upon Contract. The enforceability of the obligations of the State is subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the United States Constitution.

Section 51. Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Board shall reasonably determine that said Registrar or Paying Agent has become incapable of performing its duties hereunder, the Board may, upon notice mailed to each Owner of any Bond at such Owner's address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same institution serve as both Registrar

and Paying Agent hereunder, but the State shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

Any corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Registrar or Paying Agent under this Resolution, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in this Resolution to the contrary notwithstanding.

Section 52. Continuing Disclosure Undertaking. The State covenants for the benefit of the holders and beneficial owners of the Bonds to comply with the provisions of the Disclosure Dissemination Agreement, in substantially the form on file with the Secretary of the Board, to be executed by the Treasurer or designee, with any amendments deemed necessary by the Treasurer or designee, and delivered in connection with the delivery of the Bonds.

Section 53. Delegated Powers. The officers of the State are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

A. The printing of the Bonds, including a statement of insurance, if applicable;

B. The completion and execution of such certificates as may be reasonably required by the Purchaser relating, among other things, to the execution of the Bonds, the deposit of the Bonds with The Depository Trust Company, the tenure and identity of the officials of the Board and of the State, the delivery of the Bonds, the assessed valuation of the taxable property in and the indebtedness of the State, the receipt of the purchase price of the Bonds, the exemption of interest on the Bonds from gross income and alternative taxable income for federal income tax purposes, and, if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;

C. The execution of appropriate agreements with the Registrar and Paying Agent as to their services hereunder;

D. The assembly and dissemination of financial and other information concerning the State and the Bonds;

E. The preparation and circulation of a preliminary official statement, notice of sale and official statement for the Bonds in the forms specified by the Treasurer or designee. The Treasurer or designee is authorized to deem the official statement or the preliminary official statement to be a "final" official statement on behalf of the State for the purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended;

F. The completion and execution of the Certificate of the Treasurer and the Disclosure Dissemination Agreement; and

G. The issuance and sale of the Bonds pursuant to the provisions of this Resolution.

Section 54. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and the officers of the State, and otherwise taken by the State in connection with:

A. The Project; and

B. The issuance and sale of the Bonds, is ratified, approved and confirmed, including without limitation the preparation and distribution of a preliminary official statement and a final official statement relating to the Bonds and the supplement thereto and the convening of the meeting at which this Resolution is adopted.

Section 55. Additional Securities. The Board reserves the privilege of issuing additional general obligation securities authorized by law at any time or from time to time for any lawful purpose.

Section 56. Resolution Irrepealable. After any of the Bonds are issued, this Resolution shall constitute an irrevocable contract between the State and the Owner or Owners of the Bonds; and this Resolution, if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged except as this Resolution may be amended, modified, supplemented or altered pursuant to Section 48 hereof.

Section 57. Repealer. All bylaws, orders, resolutions, other instruments, or parts thereof, inconsistent with this Resolution are repealed to the extent of such inconsistency.

Section 58. Severability. If any section, subsection, 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, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 59. Effective Date. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED on September 12, 2017.

Chairman, State Board of Finance

Attest:

Secretary
State Board of Finance

EXHIBIT A
FORM OF BOND

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

UNITED STATES OF AMERICA

STATE OF NEVADA
GENERAL OBLIGATION (LIMITED TAX) BOND
{NEVADA MUNICIPAL BOND BANK PROJECT NO. 90}
SERIES 2017D

No. \$

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated as of</u>	<u>CUSIP</u>
	November 1, 20__	_____, 2017	

OWNER:

PRINCIPAL AMOUNT: DOLLARS

The State of Nevada (the "State") for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner, or registered assigns, the Principal Amount, on the Maturity Date (unless called for earlier redemption), and to pay interest thereon on May 1 and November 1 of each year, commencing on _____ 1, 20__ at the Interest Rate calculated on the basis of a 360 day year of twelve 30 day months, until the Principal Amount is paid or payment has been provided therefor. This Bond will bear interest from the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the date of this Bond. The principal of and redemption premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of the State's paying agent for the Bonds (as hereinafter defined), presently U.S. Bank, National Association (the "Paying Agent"), or at such other office as may be designated by the Paying Agent. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed by first-class mail to the person in whose name this Bond is registered in the registration records of the State maintained by the

State's registrar for the Bonds, presently U. S. Bank National Association (the "Registrar"), and at the address appearing thereon, as of the close of business on the 15th day of the calendar month preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid (or duly provided for) shall cease to be payable to the person who is the Owner as of the close of business on the Regular Record Date and shall be payable to the person who is the Owner as of the close of business on a Special Record Date for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owner by first-class mail not less than ten (10) days prior thereto. Alternative means of payment of interest may be used if mutually agreed to by the Owner and the Paying Agent, as provided in the resolution of the State board of Finance of the State (the "Board") authorizing the issuance of the Bonds and designated in Section 1 thereof as the "2017D Bond Bank Bond Resolution" (the "Resolution"), duly adopted by the Board prior to the issuance of the Bonds. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

This Bond is one of a series of bonds (the "Bonds"), of like tenor except as to number and denominations, issued pursuant to the Resolution.

[The Bonds are issuable solely as fully registered Bonds in denominations of \$5,000 each or any integral multiple thereof and are exchangeable for fully registered Bonds of the same maturity in equivalent aggregate principal amounts and in authorized denominations at the aforesaid office of the Registrar but only in the manner, subject to the limitations and on payment of the charges provided in the Resolution.

The Registrar will not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business fifteen (15) days before the day of the mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for prior redemption.

This Bond is transferable by the Owner in person or by such Owner's duly authorized attorney on the registration records kept by the Registrar upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered Bond of authorized denomination or denominations of the same

aggregate principal amount and maturity will be issued to the transferee in exchange for this Bond, subject to such terms and conditions, and on payment of the charges as set forth in the Resolution.] ¹

The State, the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute Owner hereof for the purpose of payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest.

[The Bonds shall not be transferable or exchangeable except as set forth in the Resolution.] ²

The Bonds are issued by the State, upon its behalf and upon its credit, for the purpose of paying, wholly or in part, the cost of the Nevada Municipal Bond Bank Project No. 90, under the authority of and in full compliance with the constitution and laws of the State, and pursuant to the Resolution. A copy of the Resolution is on file in the office of the Secretary of the Board of Finance, in Carson City, Nevada, for public inspection.

The Bonds, or portions thereof, will be subject to redemption prior to their respective maturities, at the option of the State, as provided in the Resolution

[Upon partial prior redemption of Bonds, Cede & Co., in its discretion, may request the Registrar to authenticate a new Bond or shall make an appropriate notation on this Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this Bond must be presented to the Paying Agent prior to prepayment.] ²

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the State or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.] ²

[Certain of the Bonds shall be subject to mandatory sinking fund redemption as provided in the Certificate of the Treasurer.] ³

In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar will, without charge to the Owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. Redemption shall be made upon not more than sixty (60) nor less than thirty (30) days prior notice as provided in the Resolution.

This Bond must be registered in the name of the Owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this Bond shall be valid unless made on the registration records maintained by the Registrar at its principal office, or such other office as may be designated by the Registrar, by the Owner or such Owner's attorney duly authorized in writing.

It is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the State in the issuance of this Bond; that the total indebtedness of the State, including that of this Bond, does not exceed any limit of indebtedness prescribed by the constitution or laws of the State; that provision has been made for the levy and collection of annual general (ad valorem) taxes sufficient to pay the principal of, redemption premiums, if any, and interest on this Bond when the same become due (except to the extent other funds are available therefor), subject to the limitations imposed by the constitution and statutes of the State; and that the full faith and credit of the State are hereby irrevocably pledged to the punctual payment of the principal of, redemption premiums, if any, and interest on this Bond according to its terms.

Reference is made to the Resolution and all modifications and amendments thereof, if any, to the act authorizing the issuance of the Bonds, i.e., Chapter 350A, Nevada Revised Statutes (the "Act"), and all laws amendatory thereof, to NRS 349.150 to 349.364, Nevada Revised Statutes, designated in NRS 349.150 thereof as the State Securities Law (the "Bond Act"), to Chapter 348, Nevada Revised Statutes (the "Supplemental Bond Act") and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the Bonds, the accounts, funds or revenues pledged, the terms and conditions upon which the Bonds are issued, and a statement of rights duties, immunities and obligations of the State, and the rights and remedies of the Owner of this Bond.

The Bonds are issued pursuant to the Act, the Bond Act, the Supplemental Bond Act, and all laws supplemental thereto; pursuant to NRS 349.274, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to NRS 349.354, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of Nevada Revised Statutes and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of Nevada Revised Statutes.

In accordance with NRS 349.252, no recourse shall be had for the payment of the principal of, redemption premium, if any, and interest on this Bond or for any claim based thereon or otherwise in respect to the Resolution, against any individual member of the Board, or any officer or other agent of the State, past, present or future, either directly or indirectly through the Board or the State, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

This Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the State, acting by and through the Board, has caused this Bond to be signed and executed in the name of and on behalf of the State with the manual or facsimile signature of the Governor of the State, to be countersigned with the manual or facsimile signature of the Controller of the State, and to be attested, signed and executed with the manual or facsimile signature of the Secretary of State; has caused the manual or facsimile impression of the great seal of the State to be affixed hereon; and has caused this Bond to be countersigned, subscribed and executed with the manual or facsimile signature of the State Treasurer; all as of the dated date above.

THE STATE OF NEVADA

(Manual or Facsimile Signature)
Governor of the State of Nevada

[MANUAL OR FACSIMILE SEAL]

Attest:

(Manual or Facsimile Signature)
Secretary of State

Countersigned:

(Manual or Facsimile Signature)
State Controller

Countersigned:

(Manual or Facsimile Signature)
State Treasurer

- 1 - Insert only if Bonds are delivered pursuant to Section 22A(A)(3) of this Resolution.
- 2 - Insert only if the Bonds are initially delivered to the Depository Trust Company pursuant to Section 22(A) of this Resolution.
- 3 - Insert only if the Certificate of the Treasurer designates any of the Bonds as term bonds.

[End of Form of Bond]

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION FOR BONDS]

Date of authentication and registration:

This is one of the Bonds described in the within mentioned Resolution, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

U.S. BANK NATIONAL ASSOCIATION
as Registrar

By: _____
Authorized Officer

[End of Form of Registrar's Certificate of Authentication for Bonds]

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address, including Zip Code, and Federal Taxpayer Identification or Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to transfer the within Bond on the records kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Form of Assignment]

[FORM OF PREPAYMENT PANEL]

The following installments of principal (or portions thereof) of this bond have been prepaid in accordance with the terms of the Resolution authorizing the issuance of this bond.

<u>Date of Prepayment</u>	<u>Maturity Principal</u>	<u>Principal Prepaid</u>	<u>Signature of Authorized Representative of DTC</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

[End of Form of Prepayment Panel]

STATE OF NEVADA)
) ss.
CARSON CITY)

I am the duly chosen and qualified Chief Deputy Treasurer of the State of Nevada (the "State"), and ex officio secretary of the State Board of Finance (the "Board"), and do hereby certify that:

1. The foregoing pages constitute a true, correct, complete and compared copy of the 2017D Bond Bank Bond Resolution, which resolution was passed and adopted by the Board at the duly held meeting of September 12, 2017 in the Old Assembly Chambers of the Capitol Building, Second Floor, 101 N. Carson Street, Carson City, Nevada 89701 and at 555 E. Washington Avenue, Las Vegas, Nevada (the "2017D Bond Bank Resolution").

2. The original of the 2017D Bond Bank Bond Resolution was signed by the chairman of the Board and authenticated by me as ex officio secretary of the Board, and was recorded in the minute book of the Board kept for that purpose in my office.

3. The following members of the Board, i.e.,

Governor:	Brian Sandoval
Treasurer:	Daniel M. Schwartz
Other Members:	David A. Funk
	Steve E. Martin

attended such meeting and voted in favor of the passage of the 2017D Bond Bank Bond Resolution.

4. All members of the Board were given due and proper notice of such meeting.

5. Pursuant to and in full compliance with NRS 241.020, written notice of such meeting was given at least three working days before the meeting:

(a) By giving a copy of the notice to each member of the Board;

(b) By posting a copy of the notice on the State Treasurer's website; on the official website of the State of Nevada pursuant to NRS 232.2175, at the principal office of the Board, or if there is no principal office, at the building in which the meeting was held, and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

- (i) Capitol Building
Carson City, Nevada,
- (ii) Blasdel Building
Carson City, Nevada,
- (iii) Legislative Building
Carson City, Nevada,

- iv) Nevada State Library
Carson City, Nevada,
- (v) Grant Sawyer Building
Las Vegas, Nevada,
- (vi) City Hall
Reno Nevada,
- (vii) City Hall
Elko, Nevada,
- (viii) City Hall
Henderson, Nevada; and

6. By giving a copy of the notice to each person, if any, who has requested notice of the meetings of the Board in the same manner in accordance with the provisions of Chapter 241 of NRS.

7. A copy of the notice so given is attached to this certificate as Appendix 1.

8. No other proceedings were adopted and no other action taken or considered at such meeting relating to the subject matter of the 2017D Bond Bank Bond Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand on September 12, 2017.

Secretary
State Board of Finance

APPENDIX 1

(Copy of Notice of Meeting)

RESOLUTION

A RESOLUTION DESIGNATED THE "2017E REVOLVING FUND MATCHING APPROVAL RESOLUTION"; APPROVING THE ISSUANCE OF THE STATE OF NEVADA, GENERAL OBLIGATION (LIMITED TAX) SAFE DRINKING WATER REVOLVING FUND MATCHING BONDS, SERIES 2017E.

WHEREAS, Nevada Revised Statutes ("NRS") 349.225 requires that the Board of Finance (the "Board") of the State of Nevada (the "State") approve the issuance of general obligation bonds of the State; and

WHEREAS, the Board has been advised that the State Treasurer, subject to the approval of the Board and at the direction of the State Administrator of the Division of Environmental Protection of the Department of Conservation and Natural Resources, will authorize the issuance of the State of Nevada, General Obligation (Limited Tax) Safe Drinking Water Revolving Fund Matching Bonds, Series 2017E in the maximum aggregate principal amount of \$6,600,000 (the "Bonds"); and

WHEREAS, the Board has received a copy of the order to be executed by the State Treasurer (the "Order") in substantially the form on file with the Secretary to the Board with such amendments as deemed necessary by the State Treasurer authorizing the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF FINANCE OF THE STATE OF NEVADA:

Section 1. This Resolution shall be known as the "2017E Revolving Fund Matching Approval Resolution."

Section 2. The Board and the officers of the State, including, but not limited to the State Treasurer or designee are authorized to take all actions necessary toward the issuance of the Bonds, including without limitation, the preparation and distribution of a preliminary official statement (and the deeming "final" thereof by the State Treasurer or designee), an official statement, a disclosure dissemination agreement and the completion and execution of the Order authorizing the issuance of the Bonds is hereby approved, authorized and confirmed.

Section 3. In order to permit the State to reimburse itself for prior expenditures from the proceeds of the Bonds, the Board hereby determines and declares as follows:

(a) The State reasonably expects to incur expenditures with respect to the project being financed with the proceeds of the Bonds prior to the issuance of the Bonds and to reimburse those expenditures from the issuance of the Bonds; and

(b) The maximum principal amount of the Bonds expected to be issued is \$6,600,000 for the Improvement Project as defined in the Order.

Section 4. The officers of the State and the Board are hereby authorized and directed to take all action necessary and appropriate to effectuate the provisions of this resolution, including without limitation, the execution and delivery of the Bonds.

PASSED, ADOPTED AND APPROVED on September 12, 2017.

Governor, Chairman
State Board of Finance

Secretary
State Board of Finance

STATE OF NEVADA)
) **ss.**
CARSON CITY)

I am the duly chosen and qualified Chief Deputy Treasurer of the State of Nevada (the "State"), and ex officio secretary of the State Board of Finance (the "Board"), do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution passed and adopted by the Board at its duly held meeting of September 12, 2017, in the Old Assembly Chambers of the Capitol Building, 101 N. Carson Street, Carson City, Nevada and at 555 E. Washington Avenue, Las Vegas, Nevada (the "Resolution").

2. The original of the Resolution was signed by the chairman of the Board and authenticated by me as secretary of the Board, and was recorded in the minute book of the Board kept for that purpose in my office.

3. The members of the Board listed below attended such meeting and voted in favor of the passage of the Resolution:

Governor:	Brian Sandoval
Treasurer:	Daniel M. Schwartz
Other Members:	David A. Funk Steve E. Martin

4. All members of the Board were given due and proper notice of such meeting.

5. Pursuant to NRS 241.020, written notice of such meeting was given at least three working days before the meeting:

(a) By giving a copy of the notice to each member of the Board;

(b) By posting a copy of the notice on the State Treasurer's website; on the official website of the State pursuant to NRS 232.2175, at the principal office of the Board; or if there is no principal office, at the building in which the meeting was held; and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

- (i) Capitol Building, Carson City, Nevada,
- (ii) Blasdel Building, Carson City, Nevada,
- (iii) Legislative Building, Carson City, Nevada,
- (iv) Nevada State Library, Carson City, Nevada,

- (v) Grant Sawyer Building, Las Vegas, Nevada,
- (vi) City Hall, Reno, Nevada,
- (vii) City Hall, Elko, Nevada,
- (viii) City Hall, Henderson, Nevada;

(c) By giving a copy of the notice to each person, if any, who had requested notice of the meetings of the Board in accordance with the provisions of Chapter 241 of NRS.

6. A copy of the notice so given is attached to this certificate as Appendix A.

7. No other proceedings were adopted and no other action taken or considered at such meeting relating to the subject matter of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand September 12, 2017.

Secretary
State Board of Finance

EXHIBIT A

(Attach Copy of Notice of Meeting)

RESOLUTION

A RESOLUTION DESIGNATED THE "2017F REVOLVING FUND MATCHING APPROVAL RESOLUTION"; APPROVING THE ISSUANCE OF THE STATE OF NEVADA, GENERAL OBLIGATION (LIMITED TAX) WATER POLLUTION CONTROL REVOLVING FUND MATCHING BONDS, SERIES 2017F.

WHEREAS, Nevada Revised Statutes ("NRS") 349.225 requires that the Board of Finance (the "Board") of the State of Nevada (the "State") approve the issuance of general obligation bonds of the State; and

WHEREAS, NRS 445A.155 requires that the Board certify that sufficient revenues will be available in the account to finance the construction of treatment works and the implementation of pollution control projects (the "Revolving Fund") created in NRS 445A.120, to pay the interest and installments of principal on any bonds issued pursuant to NRS 445A.155; and

WHEREAS, the Board has been advised that the State Treasurer, subject to the approval of the Board and at the direction of the State Director of the Department of Conservation and Natural Resources with the approval of the Director of the Office of Finance, Office of the Governor, will authorize the issuance of the State of Nevada, General Obligation (Limited Tax) Water Pollution Control Revolving Fund Matching Bonds, Series 2017F in the maximum aggregate principal amount of \$4,000,000 (the "Bonds"); and

WHEREAS, the Board has received a report illustrating the sufficiency of the revenues in the Revolving Fund to pay, when due, the interest and installments of principal on the Bonds; and

WHEREAS, the Board has received a copy of the order authorizing the issuance of the Bonds in substantially the form on file with the Secretary to the Board with such amendments as deemed necessary by the State Treasurer.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF FINANCE OF THE STATE OF NEVADA:

Section 1. This Resolution shall be known as the "2017F Revolving Fund Matching Approval Resolution."

Section 2. The Board and the officers of the State, including, but not limited to the State Treasurer or designee are authorized to take all actions necessary toward the issuance of the Bonds, including without limitation, the preparation and distribution of a preliminary official statement (and the deeming "final" thereof by the State Treasurer) and a final official statement, and the completion and execution of the order of the State Treasurer authorizing the issuance of the Bonds and the continuing disclosure agreement relating to the Bonds is hereby approved, authorized and confirmed.

Section 3. In order to permit the State to reimburse itself for prior expenditures from the proceeds of the Bonds, the Board hereby determines and declares as follows:

(a) The State reasonably expects to incur expenditures with respect to the project being financed with the proceeds of the Bonds prior to the issuance of the Bonds and to reimburse those expenditures from the issuance of the Bonds; and

The maximum principal amount of the Bonds expected to be issued is \$4,000,000 for the Improvement Project as defined in the Order.

Section 4. The Board hereby certifies that sufficient revenue will be available in the Revolving Fund to pay the interest on and installments of principal of the Bonds as they become due.

Section 5. The officers of the State and the Board are hereby authorized and directed to take all action necessary and appropriate to effectuate the provisions of this resolution, including without limitation, the execution and delivery of the Bonds.

PASSED, ADOPTED AND APPROVED on September 12, 2017.

Governor, Chairman
State Board of Finance

Secretary
State Board of Finance

STATE OF NEVADA)
) ss.
CARSON CITY)

I am the duly chosen and qualified Chief Deputy Treasurer of the State of Nevada (the "State"), and ex officio secretary of the State Board of Finance (the "Board"), do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution passed and adopted by the Board at its duly held meeting of September 12, 2017, in the Old Assembly Chambers of the Capitol Building, 101 N. Carson Street, Carson City, Nevada and at 555 E. Washington Avenue, Las Vegas, Nevada (the "Resolution").

2. The original of the Resolution was signed by the chairman of the Board and authenticated by me as secretary of the Board, and was recorded in the minute book of the Board kept for that purpose in my office.

3. The members of the Board listed below attended such meeting and voted in favor of the passage of the Resolution:

Governor:	Brian Sandoval
Treasurer:	Daniel M. Schwartz
Other Members:	David A. Funk
	Steve E. Martin

4. All members of the Board were given due and proper notice of such meeting.

5. Pursuant to NRS 241.020, written notice of such meeting was given at least three working days before the meeting:

(a) By giving a copy of the notice to each member of the Board;

(b) By posting a copy of the notice on the State Treasurer's website; on the official website of the State pursuant to NRS 232.2175, at the principal office of the Board; or if there is no principal office, at the building in which the meeting was held; and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

- (i) Capitol Building, Carson City, Nevada,
- (ii) Blasdel Building, Carson City, Nevada,

- (iii) Legislative Building, Carson City, Nevada,
- (iv) Nevada State Library, Carson City, Nevada,
- (v) Grant Sawyer Building, Las Vegas, Nevada,
- (vi) City Hall, Reno, Nevada,
- (vii) City Hall, Elko, Nevada,
- (viii) City Hall, Henderson, Nevada;

(c) By giving a copy of the notice to each person, if any, who had requested notice of the meetings of the Board in accordance with the provisions of Chapter 241 of NRS.

6. A copy of the notice so given is attached to this certificate as Appendix A.

7. A copy of the report illustrating the sufficiency of the revenues referenced in the Resolution is attached to this certificate as Exhibit B.

8. No other proceedings were adopted and no other action taken or considered at such meeting relating to the subject matter of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand on September 12, 2017.

Secretary
State Board of Finance

EXHIBIT A

(Attach Copy of Notice of Meeting)

EXHIBIT B

(Attach Copy of Sufficiency of Revenues Report)



NEVADA DIVISION OF ENVIRONMENTAL PROTECTION

STATE OF NEVADA
Department of Conservation & Natural Resources
Brian Sandoval, Governor
Bradley Crowell, Director
Greg Lovato, Administrator

July 31, 2017

James R. Wells, CPA
Director
Office of Finance, Office of the Governor
209 East Musser Street, Room 200
Carson City, Nevada 89701

Re: Proposed Bond for the Clean Water State Revolving Fund Program

Dear Mr. Wells:

The State of Nevada Division of Environmental Protection, Clean Water State Revolving Loan Fund must obtain approval from the Governor's Office of Finance before the State Treasurer can issue General Obligation Bonds of the State (NRS 445A.155).

Your approval is required before authorization of the State Treasurer to issue a State of Nevada General Obligation Water Pollution Control Revolving Fund Match Bond. The Program is requesting enough proceeds to match 20% of our expected \$20,000,000 in federal grants, totaling \$4,000,000, along with bond issuance costs estimated at \$60,000. The final amount and structure of the bond and cost of issuance will be determined closer to the sale date.

For the purpose of the State's affordability model, the bonds are considered self-supporting and paid with the pledged revenue of the State Revolving Fund (SRF) loan repayments. It is not part of the affordability study.

Attached is a financial model, which demonstrates the SRF's ability to pay the debt service on the proposed bonds, as well as the existing bonds of the Program. Additionally, a list of current borrowers and their credit ratings, along with pending loan applicants, are included. If you have any questions please contact: Daralyn Dobson, Administrative Services Officer III, Office of Financial Assistance at 901 S. Stewart Street, Suite 4001, Carson City, NV 89701. Her phone number is 775.687.9489. Her email is: ddobson@ndep.nv.gov .

Please indicate your approval by signing below and returning a copy of this letter to the State Treasurer and Daralyn.

Upon receipt of this letter, I authorize the State Treasurer to arrange the issuance of the bonds.

DEPARTMENT OF CONSERVATION & NATURAL RESOURCES

Approved and Authorized by: [Signature] for Bradley Crowell, Director James R. Lawrence, Deputy Director Date: 7/31/17

OFFICE OF FINANCE, OFFICE OF THE GOVERNOR

Approved and Authorized by: [Signature] James R. Wells, CPA, Director Date: 8/2/17

Attachments:

State of Nevada Clean Water Revolving Fund Loan Program
Debt Service Coverage Ratio
as of July 28, 2017

Fiscal Year	Period Earnings Available for Match Service			Period Earnings Available for Leverage Debt Service			Revolving Match Coverage	Current Match Coverage	Revolving Match Coverage	Beginning Retained Earnings	Beginning Cash Reserves	Leverage Debt Service	Current Leverage Coverage	Revolving Leverage Coverage
	Beginning Retained Earnings	Match Debt Service	Period Earnings Available for Match Service	Period Earnings Available for Leverage Debt Service	Leverage Debt Service	Current Leverage Coverage								
2018	18,006,047.02	602,750.00	5,411,539.33	24,168,954.03	7,034,363.70	38.85	8.98	38.85	37,988,156.76	24,168,954.03	7,034,363.70	3.44	8.84	
2019	22,814,836.35	1,749,900.00	6,119,765.93	25,178,574.10	7,344,925.00	16.54	3.50	16.54	1,269,573.76	25,178,574.10	7,344,925.00	3.43	3.60	
2020	27,184,702.28	1,698,500.00	5,865,539.61	26,252,920.49	7,331,675.00	19.46	3.45	19.46	6,395,093.93	26,252,920.49	7,331,675.00	3.58	4.45	
2021	31,351,741.89	1,646,300.00	5,503,287.37	26,464,398.23	7,136,175.00	22.39	3.34	22.39	17,399,299.81	26,464,398.23	7,136,175.00	3.71	6.15	
2022	35,208,729.26	1,025,000.00	5,111,007.27	26,079,884.06	3,441,000.00	39.34	4.99	39.34	32,870,535.67	26,079,884.06	3,441,000.00	7.58	17.13	
2023	39,294,736.53		4,744,739.71	25,766,986.25	3,473,100.00				51,429,168.29	25,766,986.25	3,473,100.00	7.51	22.32	
2024	44,039,476.24		4,389,792.92	21,039,052.28					69,291,212.64	21,039,052.28				
2025	48,429,269.16		4,048,340.82	19,452,249.19					90,668,405.97	19,452,249.19				
2026	52,477,609.98		3,749,775.66	18,079,142.25					107,659,117.43	18,079,142.25				
2027	56,227,385.64		3,458,701.14	17,438,781.10					123,361,590.96	17,438,781.10				
2028	59,686,086.78		3,178,969.24	17,491,695.94					137,982,032.07	17,491,695.94				
2029	62,865,056.02		2,895,327.37	16,395,729.10					152,241,843.93	16,395,729.10				
2030	65,760,383.39		2,602,872.10	15,109,883.73					166,838,212.50	15,109,883.73				
2031	68,363,255.49		2,329,995.74	12,070,116.02					180,631,069.50	12,070,116.02				
2032	70,693,251.23		2,081,701.96	11,040,172.23					193,410,957.49	11,040,172.23				
2033	72,774,953.19		1,890,142.46	9,999,355.69					203,399,371.55	9,999,355.69				
2034	74,665,095.65		1,724,796.45	8,133,412.67					216,662,042.48	8,133,412.67				
2035	76,389,892.10		1,576,313.70	7,059,401.54					220,823,960.56	7,059,401.54				
2036	77,966,205.80		1,459,007.62	5,652,528.20					227,381,059.53	5,652,528.20				
2037	79,425,213.42		1,371,669.41	3,251,418.23					232,981,453.45	3,251,418.23				
2038	80,796,882.83		1,299,837.92						237,262,312.24					

Notice:

The above coverage calculations were prepared by the Office of Financial Assistance with information known to the Office through the above date. Program and market conditions are subject to change continuously. The Office prepared this coverage ratio with the following assumptions:

1) Loans

- a) Cash needs for committed and future loans total \$72,248,494.44. \$69,97,674.28 are for interest bearing loans
- b) Forecasted Interest Bearing Loans assumed a 20 year maturity at 2.34% interest
- c) No allowance for default.

2) Bonds

- a) A new match bond issued at par on November 1, 2017 with a 5% interest over four (4) years. Proceeds to cover cost of issuance
- b) No new leverage bond
- c) Existing debt service included in coverage

Dan Schwartz
State Treasurer



STATE OF NEVADA
OFFICE OF THE STATE TREASURER

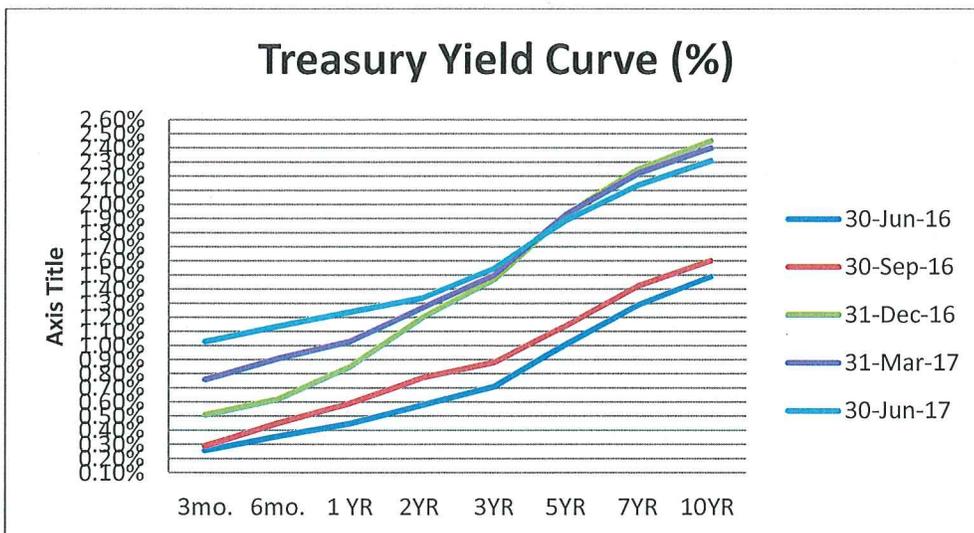
TO: Board of Finance (BoF) Members
FROM: Tara Hagan, Chief Deputy Treasurer
SUBJECT: 9_12_17 BoF Agenda Item #4– State Treasurer Investment Report
DATE: September 5, 2017

Agenda Item #4

Discussion and possible action (a) regarding the State Treasurer’s quarterly investment report for the quarter ending June 30, 2017 and (b) to approve or disapprove the Treasurer’s investment policies for the General Portfolio and the Local Government Investment Pool (LGIP).

Fixed Income Markets

Fixed income markets remained relatively calm in the second quarter with little change in rates and spreads. The Fed raised the Fed fund target rate to 1.25% at its June meeting as was widely expected. This is the third 25 basis point increase in the last seven months. The Treasury yield curve flattened, with short rates higher and longer-term yields lower. The 2-year Treasury increased in yield by 12 basis points to 1.38%, the 5-year note closed at 1.89%, and the 10-year declined by 8 basis points to 2.31%. Weak productivity data coupled with rising labor costs remain a concern in the US. However, inflation in both the US and Eurozone continued to slow after a series of higher prints in the first quarter of 2017. The US unemployment rate fell to a 16-year low of 4.3%, and non-farm payrolls only rose by a seasonally adjusted 138,000 new jobs in May.

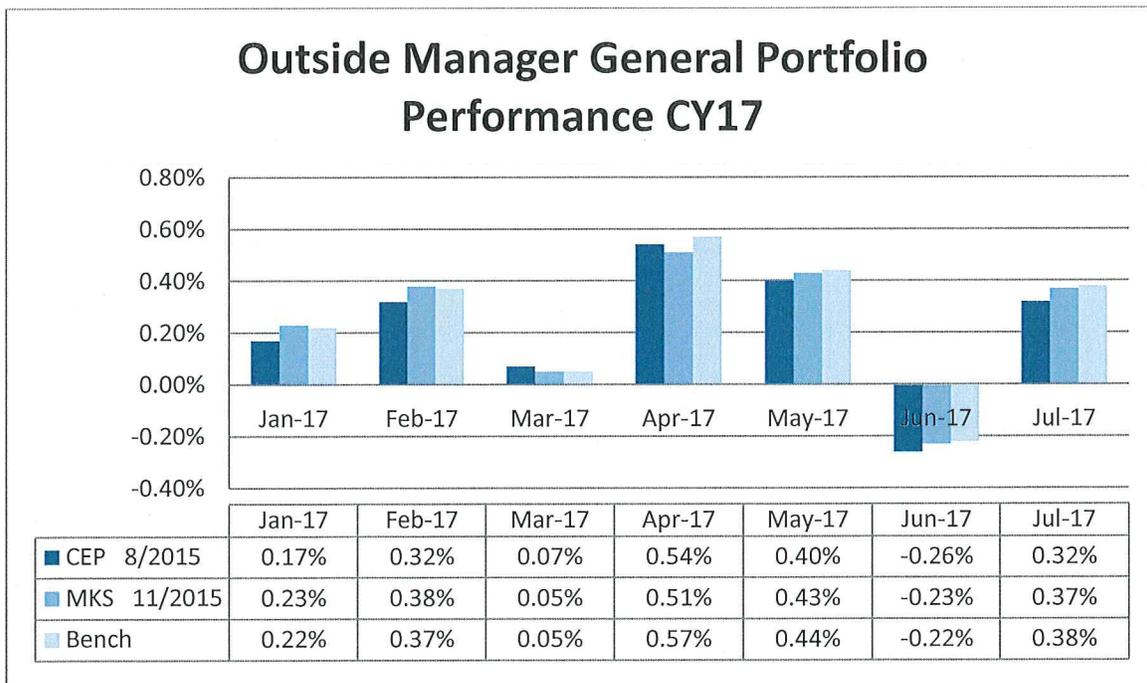


Current Performance:

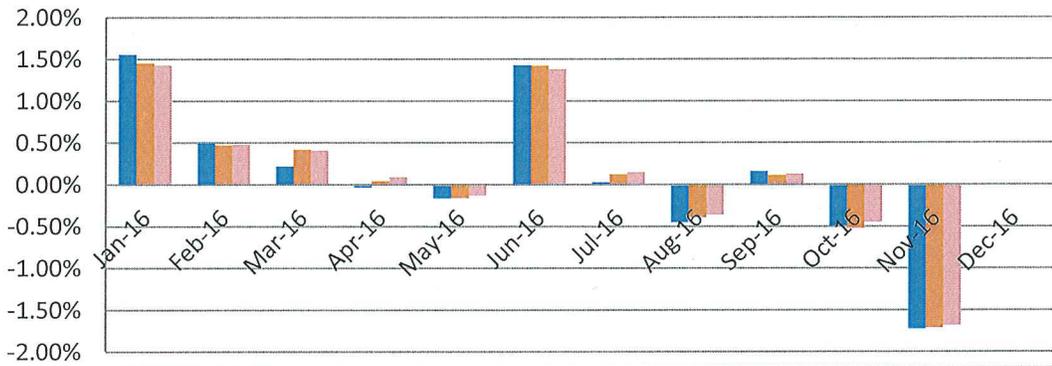
The attached reports indicate performance for the quarter ending June 30, 2017.

- FTN Financial began managing the LGIP portfolio in July 2015. The yield to maturity as of June 30, 2017 for LGIP assets was 1.092% which is 0.13% in excess of the benchmark return of 0.96%.
- The yield to maturity as of June 30, 2017 for total assets in the General Portfolio is 1.32%.
 - The yield to maturity of the internally managed portion of the General Portfolio was 1.137% which is 0.44% in excess of the custom blended benchmark return of 0.69%.
 - Chicago Equity Partners (CEP) began managing \$200 million in General Portfolio assets on September 1, 2015 with an additional \$25 million added in January 2016, \$40 million added in July and \$35 million in September for a total of \$300 million.
 - The year to date time weighted performance is 1.24%. As of June 30, 2017, CEP has distributed \$5.81 million in net interest since inception. The hard dollar fees paid since inception to CEP as of June 30, 2017 were \$616,248.
 - MacKay Shields (MKS) began managing \$200 million in General Portfolio assets on December 1, 2015 with an additional \$25 million added in January 2016, \$40 million added in July and \$35 million in September for a total of \$300 million.
 - The year to date time weighted performance is 1.39%. As of June 30, 2017, MKS has distributed \$4.32 million in net interest since inception. The hard dollar fees paid since inception to MKS as of June 30, 2017 were \$666,239.

Historical Performance Information

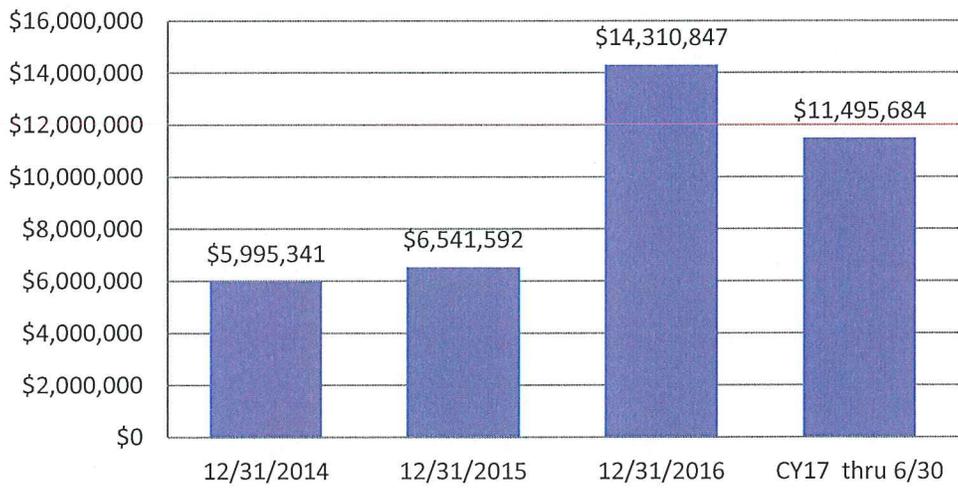


Outside Manager General Portfolio Performance CY16



	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
■ CEP 8/2015	1.56%	0.50%	0.22%	-0.03%	-0.16%	1.43%	0.03%	-0.45%	0.16%	-0.49%	-1.72%	0.01%
■ MKS 11/2015	1.45%	0.47%	0.42%	0.04%	-0.16%	1.42%	0.12%	-0.39%	0.11%	-0.52%	-1.71%	0.01%
■ Bench	1.43%	0.48%	0.41%	0.09%	-0.13%	1.38%	0.15%	-0.36%	0.13%	-0.45%	-1.68%	0.01%

General Portfolio Interest Distributed



Recommendation:

I respectfully request consideration and approval of the quarterly investment reports and the Treasurer's investment policies for the General Portfolio and the LGIP.



State Treasurer
www.NevadaTreasurer.gov

INVESTMENTS

GENERAL PORTFOLIO

FISCAL YEAR 2017

Period Ending

June 30, 2017

Overview

Investment of the State of Nevada General Fund Portfolio is a function performed by the State Treasurer, who, by the provisions of NRS 355, has adopted policies for the prudent and conservative investment of these funds. The Board of Finance shall review investment policies at least every three months and approve any changes. The General Portfolio encompasses governmental, proprietary, enterprise and fiduciary funds of the State. Investment objectives include safety of principal, portfolio liquidity and market return.

Investment Guidelines

The permissible investments of the General Portfolio include United States Treasury and Agency securities, repurchase agreements, high quality corporate notes and commercial paper, negotiable certificates of deposit, municipal bonds and banker's acceptances. These securities are diversified to prevent over-concentration in a specific maturity, a specific issuer, or a specific class of securities. The targeted duration of the portfolio is one and a half years, with no security extending longer than ten years.

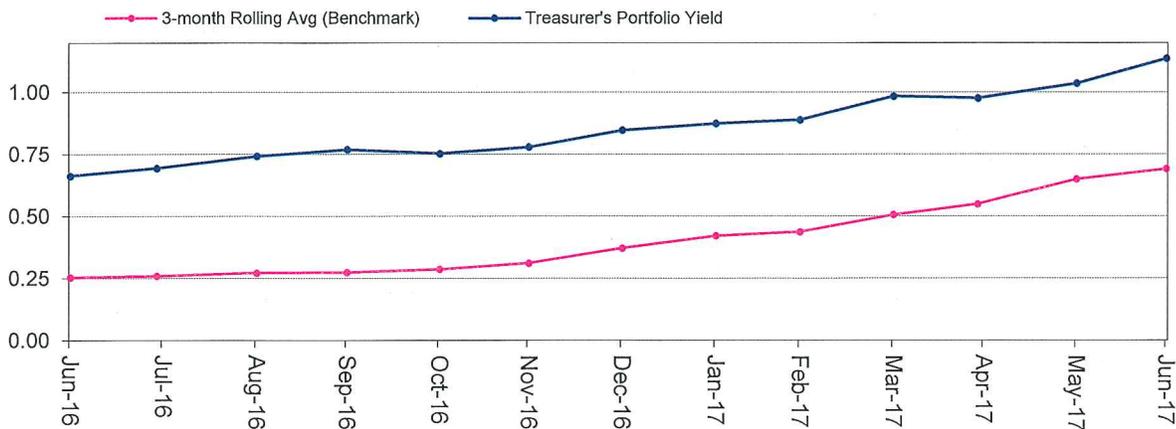
The State Treasurer maintains a conservative, moderately active investment strategy. Cash flow forecasts are prepared to identify operating cash requirements that can be reasonably anticipated. In order to maintain sufficient liquidity, a portion of the portfolio is structured so that securities mature concurrently with cash needs in the short and medium term. Monies deemed to have a longer investment horizon, are invested to take advantage of longer term market opportunities.

While the short term general fund and a portion of the longer term investments are managed in house by the Treasurer, two firms, Chicago Equity Partners and MacKay Shields have been hired to manage the bulk of the longer term general fund assets.

In House Performance

As of June 30, 2017, the yield to maturity as of June 30, 2017 on the portion assets managed in house was 1.137%. A three month rolling average of this benchmark for this period was 0.69% with a duration of 218 days. The duration of the in-house managed portfolio was .39 years or 144 days.

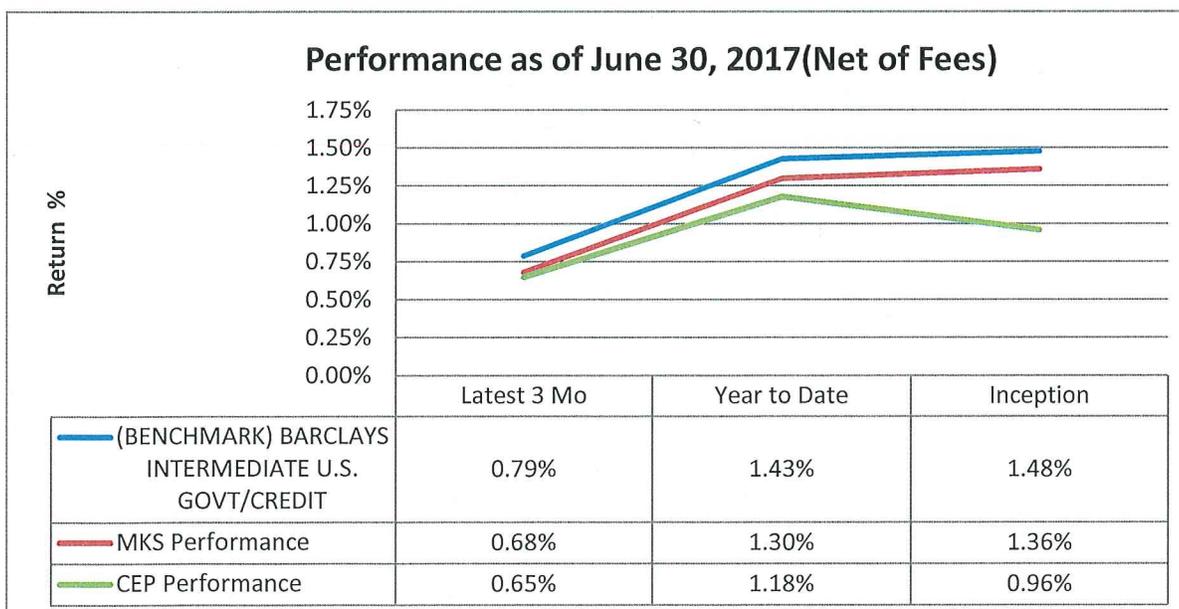
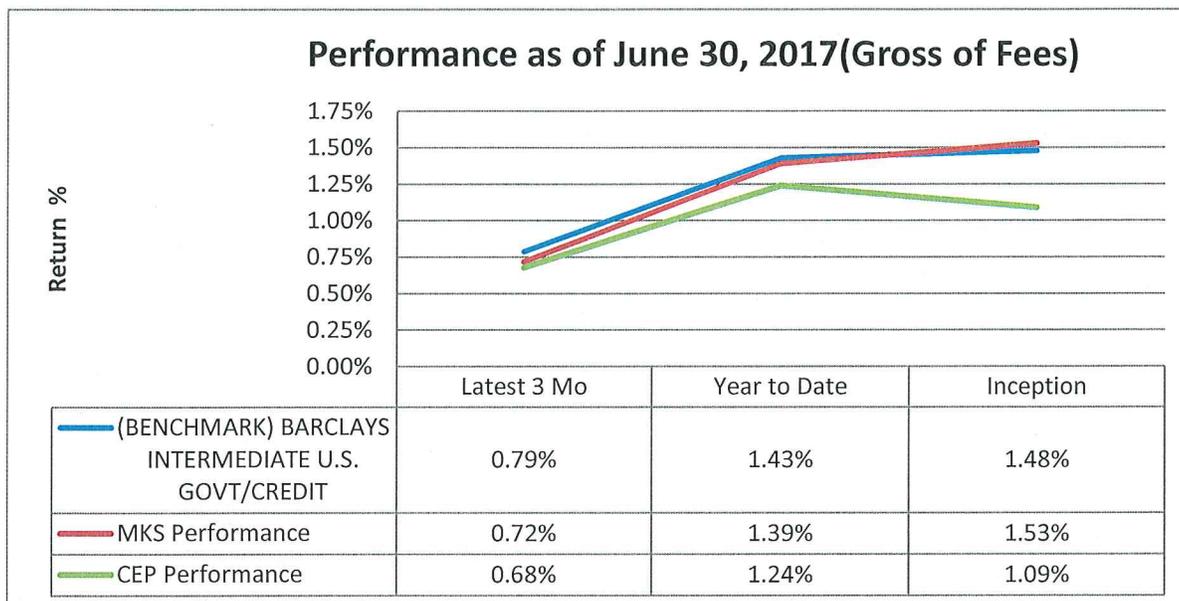
General Fund Performance vs. Benchmark



Outside Manager Performance

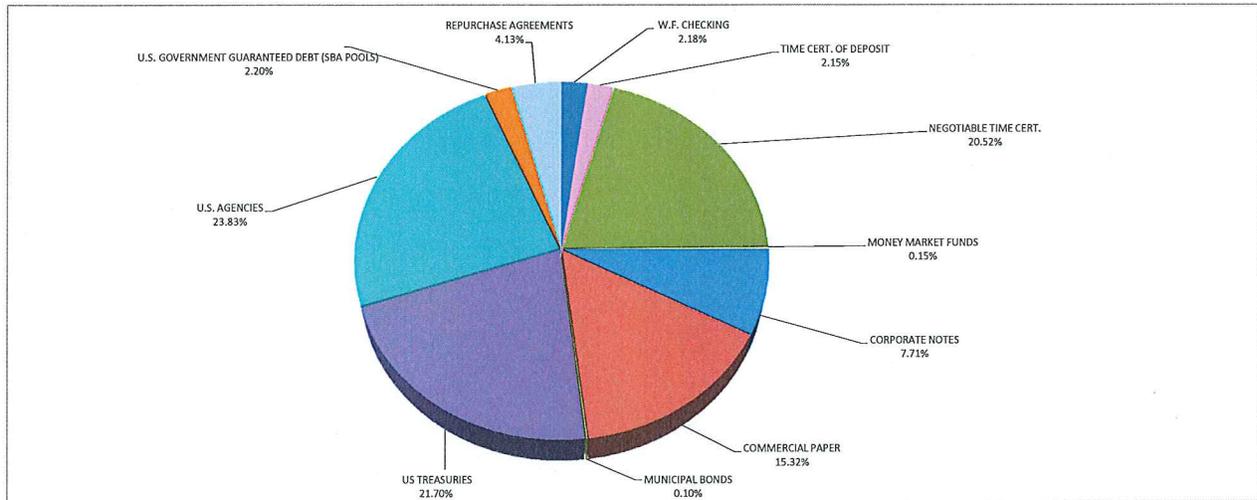
The performance since inception for period ending June 30, 2017 for manager Chicago Equity Partners (CEP) is 1.09% and for Mackay Shields (MKS) is 1.53%*. Both of these returns are based on time-weighted rate of return which is defined as the compounded growth rate of \$1 over the period being measured. These funds have been assigned the Bloomberg Barclays Intermediate A or better Government Credit benchmark. The benchmark as of June 30, 2017 was 1.48%. The Nevada statutory requirements prevent managers from investing in certain securities and fewer corporate notes which is the cause of the difference in manager performance versus the benchmark. *CEP inception date is September 2015 and MKS is December 2015.

Outside Managers' Performance vs. Benchmark



GENERAL PORTFOLIO
Amortized Book Value and Purchased Interest

	<u>June 30, 2017</u>			<u>March 31, 2017</u>		
	<u>Amortized Book Value</u>			<u>Amortized Book Value</u>		
	<u>Treasurer In-House</u>	<u>Chicago Equity Partners</u>	<u>Mackay Shields</u>	<u>Treasurer In-House</u>	<u>Chicago Equity Partners</u>	<u>Mackay Shields</u>
WASHINGTON FEDERAL CHECKING	\$ 50,774,756			\$ 50,681,251		
TIME CERTIFICATES OF DEPOSIT	50,000,000			50,000,000		
NEGOTIABLE CERTIFICATES OF DEP	477,000,000			455,004,829		
MONEY MARKET FUNDS	2,537,402	649,075	276,152	2,659,461	2,463,821	503,883
ASSET-BACKED SECURITIES	0			0		
MORTGAGE-BACKED SECURITIES	0			0		
CORPORATE NOTES	68,498,000	22,929,843	87,823,863	70,126,916	26,778,581	89,050,838
COMMERCIAL PAPER	356,000,000			380,218,091		
MUNICIPAL BONDS	2,350,000			45,329,733		
U.S. TREASURIES	30,000,000	263,266,334	211,183,137	15,063,836	248,862,072	208,720,854
U.S. AGENCIES	529,900,000	18,967,899	4,999,711	454,763,879	26,542,575	4,999,558
U.S. GOVERNMENT GUARANTEED D	51,119,194			60,741,270		
REPURCHASE AGREEMENTS	96,000,000			125,000,000		
TOTAL	\$ 1,714,179,352	\$ 305,813,150	\$ 304,282,863	\$ 1,709,589,265	\$ 304,647,049	\$ 303,275,133
GRAND TOTAL	\$	\$	\$ 2,324,275,365	\$	\$	\$ 2,317,511,447



YEAR-TO-YEAR BOOK VALUE AND PURCHASED INTEREST COMPARISON

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
TOTAL PORTFOLIO	\$2,324,275,365	\$2,109,761,842

State of Nevada
Office of the State Treasurer
Schedule of General Fund Interest Revenue

	Quarter Ended 09/30/2016	Quarter Ended 12/31/2016	Quarter Ended 03/31/2017	Quarter Ended 06/30/2017	FY 2017 Totals
<u>Average Daily Balances of Funds</u>					
General Fund	140,705,275	489,385,799	477,415,360	586,634,764	423,535,299
All Funds	2,166,844,878	2,257,249,472	2,362,951,352	2,561,552,289	2,337,149,498
<u>Annualized Interest Rate</u>					
Cash Basis (see Note 1)	0.7604%	0.6979%	0.7887%	1.0441%	0.8228%
Accrual Basis	0.7094%	0.6495%	0.7417%	0.9898%	0.7726%
<u>Interest Distribution for General Fund (Cash Basis)</u>					
General Fund Interest Collected	269,878	857,468	931,376	1,514,101	3,572,824
General Fund Interest Revenue - Distributed	269,878	857,468	931,376	1,514,101	3,572,824
Undistributed General Fund Interest Revenue	-	-	-	-	-
<u>Interest Distribution for All Funds (Cash Basis)</u>					
All Funds Interest Collected	4,104,544	3,963,396	4,610,083	6,610,071	19,288,094
All Funds Interest Revenue - Distributed	4,104,544	3,963,396	4,610,083	6,610,071	19,288,094

Note 1 Interest is distributed to statutorily approved funds and budget accounts based on the cash basis of accounting. Under the cash basis of accounting, earnings are distributed in the quarter received but not necessarily in the quarter they were earned. Therefore, some of the receipts included in the Actual General Fund interest collected line were actually earned in the prior period and some of the earnings included in the General Fund interest revenue - accrual basis line will not be collected until a subsequent period.



Overview

The State of Nevada Local Government Investment Pool (LGIP) was established as an alternative investment program to be utilized by local governments for their public funds. This program's operation is the responsibility of the State Treasurer who, by the provisions of state statute, has adopted guidelines for the prudent investment of these pooled funds. Any local government, as defined by NRS 354.474, may deposit its public monies into this fund for purposes of investment. As of June 30, 2017, there were 87 members of the LGIP, which includes cities, counties, school districts, and various special districts. The LGIP's foremost investment objectives include safety of principal, portfolio liquidity, and market return, which are consistent with a conservative, short duration portfolio.

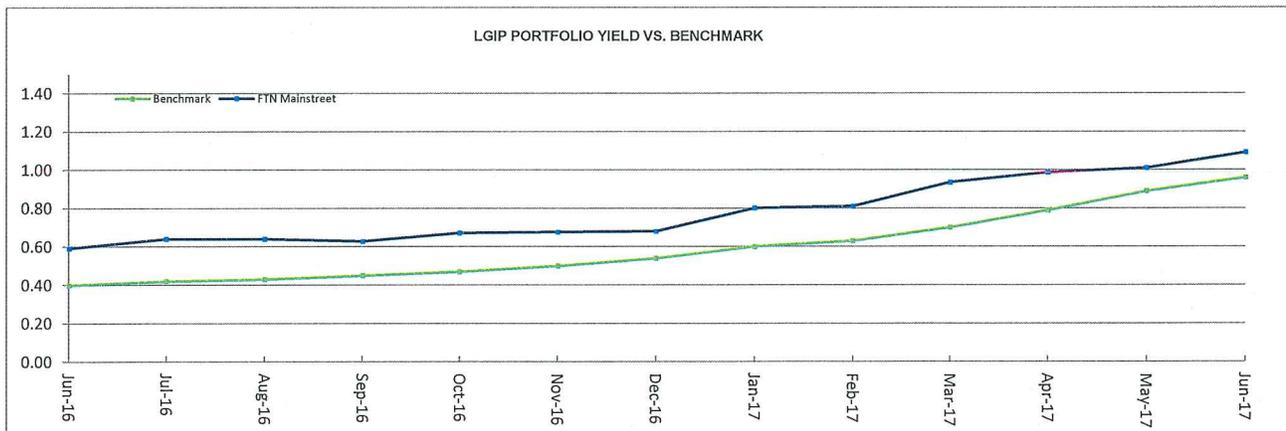
Investment Guidelines

The permissible investments of the LGIP include United States Treasury and Agency securities, repurchase agreements, high quality commercial paper, negotiable certificates of deposit, municipal bonds and banker's acceptances. These securities are diversified to prevent over-concentration in a specific maturity, a specific issuer, or a specific class of securities. The average maturity of the portfolio must not exceed 150 days, and no single security may be longer than two years.

The State Treasurer maintains a conservative investment strategy, which incorporates the matching of maturing securities to the cash needs of the participants. Approximately 20% of the fund matures on a daily basis, ensuring sufficient liquidity to meet both anticipated and unanticipated withdrawals. Additionally, at approximately 60% of the fund matures within 90 days, compared to the policy requirement of 50%. This requirement minimizes the risk that the market value of portfolio holdings will fall significantly due to adverse changes in general interest rates.

Performance

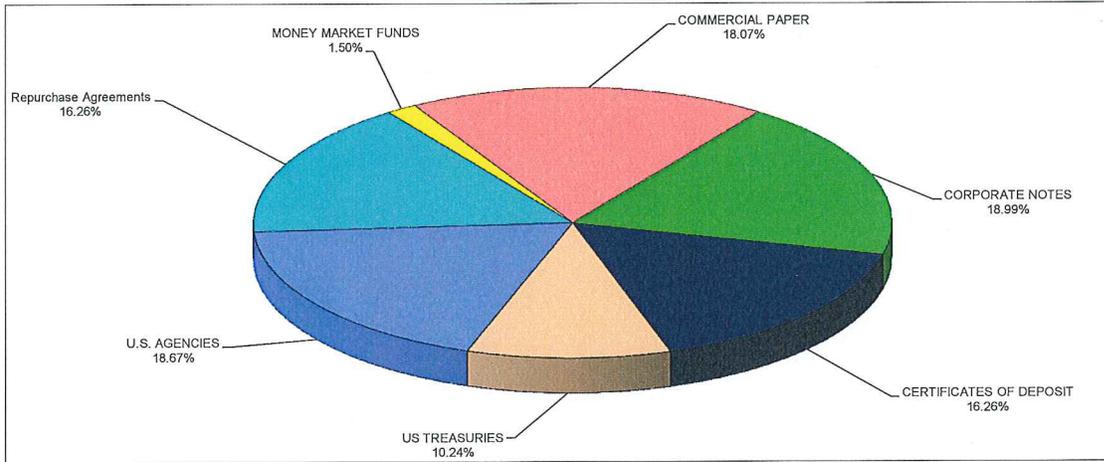
FTN Financial began managing the LGIP portfolio in July 2015. As of June 30, 2017, the yield to maturity on assets was 1.092% and the blended benchmark was 0.96%. The average duration of the LGIP portfolio was 130 days.



Administration

The State Treasurer has adopted an Investment Policy relating specifically to the LGIP. The State Board of Finance shall review and approve or disapprove the policies established by the State Treasurer for investment of money of the LGIP at least every four months. The State Treasurer hereby confirms all LGIP investments are in compliance with the Terror-Free Investment Policy and the Divestiture Policy. The State Treasurer may contract with an independent auditor to review LGIP transactions for accuracy and fairness in reporting.

	<u>June 30, 2017</u>		<u>March 31, 2017</u>	
	<u>Amortized Book</u>	<u>Purchased Interest</u>	<u>Amortized Book</u>	<u>Purchased Interest</u>
MONEY MARKET FUNDS	\$ 12,492,647		\$ 5,793,609	
COMMERCIAL PAPER	150,000,000		191,739,835	
CORPORATE NOTES	157,514,000	99,054	176,054,888	351,365
CERTIFICATES OF DEPOSIT	135,000,000		188,000,062	
MUNICIPAL BONDS				
U.S. TREASURIES				
NOTES	85,000,000	1,537	84,922,278	16,304
BILLS				
U.S. AGENCIES	155,000,000	20,222	172,910,639	361
ASSET-BACKED SECURITIES	-		-	
REPURCHASE AGREEMENTS	135,000,000		165,000,000	
TOTAL	<u>\$ 830,006,647</u>	<u>\$ 120,813</u>	<u>\$ 984,421,310</u>	<u>\$ 368,030</u>
GRAND TOTAL	<u>\$ 830,127,460</u>		<u>\$ 984,789,340</u>	



YEAR-TO-YEAR BOOK VALUE AND PURCHASED INTEREST COMPARISON

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
TOTAL PORTFOLIO	\$830,127,460	\$580,964,435