PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 5, 2009

NEW ISSUE
BOOK-ENTRY ONLY

RATINGS: S&P: "AA"
Moody's: "Applied For"
Fitch: "AA"
See "RATINGS"

In the opinion of Swendseid & Stern, a member in Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code") and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. See "TAX MATTERS."

$15,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX) MEDIUM-TERM BONDS
(MAIN STREET PARKING GARAGE)
SERIES 2009

Dated: Date of Delivery **Due: October 1, as shown below**

The Bonds are issued as fully registered bonds in denominations of $5,000, or any integral multiple thereof. The Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), securities depository for the Bonds. Purchases of the Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the Bonds. See "THE BONDS--Book-Entry Only System." The Bonds bear interest at the rates set forth below, payable on April 1, 2010, and semiannually thereafter on April 1 and October 1 of each year, to and including the maturity dates shown herein (unless the Bonds are redeemed earlier), to the registered owners of the Bonds (initially Cede & Co.). The principal of the Bonds will be payable upon presentation and surrender at the office of the City Treasurer, Las Vegas, Nevada, or any successor as the paying agent for the Bonds. See "THE BONDS."

MATURITY SCHEDULE*
(CUSIP© 6-digit issuer number: _______)

Maturing (October 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number	Maturing (October 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number
2011	$1,295,000				2016	$1,750,000			
2012	1,375,000				2017	1,860,000			
2013	1,460,000				2018	1,970,000			
2014	1,550,000				2019	2,095,000			
2015	1,645,000								

The Bonds are subject to redemption prior to maturity as described in "THE BONDS--Redemption Provisions." At the option of the winning bidder, the Bonds also may be subject to mandatory sinking fund redemption.

Proceeds of the Bonds will be used to: (i) acquire, construct, improve and equip a parking garage adjacent to Symphony Park in the City's downtown Office District; and (ii) pay the costs of issuing the Bonds. See "SOURCES AND USES OF FUNDS."

The Bonds constitute direct and general obligations of the City. The principal of and interest on the Bonds will be payable from all funds of the City legally available for the purpose of making such payment, and provisions of such payment will be made as provided in Nevada Revised Statutes 350.093 and 350.095. The full faith and credit of the City is pledged for the payment of principal and interest on the Bonds, subject to the limitations on the City's operating levies and on the aggregate amount of ad valorem taxes imposed by the constitution and laws of the State of Nevada. See "SECURITY FOR THE BONDS."

This cover page contains certain information for quick reference only. It is *not* a summary of the issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds are offered when, as, and if issued and accepted by the initial purchaser, subject to the approval of legality of the Bonds by Swendseid & Stern, a member in Sherman & Howard L.L.C., Las Vegas, Nevada, Bond Counsel, and the satisfaction of certain other conditions. Swendseid & Stern, a member in Sherman & Howard L.L.C. also has acted as special counsel to the City in connection with preparation of this Official Statement. NSB Public Finance, Las Vegas, Nevada, has acted as Financial Advisor to the City. Certain legal matters will be passed upon for the City by its City Attorney. It is expected that the Bonds will be available for delivery through the facilities of DTC, on or about October 27, 2009.*

*Subject to change.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, salesperson, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the City. The City maintains an internet website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

The information set forth in this Official Statement has been obtained from the City and from the other sources referenced throughout this Official Statement, which the City believes to be reliable. No guarantee is made by the City, however, as to the accuracy or completeness of information provided from sources other than the City. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized.

The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the City, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

This Official Statement has been prepared only in connection with the original offering of the Bonds, and not in connection with any subsequent sale or transfer of the Bonds, and may not be reproduced or used in whole or in part for any other purpose.

The Bonds have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. The Bonds have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document.

THE PRICES AT WHICH THE BONDS ARE OFFERED TO THE PUBLIC BY THE INITIAL PURCHASER (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE COVER PAGE HEREOF. IN ADDITION, THE INITIAL PURCHASER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE BONDS, THE INITIAL PURCHASER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CITY OF LAS VEGAS, NEVADA

MAYOR AND CITY COUNCIL
Oscar B. Goodman, Mayor
Gary Reese, Mayor Pro Tem
Stavros S. Anthony
Ricki Y. Barlow
Steven D. Ross
Lois Tarkanian
Steve Wolfson

CITY OFFICIALS
Elizabeth N. Fretwell, City Manager
Mark R. Vincent, Director of Finance and Business Services/City Treasurer
Bradford R. Jerbic, City Attorney

FINANCIAL ADVISOR
NSB Public Finance
Las Vegas, Nevada

BOND AND SPECIAL COUNSEL
Swendseid & Stern, a member in
Sherman & Howard L.L.C.
Las Vegas, Nevada

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NOTE: Tables marked with an (*) indicate Annual Financial Information to be updated pursuant to SEC Rule 15c2-12, as amended. See Appendix D - FORM OF CONTINUING DISCLOSURE CERTIFICATE.

OFFICIAL STATEMENT

$15,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX) MEDIUM-TERM BONDS
(MAIN STREET PARKING GARAGE)
SERIES 2009

INTRODUCTION

General

This Official Statement, including the cover page and the appendices, is furnished by the City of Las Vegas, Nevada (the "City" and the "State," respectively), to provide information about the City's $15,000,000 General Obligation (Limited Tax) Medium-Term Bonds (Main Street Parking Garage), Series 2009 (the "Bonds"). The Bonds will be issued pursuant to an ordinance (the "Bond Ordinance") adopted by the City Council of the City (the "City Council") on October 7, 2009. Capitalized terms used herein that are otherwise not defined have the meanings ascribed to them in the Bond Ordinance.

The offering of the Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement and the documents summarized or described herein. Detachment or other use of this "INTRODUCTION" without the entire Official Statement, including the cover page and the appendices, is unauthorized.

The Issuer

The City is the county seat of Clark County (the "County") and was incorporated in 1911. The City is located in the central portion of the County, which is the southernmost county in the State. According to State Demographer estimates, the City's population as of July 1, 2008 was approximately 593,528. See "THE CITY."

Authority for Issuance

The Bonds are being issued pursuant: to: Chapter 517, Statutes of Nevada 1983 (the "City Charter"); Nevada Revised Statues ("NRS") 268.672 to 268.740 (the "City Bond Law"); NRS 350.087 through 350.095, as amended; NRS 350.105 to 350.195, as amended (the "Bond Sale Act"); the Local Government Securities Law (NRS 350.500 through 350.720, as amended); and Chapter 348 of NRS; and pursuant to the Bond Ordinance.

Security

The Bonds constitute general obligations of the City. The principal of and interest on the Bonds (and any prior redemption premiums) (the "Bond Requirements") will be payable from all funds of the City legally available for the purpose of making such payment, and provision for such payment will be made as provided in NRS 350.093 and 350.095. The full faith and credit of the City is pledged for the payment of the Bond Requirements, subject to State statutory and constitutional limits on the City's operating tax levies and on the aggregate amount of ad valorem taxes imposed by the constitution and laws of the State, as described herein. See "SECURITY FOR THE BONDS." No funds of the City are specifically pledged to the payment of debt service on the Bonds.

Purpose

Proceeds of the Bonds will be used to: (i) acquire, construct, improve and equip a parking garage adjacent to Symphony Park in the City's downtown Office District (the "Project"); and (ii) pay the costs of issuing the Bonds. See "SOURCES AND USES OF FUNDS."

The Bonds; Redemption Provisions

The Bonds are issued solely as fully registered certificates in the denomination of $5,000, or any integral multiple thereof. The Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), the securities depository for the Bonds. Purchases of the Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the Bonds. See "THE BONDS--Book-Entry Only System." The Bonds mature and bear interest (calculated based on a 360-day year consisting of twelve 30-day months) as set forth on the cover page hereof. The payment of principal and interest on the Bonds is described in "THE BONDS--Payment Provisions."

The Bonds are subject to redemption prior to maturity at the option of the City as described in "THE BONDS--Redemption Provisions." At the option of the winning bidder, the Bonds also may be subject to mandatory sinking fund redemption. See the Official Notice of Bond Sale attached hereto as Appendix E.

Tax Matters

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds(the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. See "TAX MATTERS--Federal Tax Matters."

The Bonds also are free and exempt from taxation by the State or any subdivision thereof except for the taxes imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS. See "TAX MATTERS--State Tax Exemption."

Professionals

Swendseid & Stern, a member in Sherman & Howard L.L.C., Las Vegas, Nevada, has acted as Bond Counsel in connection with the Bonds and also has acted as special counsel to the City in connection with this Official Statement. Certain legal matters will be passed on for the City by its City Attorney. The financial advisor to the City in connection with the issuance of the Bonds is NSB Public Finance, Las Vegas, Nevada (the "Financial Advisor"). See "FINANCIAL ADVISOR." The audited basic financial statements of the City (contained in Appendix A to this Official Statement) include the report of KPMG LLP, certified public accountants, Los Angeles, California. See "INDEPENDENT AUDITORS." The City Treasurer, Las Vegas, Nevada will act as Registrar and Paying Agent for the Bonds (the "Registrar" and "Paying Agent").

Continuing Disclosure Undertaking

The City will execute a continuing disclosure certificate (the "Disclosure Certificate") at the time of the closing for the Bonds. The Disclosure Certificate will be executed for the benefit of the beneficial owners of the Bonds and the City will covenant in the Bond Ordinance to comply with its terms. The Disclosure Certificate will provide that so long as the Bonds remain outstanding, the City will annually provide information to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System (the "EMMA System") or any successor method designated by the Municipal Securities Rulemaking Board, in compliance with the Disclosure Certificate. The form of the Disclosure Certificate is attached hereto as Appendix D. The City has never failed to materially comply with any prior undertaking entered into pursuant to the Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

Forward-Looking Statements

This Official Statement, particularly (but not limited to) any statements referring to budgeted or anticipated or unaudited financial information for fiscal years 2009 and 2010, or future years, contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and actual results. Those differences could be materially adverse to the owners of the Bonds and could impact the availability of revenues to pay debt service on the Bonds.

Additional Information

This introduction is only a brief summary of the provisions of the Bonds and the Bond Ordinance; a full review of the entire Official Statement should be made by potential investors. Brief descriptions of the City, the Project, the Bonds, the Bond Ordinance and other documents are included in this Official Statement. All references herein to the Bonds, the Bond Ordinance and other documents are qualified in their entirety by reference to such documents. *This Official Statement speaks only as of its date and the information contained herein is subject to change.*

Additional information and copies of the documents referenced above are available from the City and the Financial Advisor:

City of Las Vegas
400 Stewart Avenue
Las Vegas, NV 89101
Attention: Director of Finance and Business Services
Telephone: (702) 229-6280

NSB Public Finance
230 Las Vegas Boulevard South, Suite 200
Las Vegas, NV 89101
Telephone: (702) 796-7080.

SOURCES AND USES OF FUNDS

Sources and Uses of Funds

The proceeds from the sale of the Bonds, together with other available moneys, are expected to be applied in the following manner:

Sources and Uses of Funds

	Amount
SOURCES:	
Principal amount of Bonds	
Plus/(less): net original issue premium/(discount)	
Total..	
USES:	
The Project..	
Costs of issuance (including underwriting discount)	
Total..	

Source: The Financial Advisor.

The Project

The Project consists of financing the cost to acquire, construct, improve and equip a City-owned parking garage located at 500 South Main Street (the "Main Street Garage") adjacent to Symphony Park in the City's downtown Office District. It will be used to provide parking in the Office District and also will provide parking for the Smith Center for the Performing Arts, which is being constructed by the Las Vegas Performing Arts Center Foundation to house the Nevada Ballet Theatre, the Las Vegas Philharmonic and touring Broadway shows and other productions. A pedestrian bridge spanning the existing Union Pacific Railroad tracks is planned to connect the Main Street Garage to the developments in Symphony Park, including the Smith Center and various other facilities.

The Main Street Garage is planned as a ramped parking garage with approximately 650 vehicle spaces with a retail/restaurant tenant space of approximately 3,500 square feet. The 310,000 square foot garage will be constructed through a design-build contract, with final design to be provided by the selected design-build team. As currently planned, the garage will be a five tier structure (ground level plus four elevated tiers, arranged in four bays across a 1.95 acre site. The garage will be served by three passenger elevators and will be provided with an automated fee collection system. The total cost of the Main Street Garage is expected to be $27.4 million, including land acquisition ($8.5 million) and the anticipated cost of construction ($18.9 million). These costs could change after selection of the design-build team. That cost does not include construction of the pedestrian bridge (approximately $2.3 million, of which $500,000 is expected to be paid from a federal grant). The remainder of the costs of the Project will be paid either from available funds or the proceeds of a future bond issue.

The City has engaged a garage planning consultant and geotechnical/environmental, electrical and structural engineers for the Project but has not yet selected a design-build team. The City expects to begin site demolition, utility vacations and other site preparation in October 2009 and begin the process of selecting a design-build team in the fall of 2009. Selection of the design-build team and the beginning of construction is anticipated to occur in January through April 2010.

THE BONDS

General

The Bonds will be issued as fully registered bonds in denominations of $5,000 and any integral multiple thereof. The Bonds will be dated and will bear interest and mature as set forth on the cover page of this Official Statement. The Bonds initially will be registered in the name of "Cede & Co.," as nominee for DTC, the securities depository for the Bonds. Purchases of the Bonds are to be made in book-entry only form. Purchasers will not receive certificates evidencing their beneficial ownership interest in the Bonds. See "Book-Entry Only System" below.

Payment Provisions

The Bonds shall bear interest from their date until their maturity date at the rates set forth on the cover page of this Official Statement (calculated on the basis of a 360-day year of twelve 30-day months), payable on April 1 and October 1 of each year commencing on April 1, 2010. The interest on any Bond shall be paid to the owner thereof by check or draft mailed 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 his or her address as shown on the registration records kept by the Registrar as of the close of business on the fifteenth day of the calendar month next preceding each interest payment date (other than a special interest payment date hereafter fixed for payment of defaulted interest) (the "Regular Record Date"); but any such 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 owner thereof, at his or her address, as shown on the registration records of the Registrar as of the close of business on a date fixed to determine the names and addresses of owners for the purpose of paying defaulted interest (the "Special Record Date"). Such Special Record Date and the date for payment of defaulted interest shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date and the date for payment of defaulted interest 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 of principal and interest shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Notwithstanding the foregoing, payments of the principal of and interest on the Bonds will be made directly to DTC or its nominee, Cede & Co., by the Paying Agent, so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursement of such payments to DTC's Participants (defined in Appendix B) is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners (defined in Appendix B) is the responsibility of DTC's Participants and the Indirect Participants (defined in Appendix B), as more fully described herein. See "Book-Entry Only System" below.

Redemption Provisions*

Optional Redemption of Bonds. The Bonds maturing on and after October 1, 2015, are subject to redemption prior to their respective maturities, at the option of the City, on October 1, 2014, and on any date thereafter, in whole or in part, at a redemption price equal to the principal amount so redeemed plus accrued interest thereon to the redemption date.

Partial Redemption. In the case of Bonds in 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 shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. In the case of a partial redemption of Bonds of a single maturity pursuant, the Paying Agent shall select the Bonds to be redeemed by lot at such time as directed by the City (but at least 30 days prior to the redemption date) and, if such selection is more than 60 days before a redemption date, shall direct the Registrar to appropriately identify the Bonds so called for redemption by stamping them at the time any Bond so selected for redemption is presented to the Registrar for stamping or for transfer or exchange, or by such other method of identification as deemed adequate by the Registrar, and any Bond or Bonds issued in exchange for, or to replace, any Bond or Bonds so called for prior redemption shall likewise be stamped or otherwise identified.

Notice of Redemption. Unless waived by any registered owner of a Bond to be redeemed, notice of redemption shall be given by the Registrar, in the name of the City, by mailing notice at least 15 days and not more than 60 days prior to the redemption date, by first class, postage prepaid mail, to the registered owners of the Bonds to be redeemed at their addresses as shown on the registration records. Failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bonds.

The notice shall be dated and shall state: (i) the CUSIP number or numbers of the Bonds to be redeemed, (ii) the redemption date, (iii) the redemption price, (iv) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed, (v) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and (vi) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registrar. After such notice has been given in the manner described above, the Bond or Bonds called for redemption shall become due and payable on the designated redemption date, and upon presentation and surrender thereof the City will pay the Bond or Bonds called for redemption. Installments of interest due on the redemption date shall be payable as herein provided for payment of interest.

Notwithstanding the provisions described above, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Registrar 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 is such funds are not available, such redemption shall be canceled

* Subject to change.

by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Tax Covenant

In the Bond Ordinance, the City 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 City or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The covenant described above shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the City in fulfilling the covenant under the Tax Code have been met.

Defeasance

When all Bond Requirements of any Bond have been duly paid, the pledge, the lien, and all obligations under the Bond Ordinance as to that Bond shall thereby be discharged and the Bond shall no longer be deemed to be outstanding within the meaning of the Bond Ordinance. There shall be deemed to be such due payment when the City has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal of and interest on which are unconditionally guaranteed by the United States ("Federal Securities") in which such amount may be initially invested wholly or in part) to meet all Bond Requirements of the Bond, as the same become due. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the City and the bank at the time of the creation of the escrow or trust, 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. For the purposes described above, "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof.

Replacement of Registrar and Paying Agent

If the Registrar or Paying Agent initially appointed under the Bond Ordinance resigns, or if the City Council shall reasonably determine that it is in the best interests of the City to replace said Registrar or Paying Agent, the City Council may, upon notice mailed to each owner of any Bond at his or her 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 City shall have the right to have the same institution serve as both Registrar and Paying Agent.

Book-Entry Only System

The Bonds will be available in book-entry form only. DTC will act as the initial securities depository for the Bonds. The ownership of one fully registered Bond for each maturity, as set forth on the cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee of DTC. See Appendix B - BOOK-ENTRY ONLY SYSTEM.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

None of the City, the Registrar or the Paying Agent will have any responsibility or obligation to DTC's Participants or Indirect Participants (defined in Appendix B), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the DTC Participants, the Indirect Participants or the beneficial owners of the Bonds as further described in Appendix B to this Official Statement.

DEBT SERVICE REQUIREMENTS*

The following table sets forth the estimated debt service requirements for the Bonds in each fiscal year.

Debt Service Requirements*

Fiscal Year(1)	Principal	Interest(2)	Total
2010	--	$ 385,000	$ 385,000
2011	--	900,000	900,000
2012	$ 1,295,000	861,150	2,156,150
2013	1,375,000	781,050	2,156,050
2014	1,460,000	696,000	2,156,000
2015	1,550,000	605,700	2,155,700
2016	1,645,000	509,850	2,154,850
2017	1,750,000	408,000	2,158,000
2018	1,860,000	299,700	2,159,700
2019	1,970,000	184,800	2,154,800
2020	2,095,000	62,850	2,157,850
Total	$15,000,000	$5,694,100	$20,694,100

(1) The City's Fiscal Year ends on June 30 of each calendar year shown.
(2) Assumes interest at rates estimated by the Financial Advisor.

Source: The Financial Advisor.

* Subject to change.

SECURITY FOR THE BONDS

General Obligations

General. The Bonds are direct and general obligations of the City, and the full faith and credit of the City is pledged for the payment of principal and interest, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes that may be levied and statutory limitations on the City's operating tax rate. See "PROPERTY TAX INFORMATION--Property Tax Limitations." The Bonds are a debt of the City payable from all legally available funds of the City. Provisions for the payment of principal and interest requirements on the Bonds will be made as provided in NRS 350.087 through 350.095.

The Bonds are payable by the City from any source legally available therefor at the times such payments are due. The City has covenanted in the Bond Ordinance that it will make sufficient provisions annually in its budget to pay the Bond Requirements of the Bonds, when due. The City also has covenanted in the Bond Ordinance that, if necessary, it will make proper provisions through the levy of sufficient ad valorem taxes for the retirement of the principal of and interest on the Bonds and any other outstanding indebtedness, subject to the limitations on the City's operating levies (described below) and on the aggregate amount of ad valorem taxes imposed by the constitution and laws of the State, and the amount of money necessary for that purpose shall be a first charge against all legally available revenues received by the City.

Current Operating Tax Rate Information. The ad valorem tax rate available to pay the Bonds is limited to the City's maximum operating levy and any legally available tax overrides. Those rates are calculated annually by the State Department of Taxation ("Taxation") as described in "PROPERTY TAX INFORMATION--Property Tax Limitations - Local Government Property Tax Revenue Limitation." The City's maximum allowed operating levy changes each year. The City's fiscal year 2009-10 operating levy is $0.6765 per $100 of assessed valuation; the maximum allowed operating levy for fiscal year 2009-10 was $0.9454 per $100 of assessed valuation. The City also imposes an "override" tax rate as approved by voters; however, moneys from that rate are not legally available to pay debt service on the Bonds. In the future, the City also may levy a tax rate for the payment of debt service on general obligation bonds; if levied, the moneys realized from that tax levy also will not be legally available to pay debt service on the Bonds. The ad valorem tax rate available to pay the Bonds is further limited by the limitation on the combined overlapping tax rate of $3.64 per $100 of assessed valuation. See "PROPERTY TAX INFORMATION--Property Tax Limitations."

Limitations on Aggregate Property Tax Rates. In addition, the constitution and laws of the State limit the total ad valorem property taxes that may be levied by all overlapping taxing units within each county (including the State, the County, the Clark County School District (the "School District"), any city, or any special districts) in each year. Those limitations are described in "PROPERTY TAX INFORMATION--Property Tax Limitations." In any year in which the total property taxes levied within the County by all applicable taxing units exceed such property tax limitations, the reduction to be made by those units must be in taxes levied for purposes other than the payment of their bonded indebtedness, including interest on such indebtedness. See "PROPERTY TAX INFORMATION--Property Tax Limitations."

Bond Ordinance Irrepealable

After any of the Bonds are issued, the Bond Ordinance shall constitute an irrevocable contract between the City and the owners of the Bonds; and the Bond Ordinance, 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.

Limitations on Remedies

No Acceleration. There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal of or interest on either series of the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

Bankruptcy and Police Power. The enforceability of the rights and remedies of the owners of the Bonds and the obligations incurred by the City in issuing the Bonds are subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings or the exercise of powers by the federal or State government (including the imposition of tax liens by the federal government), if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

THE CITY

General

The City is the county seat of the County and was incorporated in 1911. The City is located in the central portion of the County, which is the southernmost county in the State. According to State Demographer estimates, the City's population as of July 1, 2008 was approximately 593,528.

The City provides its citizens with fire protection, sewer collection and treatment, parks, streets, a municipal court and other general governmental services. The Las Vegas Metropolitan Police Department ("Metro"), a joint venture between the City and the County, provides police protection for the City. Metro's organization and financing arrangements are discussed in Appendix A. Electricity is provided by NV Energy (formerly Nevada Power Company, a stand-alone subsidiary of Sierra Pacific Resources) with headquarters in the City. Telephone service is provided by Embarq and gas and water services are provided by Southwest Gas Corporation and the Las Vegas Valley Water District, respectively.

Mayor and City Council

The governing body of the City is its City Council, which has all municipal powers except as limited by the City Charter, which is a special legislative enactment by the Legislature.

The City Council currently has seven members, six of whom are elected from wards and the mayor who is elected at large. All positions are for four-year terms, with the Mayor and three Council members being elected at one biennial election and the other three members being elected at the next succeeding biennial election. The Mayor or, in his absence, the Mayor Pro Tem presides at meetings of the City Council. All members of the City Council, including the Mayor and the Mayor Pro Tem have full voting powers. The procedures for actions taken by the City Council are prescribed in the City Charter, which include provisions for initiatives and referenda by citizens.

Information about the Mayor and the City Council members is set forth in the following table.

Name	Ward	Principal Occupation	Date of Election/ Appointment	Term Expires
Oscar B. Goodman, Mayor	At Large	Attorney	4/99	6/11
Gary Reese, Mayor Pro Tem	Ward 3	Barber Shop Owner/Operator	6/95	6/11
Steven Wolfson	Ward 2	Attorney	6/04	6/13
Lois Tarkanian	Ward 1	Educator/Public Service	2/05	6/11
Steven D. Ross	Ward 6	Electrical Contractor	7/05	6/13
Ricki Y. Barlow	Ward 5	Public Service	6/07	6/11
Stavros S. Anthony	Ward 4	Retired Police Officer	6/09	6/11

Administration

The City Manager is appointed by the City Council to serve at its pleasure. As the chief administrative officer of the City, the City Manager has the power and responsibility, among others, to exercise control over all the departments and divisions (other than the office of the City Attorney and City Auditor) of City government and over all of the officers and employees of the City. The other duties of the City Manager include preparation and submission to the City Council of the annual budget of the City, as well as to supervise and observe that all contracts of the City are faithfully kept and fully performed and to cause all legal proceedings to be instituted or defended at the expense of the City.

Information about the City Administrators most closely related to the financial management of the City and the issuance of the Bonds is set forth below.

Elizabeth N. Fretwell, City Manager. Ms. Fretwell was sworn in as City Manager on January 21, 2009. She joined the City in June 2000 as assistant city manager and was promoted to deputy city manager in March 2002. Ms. Fretwell has been involved in local government administration for nearly two decades. Prior to joining the City, she held the position of intergovernmental relations director for the City of Henderson, Nevada, and prior to that she worked for the County, where she was involved in extensive public policy and organizational analysis. She also served as a lobbyist at the Nevada State Legislature for two sessions, including acting as chief lobbyist in 1997. Currently, Ms. Fretwell serves as the president of the local Government Managers Association of Nevada and sits on the Nevada Public Employees' Retirement System (PERS) board and the International City/County Management Association Nominating Committee. She is a graduate of the University of Georgia with a bachelor of arts degree in political science and a master's degree in public administration.

Mark R. Vincent, Director of Finance and Business Services/City Treasurer. Mr. Vincent has been the City's Director of Finance and Business Services since February 1998, with the exception of a brief period beginning in December 2008 when he served as Acting Deputy City Manager until a permanent Deputy City Manager was hired. Prior to that time, he spent almost 17 years with several Department of Energy prime contractors; he was Treasurer and Director of Finance for EG&G Energy Measurements, Inc., Manager of the Finance and Management Control Department for EG&G Reynolds Electrical and Engineering Company, Inc., and Business Systems Manager for Bechtel Nevada, all of which were integrated contractors at the Nevada Test Site. Mr. Vincent, a certified public accountant in the State of Nevada since 1981, also worked for several national certified public accounting firms prior to his Nevada Test Site employment. Mr. Vincent was appointed to serve as member of the Nevada Public Employees' Retirement Board in April 2009, and was elected Vice-Chairman of the Board in July 2009. Mr. Vincent received a Bachelors Degree, with distinction, from the University of Nevada, Las Vegas in June 1978.

Bradford R. Jerbic, City Attorney. Mr. Jerbic was appointed City Attorney in August 1992. Mr. Jerbic was an Assistant United States Attorney from May of 1990 until his appointment as City Attorney. He also served as a Clark County Deputy District Attorney from March of 1986 to May of 1990 and clerked for United States District Court Judge Harry Claiborne from May of 1984 to March of 1986. Mr. Jerbic received a Bachelor of Arts degree from Pomona College in Claremont, California in 1980 and his law degree from Southwestern University School of Law in Los Angeles, California in May of 1984. Mr. Jerbic also worked as a Congressional Intern for Senator Howard W. Cannon in 1980 and is on the Board of Directors of IMLA, the International Municipal Lawyer Association.

Employee Relations, Benefits and Pension Matters

Employee Relations. As of September 5, 2009, the City had approximately 3,037 employees. Four labor associations representing five bargaining units represent employees of the City, including Fire Supervisory and Non-supervisory, Police Protective Association (PPA), Las Vegas Peace Officers Association (LVPOA) and the Las Vegas City Employees' Association (LVCEA). The Fire Non-Supervisory and Supervisory agreements will expire in June 2011 and June 2010, respectively. The LVPOA, LVCEA and PPA agreements will expire in June 2011. According to City staff, the relationship between the City and its employees is satisfactory.

Benefits. The City provides life insurance, health insurance, dental and vision insurance, long-term disability insurance, paid vacation, sick leave and holidays, and reimbursement for certain education expenses to its employees. See Note 18B in the audited financial statements attached hereto as Appendix A.

Pension Matters. The State's Public Employees' Retirement System ("PERS") covers substantially all public employees of the State, its agencies and its political subdivisions, including the City. PERS, established by the Legislature effective July 1, 1948, is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor for four-year terms.

All public employees who meet certain eligibility requirements participate in PERS, which is a cost sharing multiple-employer defined benefit plan. Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under PERS include pension benefits, disability benefits, and death benefits. Regular members of PERS are eligible for retirement benefits at age 65 with 5 years of service, at age 60 with 10 years of service or at any age with 30 years of service. Police and fire members are eligible for retirement benefits with 5 years of service at age 65, with 10 years of service at age 55, with 20 years of service at age 50, or at any age with 25 years of service.

PERS has an annual actuarial valuation showing unfunded liability and the contribution rates required to fund PERS on an actuarial reserve basis; however, actual contribution rates are established by the State Legislature. The most recent independent actuarial valuation report of PERS was completed as of June 30, 2008. At that time, PERS reported an unfunded accrued liability ("UAAL") of approximately $7.26 billion (an increase of approximately 13.0% from the prior year UAAL). The amortization method used for the unfunded actuarial liability is the year to year closed method, with each amortization period set at 30 years. The funded ratio for all members was 76.2% in 2008, a slight decrease from 77.2% in fiscal year 2007.

See Note 10 in the audited financial statements attached hereto as Appendix A for additional information on PERS. In addition, copies of PERS' most recent annual financial report, including audited financial statements and required supplemental information, are available from the Public Employees Retirement System of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599, telephone: (775) 687-4200.

Contribution rates to PERS are established by State statute. The statute allows for increases or decreases of the actuarially determined rate. Per the statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability. The City is obligated by State law to contribute all amounts due under PERS. For fiscal years 2006 and 2007, the contribution rate for regular members, based on covered payroll, was 19.75%, for judicial members the contribution rate was 22.5% and for police and firemen it was 32.0%. Beginning July 1, 2007, the contribution rate for regular members was 20.50%, for judicial members it was 23.5% and for police and firemen it was 33.50%. Effective July 1, 2009, the contribution rate increased to 21.50% for regular members and 37.0% for police and firemen.

The City's contribution to PERS for the years ended June 30, 2007, 2008 and 2009, were $48,432,866, $53,610,247 and $49,552,352 for 2009 (unaudited); those amounts were equal to the required contributions for each year.

Other Postemployment Benefits. The City also makes available certain post-retirement health insurance and other non-pension benefits ("OPEB") to employees who retire under PERS and elect to receive and pay for these benefits. Effective July 1, 2007, the City was required to implement Governmental Accounting Standards Board Statement No. 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* ("GASB 45"). GASB 45 addresses how the City should account for and report its costs related to OPEB. Historically, the City's subsidy was funded on a pay-as-you-go basis. GASB 45 requires the City to accrue the cost of the OPEB subsidy during the period of active employment (while the benefits are being earned) and disclose the unfunded actuarial accrued liability (the "UAAL") in order to accurately account for the total future costs of OPEB and the financial impact on the City. See Note 18(B)(1) for a detailed description of the City's OPEB plan, its funding policy, annual costs, and associated UAAL (including significant methods and assumptions of the actuarial valuation).

The City currently plans to establish a trust fund to account for its OPEB liability during fiscal year 2010. Currently, the City expects that once the trust is established, it will be managed by PERS. The City currently is exploring options for funding of the OPEB trust; the fiscal year 2010 budget anticipates a $5.5 million transfer from the General Fund to the Employee Benefit Internal Service Fund to start funding the OPEB liability. See "CITY FINANCIAL INFORMATION--Accounting for Liability Insurance and Employee Benefits - Employee Benefit Internal Service Fund." However, given the current economic climate the City is not able to predict what amount of funding will occur during fiscal years 2010 and 2011; further, the City is not able to predict when the OPEB trust will be fully funded.

CITY FINANCIAL INFORMATION

Annual Reports

General. The City's Director of Finance and Business Services prepares a comprehensive annual financial report ("CAFR") providing an overview of financial operations and changes in financial position of the County as of June 30 of each fiscal year. The latest audited report is for the year ended June 30, 2008. Those financial statements represent the City's most recent audited financial statements. Audited financial statements for prior years (and the City's CAFRs) may be obtained from the sources listed in "INTRODUCTION--Additional Information."

The audited basic financial statements attached hereto as Appendix A are derived from the CAFR, but they do not include all of the information contained in the CAFR, such as individual fund financial statements and statistical data. That information may be reviewed by reviewing the entire CAFR. The CAFR is the official financial report of the City. It was prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard setting body for governmental accounting and financial reporting. See Note 1 in the audited financial statements attached hereto as Appendix A for a description of the City's significant accounting policies.

Awards. The Government Finance Officer's Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2008. This is the 29th consecutive year that the City has received this recognition. A Certificate of Achievement is valid for a period of one year only.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report with contents conforming to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

Budgeting

Detailed requirements for the City's budget are set forth in State statutes. The City's budgeting process begins with City Council strategic planning sessions to determine if resources need realignment. That is followed with a series of reviews and analysis of budget requests submitted by various departments. The staff of the Financial Services Division, management of each department, the City Managers Office, and a Citizens' Priority Advisory Committee ("CPAC") are all involved to insure that the scope and quality of the services to be funded via the budget are aligned with the needs and desires of the community as reflected in the Strategic Plan, and that the expenditures required are within the resources available to the City. The CPAC is a seven-member body of Las Vegas residents who represent the Mayor and the six City Council wards. The Mayor and Council participate in an annual workshop designed to fine tune the resource alignment, and the final budget is approved and adopted by the City Council and filed with the City Clerk, the County Clerk, and Taxation by June 1 of each year.

Budgetary controls are maintained at the salary/benefits and services/supplies level by department. Additional controls consist of the following: (a) ongoing monitoring of vacant positions; (b) on-going monitoring of expenditures; and (c) monthly analysis of departmental cost versus budget trends. Revenue monitoring may lead to curtailment of certain expenditures such as new hires, travel or capital outlay. If new programs have been initiated or existing programs change, or if unanticipated revenue is realized, it may be necessary to realign or revise the budget. The City formalizes this procedure by preparing an augmented budget for the current year, which reflects both revenue and expenditure adjustments. Following a public hearing, the augmentation is filed with Taxation.

Accounting

The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are determined by GAAP and the number of individual funds established is determined by sound financial administration.

The City's records are maintained on a modified accrual basis for all governmental and fiduciary fund types. Accordingly, revenues are recognized when susceptible to accrual, i.e., both measurable and available. Expenditures, other than interest on long term debt, are recorded as liabilities when incurred. The accrual basis of accounting is utilized by all proprietary funds. A more detailed explanation of the basis of accounting for the various funds is included in the notes to the basic financial statements, located in Appendix A.

General Fund; Other Funds

General. The purpose of the general fund (the "General Fund") is to finance the ordinary operations of the City (including debt service to the extent that the portion of the ad valorem tax levy set aside for debt service is not sufficient to service general obligation debt) and to finance those operations not provided for in other funds. Included are all transactions related to the approved current operating budget, its accompanying revenue, expenditures and encumbrances, and its related asset, liability, and fund equity accounts.

Major General Fund Revenue Sources. For the bulk of its General Fund revenues, the City relies upon "intergovernmental revenues" comprised primarily of revenues derived from consolidated tax revenues, which are comprised primarily of sales taxes ("Consolidated Taxes") (approximately 49.2% of General Fund revenues in fiscal year 2007-08 and 45.3% of General Fund revenues in 2008-09 (unaudited)); other taxes, including property taxes (approximately 22.9% of General Fund revenues in fiscal year 2007-08 and 25.3% of General Fund revenues in 2008-09 (unaudited)); revenue from licenses and permits (approximately 16.4% of General Fund revenues in fiscal year 2007-08 and 16.5% of General Fund revenues in 2008-09 (unaudited)); and charges for services (approximately 5.5% of General Fund revenues in fiscal year 2007-08 and 6.3% of General Fund revenues in 2008-09 (unaudited)). Other sources of General Fund revenue are intergovernmental revenues (other than Consolidated Taxes), fines and forfeitures, interest income and miscellaneous revenues; none of these sources accounted for more than 5% of General Fund revenue in fiscal years 2007-08 or 2008-09 (unaudited).

General Fund Expenditures. The City's annual General Fund expenditures are dominated by the funding support of a variety of mandated functions. These include: public safety functions, including police, fire protection and corrections services (approximately 62.8% and 67.8% (unaudited), respectively, of fiscal year 2008 and 2009 General Fund expenditures);

general governmental services, including City Council, the City Manager, City Clerk, other executive functions and financial administration (approximately 17.1% and 10.8% (unaudited), respectively, of fiscal year 2008 and 2009 General Fund expenditures); culture and recreation (approximately 8.8% and 10.1% (unaudited), respectively, of fiscal year 2008 and 2009 General Fund expenditures); and judicial functions (approximately 5.1% in each of fiscal year 2008 and 2009 (unaudited) General Fund expenditures). Other General Fund functions include public works, health functions, economic development and transit system expenditures, none of which accounted for more than 5% of General Fund expenditures in fiscal year 2008 or 2009 (unaudited).

Other City Funds. As shown in Appendix A, the City has numerous other funds, the largest of which are the Capital Projects Funds, Enterprise Funds and Special Revenue Funds. Monies on deposit in the Capital Projects Funds are used for the acquisition or construction of major capital facilities. Monies on deposit in the Enterprise Funds are used for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

History of General Fund Revenues and Expenditures

General. The following table presents a five-year history of the revenues, expenditures and changes in fund balance for General Fund for the fiscal years ended June 30, 2005 through 2009 (unaudited). The information for fiscal years 2005 through 2008 was derived from the City's CAFR for each of those years. The unaudited information for fiscal year 2009 was provided by the City. The table also includes budgeted end information for fiscal year 2010. The information in this table is provided for informational purposes only and does not imply that all of the revenues shown below are legally available to pay debt service on the Bonds. The information in this table should be read together with the City's audited financial statements for the year ended June 30, 2008, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

General Fund - History of Revenues, Expenditures and Changes in Fund Balance

Fiscal Year Ended June 30,	2005 (Audited)	2006 (Audited)	2007 (Audited)	2008 (Audited)	2009 (Unaudited)(1)	2010 (Budget)
Revenues						
Taxes	$88,933,345	$97,321,755	$107,158,919	$116,574,425	$122,793,161	$117,072,525
Licenses and Permits	72,594,608	76,367,107	83,429,429	83,402,354	80,022,860	84,500,755
Consolidated Tax	238,040,861	264,253,250	263,249,775	250,913,934	219,964,997	214,600,000
Intergovernmental Revenue	4,972,874	4,865,533	4,824,574	4,698,027	4,707,290	4,361,602
Charges for Services	26,273,557	28,827,669	26,389,278	27,844,553	30,467,799	30,889,700
Fines & Forfeitures	14,183,123	15,176,504	16,406,342	18,038,379	21,737,862	24,176,456
Interest	1,179,134	1,821,731	3,316,456	3,711,593	3,549,942	3,303,671
Miscellaneous	1,622,350	1,806,073	3,354,725	4,622,848	2,587,177	3,703,323
Total Revenues	447,799,852	490,439,622	508,129,498	509,806,113	485,831,088	482,608,032
Expenditures (2)						
General Government	72,783,705	74,852,761	88,676,944	86,525,003	52,640,562	58,905,739
Judicial	20,399,312	22,487,538	25,109,315	25,930,320	24,919,957	26,049,421
Public Safety	247,324,992	270,656,064	298,908,798	317,165,831	329,703,608	340,671,524
Public Works	15,948,554	16,532,667	19,079,359	19,931,689	18,822,710	19,728,257
Health	2,362,824	2,535,095	2,589,911	2,717,579	3,477,422	4,201,244
Culture & Recreation	35,816,432	38,970,770	42,974,813	44,215,535	49,076,685	52,317,281
Economic Development	5,569,434	6,535,995	7,383,601	7,490,063	6,676,164	7,242,286
Transit System	1,546,852	1,289,948	1,270,899	1,290,881	1,256,555	1,166,058
Total Expenditures	401,752,105	433,860,838	485,993,640	505,266,901	486,573,663	510,281,810
Excess (deficiency) of revenues over expenditures	46,047,747	56,578,784	22,135,858	4,539,212	(742,575)	(27,673,778)
Other Financing Sources (Uses)						
Operating Transfers In	11,079,590	13,294,701	12,460,609	16,951,561	17,116,924	14,807,974
Operating Transfers Out	(45,529,341)	(46,707,972)	(42,904,257)	(14,083,884)	(20,203,004)	(18,163,540)
Sales of General Fixed Assets	--	257,229	--	--	--	--
Total	(34,449,751)	(33,156,042)	(30,443,648)	2,867,677	(3,086,080)	(3,355,566)
Net Changes in Fund Balance	11,597,996	23,422,742	(8,307,790)	7,406,889	(3,828,655)	(31,029,344)
Fund Balance, July 1 (3)	62,679,089	74,277,085	97,699,827	89,392,037	96,798,926	92,270,271
Fund Balance, June 30	$74,277,085	$97,699,827	$89,392,037	$96,798,926	$92,970,271	$61,240,927

(1) Unaudited year-end figures only. Subject to changes and adjustment as part of the audit process.
(2) Includes capital outlay expenditures as well as current expenditures in certain of the categories shown.
(3) The budgeted 2010 beginning fund balance has been adjusted to reflect the unaudited 2009 ending fund balance rather than the originally budgeted beginning fund balance.

Source: Derived from the City's CAFRs for fiscal years 2005-2008; from unaudited information provided by the City for fiscal year 2009; and from the City's final budget for fiscal year 2010.

As a result of the economic downturn, the decline in the housing market and the nation-wide credit crunch, the City realized reduced revenues in fiscal year 2009, particularly from consolidated tax revenues which are composed primarily of sales taxes. Consolidated tax revenues originally were budgeted at $242.1 million for fiscal year 2009; the City received approximately $220.0 million (unaudited) in consolidated tax revenues in fiscal year 2009. In response to declining revenues, the City Council implemented a budget cut of approximately $18.5 million in fiscal year 2008 and approximately $2.1 million in fiscal year 2009. The City also began implementing other special service review measures (and associated targeted program reductions) in 2009; those measures are expected to result in an additional $27.0 million of budget savings or deferrals (over all City funds) in fiscal year 2009. These measures resulted in 350 positions being closed or frozen. The City also has delayed capital improvement projects, implemented a voluntary separation program, and obtained small compensation package concessions from its unions. The City plans to hold non-critical vacancies open in order to save additional funds. The City Council also has approved certain triggers authorizing corrective actions; those triggers balance continued monitoring against continual adjustments for minor changes.

The City also created a Revenue Stabilization Fund (the "Stabilization Fund") totaling $50.5 million to provide for the stabilization of operations during periods of economic downturn or for the mitigation of the effects of disasters.

The fiscal year 2010 budget includes the effects of the actions taken in fiscal year 2009. Still, the final fiscal year 2010 a budget anticipated a 2.2% decline compared to fiscal year 2008 estimates, including transfers. Consolidated taxes are budgeted to decline; however, the 2010 budget anticipated that the five-year averaging formula employed by the State to distribute such revenues will dampen the immediate impacts of significant changes in the contributions to those tax bases.

The City has fiscal policies/strategies in place to provide long-term guidance in wise and prudent management of resources. The City also has in place budget policies to provide guidance more specific to the current economic condition of the City. Budget policies are presented to and discussed by the Citizens' Priority Advisory Committee during the budget process.

In adopting the fiscal year 2010 budget, the City Council authorized the temporary modification of certain budget policies in order to deal with current economic conditions. Appropriations for ongoing expenditures will exceed ongoing revenues in the fiscal year 2010 budget; the City has budgeted to draw down $31 million in fund balance. In addition, the fiscal year 2010 budget does not reflect expenditures at full cost; the City has allowed for an average 2% vacancy factor in personnel costs. In addition, the requirement that ending fund balance be maintained in an amount equal to at least 12% of operating revenues has been suspended; the requirement for fiscal year 2010 is 10%.

Investment Policy

The investment goal of the City is to maintain adequate cash availability to meet current obligations and invest excess monies at the maximum yield allowed, while assuring that the principal is protected from loss. Monies that are not required for immediate expenditures are invested within the guidelines of NRS Chapter 355, and City policy. See Note 4 in Appendix A for a more complete description of the City's investment practices.

Accounting for Liability Insurance and Employee Benefits

<u>Liability Insurance and Property Damage Internal Service Fund</u>. Prior to 2005, the City operated two self-insured programs for liability and property damage insurance purposes. The purpose of the Liability Insurance Fund was to pay for tort liability losses and avoid escalating premiums. The purpose of the Property Damage Insurance Fund was to cover damage and loss of City-owned assets. Beginning in 2006, the Liability Insurance Fund and the

Property Damage Insurance Fund were merged to form the Liability Insurance and Property Damage Internal Service Fund.

The following table presents information about the revenues, expenditures and fund balances for the Liability Insurance and Property Damage Internal Service Fund with the amounts in prior years adjusted to reflect the merger of the two funds. This information has been derived from the City's CAFRs for fiscal years 2005-2008, from unaudited fiscal year 2009 information provided by the City, and from the 2010 budget. The information in the table below does not conform to GAAP presentation, as all revenues (including operating revenues, nonoperating revenues and transfers) are included in the "Total Revenue" category.

Liability Insurance and Property Damage Internal Service Fund

Fiscal Year Ended June 30,	2005 (Audited)	2006 (Audited)	2007 (Audited)	2008 (Audited)	2009 (Unaudited)(1)	2010 (Budget)
Total Revenues	$2,283,121	$2,179,788	$3,668,135	$3,957,423	$3,585,064	$3,581,900
Total Expenditures	1,848,216	1,800,341	2,042,859	2,139,401	2,804,287	3,178,100
Net Income (Loss)	434,905	379,447	1,625,276	1,818,022	780,777	403,800
Operating Transfer Out (2)	--	--	--	--	(6,000,000)	--
Net Change in Fund Balance	434,905	379,447	1,625,276	1,818,022	(5,219,223)	403,800
Total Net Assets, Beginning (3)	7,966,875	8,401,780	8,781,227	10,406,503	12,224,525	7,005,302
Total Net Assets, Ending	$8,401,780	$8,781,227	$10,406,503	$12,224,525	$ 7,005,302	$7,409,102

(1) Unaudited year-end figures only. Subject to changes and adjustment as part of the audit process.
(2) Transfer to the Revenue Stabilization Fund established by the City in 2009.
(3) The budgeted 2010 beginning fund balance has been adjusted to reflect the unaudited 2009 ending fund balance.

Source: Derived from the City's CAFRs for fiscal years 2005-2008; from unaudited information provided by the City for fiscal year 2009; and from the City's final budget for fiscal year 2010.

See Note 18 in the audited financial statements attached hereto for a description of the City's risk management activities, including more specific information about the Liability Insurance and Property Damage Internal Service Fund.

Employee Benefit Internal Service Fund. Beginning 2006 the Workers' Compensation Insurance Fund and the Group Insurance Fund merged to form the Employee Benefit Internal Service Fund. State law requires that employees be covered for workers' compensation either through a self-insurance fund or through the Employers Insurance Company of Nevada. The City is self insured and utilizes an internal service fund to account for the activity. The purpose of the Employee Benefit Internal Service Fund is to provide employees and beneficiaries with compensation for industrial accidents and occupational diseases and to provide medical, dental, and vision services and other benefits to employees, their dependents and retirees.

The following table presents the revenues, expenditures and fund balance for the newly formed Employee Benefit Internal Service Fund with the amounts in prior years adjusted to reflect this merger. This information has been derived from the City's CAFRs for fiscal years 2005-2008, from unaudited information provided by the City for fiscal year 2009, and from the 2010 final budget. The information in the table below does not conform to GAAP presentation, as all revenues (including operating revenues, nonoperating revenues and transfers) are included in the "Total Revenue" category.

Employee Benefit Internal Service Fund

Fiscal Year Ended June 30,	2005 (Audited)	2006 (Audited)	2007 (Audited)	2008 (Audited)	2009 (Unaudited)(1)	2010 (Budget)
Total Revenues	$27,494,430	$32,111,119	$143,851,593	$161,380,977	$146,217,152	$156,543,760
Total Expenditures (2)	27,224,576	24,690,601	182,408,816	209,842,373	141,309,661	204,401,230
Net Income (Loss)	269,854	7,420,518	(38,557,223)	(48,461,396)	4,907,491	(47,857,470)
Operating Transfer Out (3)	--	--	--	--	(6,000,000)	--
Operating Transfer In (4)	--	--	--	--	--	5,500,000
Net Change in Fund Balance	--	--	--	--	(1,092,509)	(42,357,470)
Total Net Assets, Beginning (5)	14,978,889	15,248,743	22,669,261	(15,877,962)	(64,349,358)	(65,441,867)
Total Net Assets, Ending	$15,248,743	$22,669,261	$(15,877,962)	$(64,349,358)	$(65,441,867)	$(107,799,337)

(1) Unaudited year-end figures only. Subject to changes and adjustment as part of the audit process.
(2) In fiscal year 2007, includes a transfer out of $47,139,644 to compensate other funds in which compensated absences previously were recorded. In fiscal year 2007, the City changed the way that fringe benefits were charged to departments; instead of charging for each benefit separately, a fringe benefit rate was established. The rate is charge on all hours worked by an employee, includes employee leave accruals and varies depending on required retirement contributions and employee type (i.e., regular, public safety and hourly). The liability for all employee compensated absences now is included in this fund.
(3) Transfer to the Revenue Stabilization Fund created by the City in 2009.
(4) The 2010 budgeted transfer in reflects an initial transfer from the General Fund budgeted to begin funding the OPEB trust. See "THE CITY--Employee Relations, Benefits and Pension Matters Other Postemployment Benefits."
(5) The budgeted 2010 beginning fund balance has been adjusted to reflect the unaudited 2009 ending fund balance.

Source: Derived from the City's CAFRs for fiscal years 2005-2008; from unaudited information provided by the City for fiscal year 2009; and from the City's final budget for fiscal year 2010.

See Note 18 in the audited financial statements attached hereto for a description of the City's risk management activities, including more specific information about the Employee Benefit Internal Service Fund.

PROPERTY TAX INFORMATION

Property Tax Base and Tax Roll

General. The assessed valuation of property within the City for the fiscal year ending June 30, 2010, is $18,289,314,192 (excluding the assessed value of the Las Vegas Redevelopment Agency (the "Redevelopment Agency"), which represents a 26.8% decline from the assessed valuation calculated for the prior fiscal year. State law requires that the County Assessor reappraise, at least once every 5 years. all real and secured personal property (other than certain utility owned property which is centrally appraised and assessed by the Nevada Tax Commission). While the law provides that in years in which the property is not reappraised, the County Assessor is to apply a factor representing typical changes in value in the area since the preceding year, it is the current policy of the County Assessor to reappraise all real and secured personal property in the County each year. State law currently requires that property be assessed at 35% of taxable value; that percentage may be adjusted upward or downward by the State Legislature. Based upon the assessed valuation for fiscal year 2010, the taxable value of all taxable property within the City is $52,255,183,406. However, due to property tax abatement laws originally adopted in 2005 (described in "Required Property Tax Abatements" below), the amount of taxes that can be collected by taxing entities within the City is capped and likely will not change at the same rate as the assessed value.

"Taxable value" is defined in the statutes as the full cash value in the case of land and as the replacement cost less straight-line depreciation in the case of improvements to land and in the case of taxable personal property, less depreciation in accordance with the regulations of the Nevada Tax Commission but in no case an amount in excess of the full cash value. Depreciation of improvements to real property must be calculated at 1.5% of the cost of replacement for each year of adjusted actual age up to a maximum of 50 years. Adjusted actual age is actual age adjusted for any addition or replacement made which is valued at 10% or more of the replacement cost after the addition or replacement. The maximum depreciation allowed is 75% of the cost of replacement. When a substantial addition or replacement is made to depreciable property, its "actual age" is adjusted i.e., reduced to reflect the increased useful term of the structure. The adjusted actual age has been used on appraisals for taxes since 1986-87.

In Nevada, county assessors are responsible for assessments in the counties except for certain properties centrally assessed by the State, which include railroads, airlines, and utility companies.

Ad Valorem Property Tax Data

History of Assessed Value. The following table illustrates a history of the assessed valuation in the City.

History of Assessed Value

Fiscal Year Ended June 30	Total Assessed Value of City(1)	Percent Change
2005	$12,717,378,524	--
2006	16,477,557,041	29.6%
2007	22,028,939,538	33.7
2008	24,649,348,111	11.9
2009	24,992,555,583	1.4
2010	18,289,314,192	(26.8)

(1) Excludes the assessed valuation of the Redevelopment Agency in the following amounts: fiscal year 2005 - $359,413,153; fiscal year 2006 - $504,587,249; fiscal year 2007 - $862,249,961; fiscal year 2008 - $1,161,435,818; fiscal year 2009 - $1,469,871,296; and fiscal year 2010 - $1,591,243,676.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada Department of Taxation, 2004-05 through 2009-10.

City Property Tax Collections

In Nevada, county treasurers are responsible for collecting property taxes, and forwarding the allocable portions thereof to the overlapping taxing units within the counties.

Taxes on real property are due on the third Monday in August unless the taxpayer elects to pay in installments on or before the third Monday in August and the first Mondays in October, January and March of each fiscal year. Penalties are assessed if any taxes are not paid within 10 days of the due date as follows: 4% of the delinquent amount if one installment is delinquent, 5% of the delinquent amount plus accumulated penalties if two installments are delinquent, 6% of the delinquent amount plus accumulated penalties if three installments are delinquent, and 7% of the delinquent amount plus accumulated penalties if four installments are delinquent. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest at the rate of 10% per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien and assessments by local governments for improvements to the property.

A history of the County's net tax roll collection record appears in the following table. *This table reflects all amounts collected by the County, including amounts levied by the City, the County, the School District, the other cities within the County and certain special taxing districts. The figures in the following table include property taxes that are not available to pay debt service on the Bonds.* The table below provides information with respect to the historic collection rates for the County and the City, but may not be relied upon to depict the amounts of ad valorem property taxes available to the City in each year. There is no assurance that collection rates will be similar to the historic collection rates depicted below.

Property Tax Levies, Collections and Delinquencies - Clark County, Nevada(1)

Fiscal Year Ending June 30	Net Secured Roll Tax Levy	Current Tax Collections	% of Levy (Current) Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections as % of Current Levy(2)
2005	$1,449,273,775	$1,439,911,686	99.35%	$ 9,317,091	$1,449,227,499	100.00%
2006	1,639,434,887	1,632,191,297	99.56	7,175,577	1,639,366,258	100.00
2007	1,927,425,762	1,909,964,723	99.09	16,747,770	1,926,674,513	99.96
2008	2,179,996,043	2,144,481,519	98.37	27,387,552	2,170,404,494	99.55
2009	2,358,212,711	2,310,905,968	97.99	10,327,972	2,321,233,940	98.43
2010(3)	2,280,402,074	595,592,207	26.12	--	595,592,207	26.12

(1) Subject to revision. Represents the real property tax roll levies and collections.
(2) Figured on collections to net levy (actual levy less stricken taxes). In 2009, the total does not include any delinquent tax collections since those amounts are still being collected.
(3) As of August 31, 2009.

Source: Clark County Treasurer's Office.

Largest Taxpayers

The following table represents the ten largest property-owning taxpayers in the City based on fiscal year 2009-2010 assessed valuations. The assessed valuations in this table represent both the secured tax roll (real property) and the unsecured tax roll (personal property). No independent investigation has been made of, and consequently there can be no representation as to, the financial conditions of the taxpayers listed, or that any such taxpayer will continue to maintain its status as a major taxpayer based on the assessed valuation of its property in the City.

Recently published news stories have indicated that several of the taxpayers in the following list, including Station Casinos Incorporated, General Growth Properties and certain Focus Property Group entities, are facing financial difficulties of varying severity. It is not possible to predict the extent of such difficulties or what effect they may have upon the timely payment of property taxes in the future.

City of Las Vegas - Ten Largest Taxpayers
(Fiscal Year 2008-09)

Taxpayer	Type of Business	Assessed Value	% of Total Assessed Value(1)
General Growth Properties (2)	Retail/Shopping Malls/Developer	$974,438,228	3.90%
Focus Property Group	Developers	317,558,521	1.27
World Market Center Las Vegas	Retail Center	227,602,338	0.91
Station Casinos Incorporated (3)	Hotels/Casinos	153,808,993	0.62
Boyd Gaming Corporation	Hotels/Casinos	153,323,291	0.61
Goldman-Sachs Group Incorporated	Hotels/Casinos	138,681,611	0.55
Universal Health Services Incorporated	Health Care	118,247,831	0.47
Camden Property Trust	Apartments	115,702,964	0.46
Marriott International	Hotels/Casinos	84,608,065	0.34
Landry's Restaurants Incorporated	Restaurants/Hotel/Casino	79,939,850	0.32
TOTAL		$2,363,911,692	9.46%

(1) Based on the City's fiscal year 2009 assessed valuation of $24,992,555,583.
(2) On April 16, 2009, General Growth Properties filed for Chapter 11 bankruptcy protection on behalf of the parent company, subsidiaries owning approximately 166 regional shopping centers and certain other subsidiaries of General Growth Properties. According to public statements made by General Growth Properties, General Growth Properties' retail centers, office properties and master planned communities will remain open for business and continue operating. It is not possible to predict what impact the bankruptcy filing will have on General Growth Properties or its subsidiaries in the future. General Growth Properties is the owner of the Meadows Mall in the City. To date, it has paid its property taxes in a timely manner. General Growth Properties also owns the Howard Hughes Corporation, the developer of Summerlin, a 22,500-acre development located in the City. The developer owns approximately 7,500 acres of land within Summerlin; it is unclear at what pace land sales or development will continue due to the current economic environment. Further, General Growth Properties is in litigation with the Howard Hughes heirs with respect to payments allegedly owed them with respect to the Summerlin property.
(3) On July 28, 2009, Station Casinos filed for Chapter 11 bankruptcy protection on behalf of the parent company and its non-casino subsidiaries. To date, Station Casinos has paid its property taxes in a timely manner. According to public statements made by the companies chief accounting officer, the operating subsidiaries (which represent the company's 18 casinos) are not affected by the filing and will continue operating. It is not possible to predict what impact the bankruptcy filing will have on Station Casinos or its subsidiaries in the future.

Source: Clark County Assessor's Office website (report dated October 31, 2008).

Property Tax Limitations

Overlapping Property Tax Caps. Article X, Section 2, of the State constitution limits the total ad valorem property taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the State, and any county, city, town, school district or special district) to an amount not to exceed five cents per dollar of assessed valuation ($5 per $100 of assessed valuation) of the property being taxed. Further, the combined overlapping tax rate is limited by statute to $3.64 per $100 of assessed valuation in all counties of the State with certain exceptions that (a) permit a combined overlapping tax rate of up to $4.50 per $100 in assessed valuation in the case of certain entities that are in financial difficulties; and (b) require that $0.02 of the statewide property tax rate of $0.17 per $100 assessed valuation is not included in computing compliance with this $3.64 cap. (This $0.02 is, however, counted against the $5.00 cap). State statutes provide a priority for taxes levied for the payment of general obligation bonded indebtedness in that in any year in which the proposed tax rate to be levied by overlapping units within a county exceeds any rate limitation, a reduction must be made by those units for purposes other than the payment of general obligation bonded indebtedness, including interest thereon.

Local Government Property Tax Revenue Limitation. State statutes limit the revenues local governments, other than school districts, may receive from ad valorem property taxes for purposes other than paying certain general obligation indebtedness which is exempt from such ad valorem revenue limits. These revenue limitations do not apply to ad valorem taxes levied to repay the Bonds, which are exempt from such ad valorem revenue limits. This rate is generally limited as follows. The assessed value of property is first differentiated between that for property existing on the assessment rolls in the prior year (old property) and new property. Second, the property tax revenue derived in the prior year is increased by no more than 6% and the tax rate to generate the increase is determined against the current assessed value of the old property. Finally, this tax rate is applied against all taxable property to produce the allowable property tax revenues. This cap operates to limit property tax revenue dependent upon changes in the value of old property and the growth and value of new property.

A local government, other than a school district, may exceed the property tax revenue limitation if the proposal is approved by its electorate at a general or special election. In addition, the Executive Director of the Department of Taxation will add, to the allowed revenue from ad valorem taxes, the amount approved by the legislature for the costs to a local government of any substantial programs or expenses required by legislative enactment. In the event sales tax estimates from the Nevada Department of Taxation exceed actual revenues available to local governments, Nevada local governments receiving such sales tax may levy a property tax to make up the revenue shortfall. The County, the City and the other cities within the County are levying various tax overrides as allowed or required by State statutes.

School districts levy a tax of $0.75 per $100 of assessed valuation for operating purposes. School districts are also allowed an additional levy for voter-approved pay-as-you-go tax rates, and voter approved or short-term public safety debt service.

The Nevada Tax Commission monitors the impact of tax legislation on local government services.

Constitutional Amendment - Abatement of Taxes for Severe Economic Hardship. At the November 5, 2002 election, the State's voters approved an amendment to the State constitution authorizing the State Legislature to enact a law providing for an abatement of the tax upon or an exemption of part of the assessed value of an owner-occupied single-family residence to the extent necessary to avoid severe economic hardship to the owner of that residence.

The legislation implementing that amendment provides that the owner of a single-family residence may file a claim with the county treasurer to postpone the payment of all or part of the property tax due against the residence if (among other requirements): the residence has an assessed value of not more than $175,000; the property owner does not own any other real property in the State with an assessed value of more than $30,000; the residence has been occupied by the owner for at least 6 months; the owner is not in bankruptcy; the owner owes no delinquent property taxes on the residence; the owner has suffered severe economic hardship caused by circumstances beyond his control (such as illness or disability expected to last for at least 12 continuous months); and the total annual income of the owner's household is at or below the federally designated poverty level. The amount of tax that may be postponed may not exceed the amount of property tax that will accrue against the residence in the succeeding three fiscal years. Any postponed property tax (and any penalties and the interest that accrue as provided in the statue) constitutes a perpetual lien against the residence until paid. The postponed tax becomes due and payable if: the residence ceases to be occupied by the claimant or is sold; any non-postponed property tax becomes delinquent; if the claimant dies; or on the date upon which the postponement expires, as determined by the county treasurer. To date, the County Treasurer has not received material requests to postpone the payment of the property tax as described above.

Required Property Tax Abatements

General. In 2005, the Legislature approved legislation (the "Abatement Act") requiring reductions ("abatements") of ad valorem taxes imposed on property in certain situations. In the Abatement Act, the Legislature determined that year-to-year increases in property tax bills exceeding 3% constitute a severe economic hardship to homeowners; the State constitution permits the Legislature to prevent such hardships. The Abatement Act established formulas to determine whether tax abatements are required for property owners (including residential and low-income rental property) in any year. The general impact of the Abatement Act is to limit increases in ad valorem property tax revenues received by any taxing entity on existing property to approximately 3% per year (plus larger increases allowed for non-residential properties). That limitation could negatively impact the finances and operations of the taxing entities in the State, including the City, to an extent that cannot be determined at this time.

The Abatement Act directs the Tax Commission and the Committee on Local Government Finance to adopt regulations for the administration and interpretation of certain of its provisions, and some provisions of the Abatement Act likely will require additional interpretation through legislation, regulation or by the State's courts.

Formulas to Determine Abatements. For existing owner occupied residential properties, an abatement generally is required to reduce the amount of property taxes owed to not more than 3% more than the amount levied in the immediately preceding fiscal year. That same formula applies (as a charitable exemption) to commercial property that qualifies as low-income rental housing. Finally, for all existing properties, an abatement from ad valorem taxation is required to reduce the amount of property taxes owed to no more than an amount determined pursuant to a two-part formula. The first part of the formula requires a determination of the lesser of: (1) the average percentage change in the assessed valuation of all taxable property in the county over the 10-year period immediately preceding the fiscal year in which a levy is to be made; or (2) 8%. The second part of the formula requires determination of the percentage equal to twice the increase in the Consumer Price Index for all Urban Consumers, U.S. City Average (All Items) for the immediately preceding calendar year. After making both determinations, the part of the formula that yields the greatest percentage is used to establish the maximum percentage increase (over the prior year) in tax liability for each existing property. This abatement formula also must be applied to existing owner-occupied residential properties and low-income rental properties if it yields a greater reduction in property taxes than the 3% test described above. Unless otherwise provided by a specific statute, if any legislative act imposes a duty on a taxing entity to levy a new ad valorem tax or to increase the rate of an existing ad valorem tax, the amount of any new tax or increase in the rate of the existing tax is exempt from the partial abatement formulas.

In addition to the required abatements, the Abatement Act requires the Nevada Tax Commission to adopt regulations simplifying the procedures to be followed by any business in the State to obtain a reduction in the assessed value of property used to conduct a business if such a reduction is appropriate under the "income approach" to property valuation.

Apportionment of Abatements. If the application of the partial abatement provisions require a reduction in the amount of ad valorem taxes levied in a county for a fiscal year, the Abatement Act requires that the amount of the reduction be allocated among all of the taxing entities and deducted from the amount of ad valorem taxes each taxing entity otherwise would be entitled to receive for that fiscal year. Generally, abatements caused by tax rate increases are to be allocated to the entities that increased their tax rates in proportion to the amount of tax rate increases for each such entity. Other abatements (i.e., those caused by an increase in assessed value) generally are required to be allocated among taxing entities in the same proportion as the rate of ad valorem taxes levied for that taxing entity bears to the total combined rate of all ad valorem taxes levied for that fiscal year. In order to assure that any required abatements apply to all taxing entities uniformly, the Tax Commission has adopted a regulation clarifying that future year abatements resulting from tax rate increases are to be allocated against the entity that would benefit from the tax increase rather than among all entities uniformly.

Recapture of Lost Revenue in Certain Cases. Notwithstanding the abatement provisions discussed above, if the taxable value of any property (a) decreases by 15% or more from its taxable value on July 1 of the second year immediately preceding the lien date for the current year; and (b) increases by 15% or more from its taxable value for the immediately preceding fiscal year, the amount of ad valorem taxes which would have been collected for the property as a result of that increase in taxable value if not for the required abatement (but excluding any amount attributable to any increase in the taxable value of the property above its taxable value on the date determined pursuant to clause (a) above), must be levied on the property over three fiscal years. The amount of taxes carried forward and levied on any property must be added to the amount of ad valorem taxes each taxing entity would otherwise be entitled to receive in a fiscal year using the allocation formula described above.

Levies for Debt Service. Notwithstanding the abatement provisions discussed above, a taxing entity may, if otherwise authorized by law, increase the rate of an ad valorem tax for the payment of any obligations secured by the proceeds of that tax ("tax-secured obligations") if the entity determines that the additional tax rate is necessary to satisfy those obligations. Pursuant to the Abatement Act, an additional tax rate is deemed necessary if the rate of the ad valorem tax most recently levied for the payment of the tax-secured obligations will not produce sufficient revenue, after considering the effect of the partial abatement, to satisfy those obligations during the next fiscal year. Such an increase in the rate of an ad valorem tax for the payment of tax-secured obligations is exempt from the partial abatement formulas if the obligations for which that increase is imposed are issued (a) before July 1, 2005 or (b) on or after July 1, 2005, if before the issuance of the obligations (1) the governing body of the taxing entity makes a finding that no increase in the rate of an ad valorem tax is anticipated to be necessary for payment of the obligations during their term and (2) the debt management commission of the county approves the finding. The tax rate also may be increased if otherwise authorized by law if voter approval is obtained. However, tax rates which were voter-approved before April 6, 2005, generally are not exempt from the Abatement Act formulas. *Any increase in the rate of ad valorem taxes required to pay the principal of or interest on the Bonds is* ***not*** *exempt from the partial abatement formulas described above.* As a result, any abatements may negatively impact amounts that otherwise would be available to pay debt service on the Bonds.

Possible Effects on Operating Levies. Under existing State law, limited tax levies must be used to pay debt service on general obligation bonds before being used for operations. Even though increases in the rate of an ad valorem tax for the payment of tax-secured obligations and voter-approved taxes are exempt from the partial abatement formulas, the revenue limits imposed by the Abatement Act may require taxing entities in the State to cut operating revenues, and therefore the services funded by those revenues, to an extent that cannot be determined at this time. In addition, the abatement formulas may cause the statutory maximum combined overlapping tax rate of $3.64 per $100 of assessed valuation to be reached sooner than it would otherwise be reached.

Overlapping Tax Rates

The following table presents a five-year tabulation of the average statewide tax rate and a sample overlapping tax rates for the City. The overlapping rates for areas within the City vary depending upon location. The highest overlapping tax rate in the City for 2009-10 is $3.2760 (per $100 of assessed valuation), located in several taxing districts in the City. The highest overlapping district tax rate in the County for 2009-10 is $3.4343 (per $100 of assessed valuation) in Mt. Charleston Town.

History of Statewide Average and Sample Overlapping Property Tax Rates(1)

Fiscal Year Ended June 30,	2006	2007	2008	2009	2010
Average Statewide Rate	$3.1124	$3.1471	$3.1526	$3.1727	$3.2162
Clark County (2)	$0.6575	$0.6566	$0.6541	$0.6541	$0.6541
Clark County School District	1.3034	1.3034	1.3034	1.3034	1.3034
Las Vegas	0.7715	0.7715	0.7715	0.7715	0.7715
Las Vegas Artesian Basin	0.0013	0.0009	0.0008	0.0008	0.0011
Las Vegas Metropolitan Police	0.2850	0.2850	0.2850	0.2850	0.2850
Las Vegas-Clark County Library District (3)	0.0866	0.0866	0.0866	0.0866	0.0909
State of Nevada (4)	0.1700	0.1700	0.1700	0.1700	0.1700
TOTAL	$3.2812	$3.2802	$3.2714	$3.2714	$3.2760

(1) Per $100 of assessed valuation.
(2) Includes the State Indigent Trust Rate of $0.0150.
(3) Combined operating and debt levies.
(4) $0.0200 of the State rate is exempt from the $3.64 cap. See "Property Tax Limitations" above.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada Department of Taxation, 2005-06 through 2009-10.

DEBT STRUCTURE

Debt Limitation

State law limits the aggregate principal amount of the City's general obligation debt to 20% of its total reported assessed valuation. Based upon the City's assessed valuation for fiscal year 2010 of $19,880,557,868 (including the assessed valuation of the Redevelopment Agency), the City is limited to general obligation indebtedness in the aggregate amount of $3,976,111,574. The City has $396,670,000 of general obligation debt outstanding as of October 1, 2009 (including the Bonds).

The following table presents a history of the City's outstanding general obligation indebtedness with respect to its statutory debt limitation.

Statutory Debt Limitation

Fiscal Year Ended June 30,	Assessed Valuation (1)	Debt Limit	Outstanding General Obligation Debt (2)	Statutory Debt Capacity
2006	$16,982,144,290	$3,396,428,858	$314,450,358	$3,081,978,500
2007	22,891,189,499	4,578,237,900	317,239,967	4,260,997,933
2008	25,810,783,929	5,162,156,786	309,725,000	4,852,731,786
2009	26,462,426,879	5,292,485,376	394,935,000	4,897,550,376
2010	19,880,557,868	3,976,111,574	396,670,000(3)	3,579,441,574

(1) Includes the assessed valuation of the Redevelopment Agencies. These values are included for purposes of calculating the debt limit but are not subject to taxation for the retirement of general obligation bond debt.
(2) Includes general obligation bonds, general obligation bonds additionally secured with pledged revenues and medium-term general obligation bonds. Excludes revenue bonds and lease purchase agreements.
(3) Outstanding as of October 1, 2009, after taking the issuance of the Bonds into account.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada - Department of Taxation, 2005-06 through 2009-10; debt information compiled by the Financial Advisor.

Outstanding Indebtedness and Other Obligations

Outstanding Indebtedness and Other Obligations. The following table presents the City's outstanding obligations as of October 1, 2009, after taking the issuance of the Bonds into account.

City's Outstanding Debt and Other Obligations(1)

	Dated Date	Maturity Date	Original Amount	Amount Outstanding
GENERAL OBLIGATION REVENUE BONDS (2)				
Redevelopment Projects Bonds, Series 1998A	11/01/98	06/01/12	$17,000,000	$ 5,070,000
Sewer and Flood Control Bonds, Series 2001	04/01/01	04/01/11	55,000,000	4,515,000
Golf Course Bonds (Taxable), Series 2001	11/01/01	12/01/21	12,000,000	9,535,000
Parking Bonds, Series 2002A	12/01/02	12/01/12	25,000,000	2,230,000
Fremont Street Refunding Bonds, Series 2002	12/01/02	07/01/15	12,535,000	7,180,000
Sewer Refunding Bonds, Series 2004	09/01/04	11/01/17	21,050,000	21,050,000
Various Purpose Refunding Bonds, Series 2005B	07/01/05	06/01/19	21,295,000	21,295,000
Sewer Refunding Bonds, Series 2006A	03/15/06	04/01/21	31,920,000	31,920,000
Taxable Various Purpose Refunding Bonds, Series 2006A	05/31/06	05/01/24	18,000,000	16,620,000
Tax-Exempt Various Purpose Refunding Bonds, Series 2006B	05/31/06	05/01/36	50,745,000	50,745,000
Adjustable Rate Various Purpose Bonds, Series 2006C	08/22/06	06/01/36	32,000,000	32,000,000
Sewer Refunding Bonds, Series 2007	11/01/07	10/01/12	17,155,000	13,120,000
Car Rental Fee Bonds (Performing Arts Center), Series 2009	04/01/09	04/01/39	101,220,000	101,220,000
Total				316,500,000
GENERAL OBLIGATION MEDIUM-TERM BONDS (3)				
Parking Garage Bonds (Taxable), Series 2000A	06/01/00	06/10/10	7,500,000	1,005,000
Building Bonds, Series 2000	11/01/00	08/01/10	8,000,000	1,015,000
Public Safety Bonds, Series 2001	04/01/01	04/01/11	22,500,000	6,015,000
Recreation Bonds, Series 2003	12/09/03	11/01/13	20,000,000	10,795,000
Recreation Bonds, Series 2004C	10/12/04	10/01/14	20,000,000	10,705,000
Various Purpose Bonds, Series 2007	09/27/07	11/01/17	22,500,000	20,635,000
Interfund loan (4)	10/01/09	10/01/19	15,000,000	15,000,000
Main Street Parking Garage (this issue)	10/27/09	10/01/19	15,000,000	15,000,000
				80,170,000
TOTAL GENERAL OBLIGATION BONDS				**$396,670,000**

Table and footnotes continued on next page

(1) As of October 1, 2009; after taking the issuance of the Bonds into account. Does not include capital leases or interim warrants. Also does not include tax increment bonds issued by the Redevelopment Agency; no City revenues are used to pay debt service on those bonds.

(2) General obligation bonds secured by the full faith, credit and taxing power of the City. The ad valorem tax available to pay these bonds is limited to the $3.64 statutory and the $5.00 constitutional limit. See "PROPERTY TAX INFORMATION--Property Tax Limitations." These bonds are additionally secured by specified pledged revenues; if revenues are not sufficient, the City is obligated to pay the difference between such revenues and the debt service requirements of the respective bonds.

(3) General medium-term obligation bonds secured by the full faith and credit and payable from all legally available funds of the City. The ad valorem tax available to pay these bonds is limited to the statutory and constitutional limit described in note (2) above as well as the statutory limitation on the City's maximum operating levy tax rate.

(4) Loan between the City's Sanitation Enterprise Fund as lender and the City's Parks Capital Project Fund. The City expects to use Redevelopment Agency revenues to repay this interfund loan.

	Dated Date	Maturity Date	Original Amount	Amount Outstanding
ASSESSMENT DISTRICTS (5)				
District No. 1463, 1470, 1471, 1473, 1477, Series 2002	12/01/02	12/01/23	$4,245,000	$2,935,000
District No. 1474 and 1486, Series 2004B	06/23/04	06/01/14	452,000	225,700
District No. 1481, Series 2004A	07/21/04	06/01/24	1,975,000	1,500,000
District No. 1487 and 1503, Series 2006	03/31/06	12/01/15	818,000	602,000
District No. 1493, Series 2007	05/01/07	12/01/16	444,000	363,000
District No. 1506, Series 2007	06/01/07	06/01/27	1,724,000	1,612,000
District No. 1490, Series 2007	07/19/07	06/01/27	3,200,000	265,000
Total				7,502,000
OTHER ASSESSMENT DISTRICTS (6)				
District No. 505, Series 1993	12/15/93	09/15/13	9,565,000	1,985,000
District No. 404 (various refundings)	various	12/01/09	53,735,000	2,800,000
District No. 707 (various refundings)	various	06/01/16	31,870,000	15,005,000
District No. 809, Series 2003	06/25/03	06/01/23	10,000,000	7,545,000
District No. 607, Series 2004	06/09/04	06/01/24	51,185,000	42,765,000
District No. 808 (senior & sub. refundings), Series 2007	9/13/07	06/01/21	25,235,000	21,480,000
District No. 808 & 810 (refundings), Series 2007	9/13/07	06/01/31	23,625,000	23,205,000
Total				114,785,000
TOTAL ASSESSMENT DISTRICTS				122,287,000
GRAND TOTAL				$518,957,000

(5) Secured by special assessments against the property improved; the City is contingently liable if collections of the assessments are insufficient.

(6) These bonds are not secured by the general fund of the City nor by its taxing power (except to the extent of its power to impose and collect the assessments); and neither the City nor the State nor any political subdivision thereof has pledged its full faith and credit for the payment of these bonds. The payment of these bonds is not secured by any encumbrance, mortgage, or other pledge of the property of the City. In the event of a delinquency in the payment of any assessment installment, the City will have no obligation with respect to these bonds other than to apply available funds in a reserve fund and to commence and pursue sale or foreclosure proceedings with respect to the property in question.

Source: The City.

Annual Debt Service Requirements. The following table presents the debt service requirements on the City's outstanding general obligation bonds, including the debt service requirements on the Bonds.

Annual Debt Service Requirements - General Obligation Bonds*

Fiscal Year	General Obligation Revenue Bonds Principal	Interest	General Obligation Medium-Term Bonds(1) Principal	Interest	The Bonds* Principal	Interest	Grand Total
2010	$ 8,350,000	$ 11,876,839	$ 7,915,000	$ 1,773,378	--	$ 385,000	$ 30,300,217
2011	14,585,000	15,567,513	11,493,458	1,928,915	--	900,000	44,474,886
2012	16,940,000	14,899,930	7,662,712	1,509,429	$ 1,295,000	861,150	43,168,221
2013	17,720,000	14,136,723	7,933,143	1,235,285	1,375,000	781,050	43,181,201
2014	14,340,000	13,450,841	8,249,787	941,264	1,460,000	696,000	39,137,892
2015	15,060,000	12,775,540	6,142,681	672,587	1,550,000	605,700	36,806,508
2016	15,810,000	12,035,281	3,986,861	484,944	1,645,000	509,850	34,471,936
2017	15,125,000	11,292,051	4,132,366	337,955	1,750,000	408,000	33,045,372
2018	15,915,000	10,515,285	4,289,237	182,031	1,860,000	299,700	33,061,253
2019	11,185,000	9,750,243	1,657,514	76,080	1,970,000	184,800	24,823,637
2020	10,850,000	9,173,584	1,707,241	25,609	2,095,000	62,850	23,914,284
2021	11,395,000	8,637,528	--	--	--	--	20,032,528
2022	7,935,000	8,073,989	--	--	--	--	16,008,989
2023	7,250,000	7,693,999	--	--	--	--	14,943,999
2024	6,925,000	7,325,649	--	--	--	--	14,250,649
2025	6,425,000	6,979,394	--	--	--	--	13,404,394
2026	6,650,000	6,650,181	--	--	--	--	13,300,181
2027	6,915,000	6,309,306	--	--	--	--	13,224,306
2028	7,455,000	5,945,931	--	--	--	--	13,400,931
2029	7,840,000	5,554,581	--	--	--	--	13,394,581
2030	9,230,000	5,138,050	--	--	--	--	14,368,050
2031	9,555,000	4,635,100	--	--	--	--	14,190,100
2032	10,405,000	4,113,400	--	--	--	--	14,518,400
2033	9,855,000	3,546,550	--	--	--	--	13,401,550
2034	10,395,000	3,004,400	--	--	--	--	13,399,400
2035	10,970,000	2,432,300	--	--	--	--	13,402,300
2036	11,570,000	1,828,300	--	--	--	--	13,398,300
2037	6,235,000	1,191,000	--	--	--	--	7,426,000
2038	6,610,000	816,900	--	--	--	--	7,426,900
2039	7,005,000	420,300	--	--	--	--	7,425,300
Total	$316,500,000	$225,770,688	$65,170,000	$9,167,477	$15,000,000	$5,694,100	$637,302,265

(1) Excludes debt service on the Bonds.

Source: The City.

Other Obligations. The City currently leases a building under a non-cancelable operating lease through fiscal year 2011. The total cost of the lease was $859,506 for fiscal year 2008. See Note 11 (Development Service Center) in the audited financial statements attached hereto as Appendix A for information on lease payments in future years.

The City also records a liability for compensated absences. See Notes 6 and 12B in the audited financial statements attached hereto as Appendix A for a further description.

* Subject to change.

Additional Contemplated Indebtedness

The City may issue general obligation bonds by means of authority granted to it by its electorate or the State Legislature or, under certain circumstances, without an election as provided in existing statutes. The City reserves the ability to issue general obligation bonds for refunding purposes at any time.

The City currently has no plans to issue general obligation bonds in the foreseeable future. However, the City reserves the privilege of issuing general obligation bonds or other securities any time legal requirements are satisfied.

The City may issue other obligations as authorized by State law. Currently, the City expects to enter into an installment purchase agreement in the amount of $5,845,921 in November 2009. That installment purchase agreement will constitute a "Qualified Energy Conservation Bond" and will be repaid from legally available revenues of the City.

The City also currently is contemplating issuing $4,974,453 in Clean Renewable Energy Bonds in February 2010.

Finally, the City expects to enter into a lease-purchase agreement for the construction and purchase of a new City Hall. The City's lease payments will support the repayment of approximately $257 million of certificates of participation to be executed and delivered by U.S. Bank National Association, as trustee under the indenture of trust governing the certificates of participation.

Overlapping Debt

In addition to the general obligation indebtedness of the City (see "General Obligation Debt and Other Outstanding Obligations" above), other taxing entities are authorized to incur general obligation debt with boundaries which overlap or partially overlap the boundaries of the City. The following chart sets forth the estimated overlapping general obligation debt within the City as of October 1, 2009.

Outstanding Overlapping Net General Obligation Indebtedness

Entity(1)	Total G.O. Indebtedness	Presently Self-Supporting G.O. Indebtedness	Net Direct G.O. Indebtedness	Percent Applicable(2)	Overlapping Net G.O. Indebtedness(3)
Clark County	$3,103,278,251	$3,001,045,000	$ 102,233,251	20.33%	$ 20,779,544
Clark County School District	4,670,965,000	919,900,000	3,751,065,000	20.33	762,427,298
Las Vegas Valley Water District	1,776,027,000	1,776,027,000	--	20.52	--
Las Vegas/Clark County Library	66,700,000	--	66,700,000	24.44	16,298,287
State of Nevada	2,269,065,000	699,540,000	1,569,525,000	15.28	239,891,997
TOTAL					$1,039,397,127

(1) Other taxing entities overlap the City and may issue general obligation debt in the future.
(2) Based on fiscal year 2010 assessed valuation in the respective jurisdiction. The percent applicable is derived by dividing the assessed valuation of the City into the assessed valuation of the governmental entity.
(3) Overlapping Net General Obligation Indebtedness equals total existing general obligation indebtedness less presently self-supporting general obligation indebtedness times the percent applicable.

Source: Debt information compiled by the Financial Advisor; applicable percentages calculated using Property Tax Rates for Nevada Local Governments, State of Nevada Department of Taxation, 2009-10.

The following table sets forth the total net direct and overlapping general obligation indebtedness attributable to the City as of October 1, 2009, assuming the issuance of the Bonds.

Net Direct & Overlapping General Obligation Indebtedness

Total Direct General Obligation Indebtedness (1)	$ 396,670,000
Less: Presently Self-Supporting General Obligation Indebtedness (1)	316,500,000
Net Direct General Obligation Indebtedness	80,170,000
Plus: Overlapping General Obligation Indebtedness	1,039,397,127
Direct & Overlapping General Obligation Indebtedness	$1,119,567,127

(1) See "Outstanding Indebtedness and Other Obligations" above.

Selected Debt Ratios

The following table sets forth selected ratios of the gross direct general obligation debt and net direct general obligation debt of the City and overlapping debt within the City to assessed valuation, taxable value and population within the City.

Selected Direct General Obligation Debt Ratios

Fiscal Year Ended June 30,	2006	2007	2008	2009	2010
Population (1)	579,840	590,321	593,528	593,528	593,528
Assessed Value (2)	$16,477,557,041	$22,028,939,538	$25,649,348,111	$24,992,555,583	$18,289,314,192
Taxable Value (2)	$47,078,734,403	$62,939,827,251	$73,283,851,746	$71,407,301,666	$52,255,183,406
Gross Direct G.O. Debt (3)	$314,450,358	$317,239,967	$309,725,000	$394,935,000	$396,670,000
RATIO TO:					
Per Capita	$542.31	$537.40	$521.84	$665.40	$668.33
Percent of Assessed Value	1.91%	1.44%	1.21%	1.58%	2.17%
Percent of Taxable Value	0.67%	0.50%	0.42%	0.55%	0.76%
Net Direct G.O. Debt (3)	$78,120,358	$62,154,967	$71,835,000	$72,535,000	$80,170,000
RATIO TO:					
Per Capita	$134.73	$105.29	$121.03	$122.21	$135.07
Percent of Assessed Value	0.47%	0.28%	0.28%	0.29%	0.44%
Percent of Taxable Value	0.17%	0.10%	0.10%	0.10%	0.15%

(1) For 2006-2008, reflects State Demographer estimates for the City as of July 1 of each year shown. The 2008 population estimate also is used in 2009 and 2010 because it is the most recent estimate available.
(2) See "PROPERTY TAX INFORMATION--Property Tax Base and Tax Roll Collection" for an explanation of Assessed Value and Taxable Value. The assessed valuation of the Redevelopment Agency is not included.
(3) In 2010, reflects outstanding debt as of October 1, 2009, including the Bonds.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada - Department of Taxation, 2005-06 through 2009-10; Nevada State Demographer; and the City's CAFR for fiscal years 2006 through 2008.

ECONOMIC AND DEMOGRAPHIC INFORMATION

This portion of the Official Statement contains general information concerning historic economic and demographic conditions in and surrounding the City. It is intended only to provide prospective investors with general information regarding the City's community. The information was obtained from the sources indicated and is limited to the time periods indicated. The information is historic in nature; it is not possible to predict whether the trends shown will continue in the future. The City makes no representation as to the accuracy or completeness of data obtained from parties other than the City.

Population and Age Distribution

The table below shows the population growth of the City, the County and the State since 1970. Between 2000 and 2008, the City's population increased by 24.1%, the County's population increased by 43.0% and the State's population increased by 37.1% over the same time period.

Population(1)

Year	City of Las Vegas	Percent Change	Clark County	Percent Change	State of Nevada	Percent Change
1970	125,787	--	273,288	--	488,738	--
1980	164,674	--	463,087	--	800,493	--
1990	268,330	--	741,459	--	1,201,833	--
2000	478,434	--	1,375,765	--	1,998,257	--
2001	503,188	5.2%	1,485,855	8.0%	2,132,498	6.7%
2002	514,640	2.3	1,549,657	4.3	2,206,022	3.5
2003	528,617	2.7	1,620,748	4.6	2,296,566	4.1
2004	549,571	4.0	1,715,337	5.8	2,410,768	5.0
2005	569,838	3.7	1,796,380	4.7	2,518,869	4.5
2006	579,840	1.8	1,874,837	4.4	2,623,050	4.1
2007	590,321	1.8	1,954,319	4.2	2,718,337	3.6
2008	593,528	0.5	1,967,716	0.7	2,738,733	0.8

(1) 1970, 1980, 1990 and 2000 are U.S. census figures as of April 1st of each census year. The 2001-2008 figures are estimated by the Nevada State Demographer as of July 1st and are subject to periodic revision.

Source: U.S. Bureau of the Census; State Demographer.

The following table sets forth a comparative age distribution profile for the County, the State and the United States as of January 1, 2008.

Age Distribution

	Percent of Population		
Age	Clark County	State of Nevada	United States
0-17	25.8%	25.3%	24.4%
18-24	8.5	8.7	9.8
25-34	15.4	14.7	13.4
35-44	15.4	14.8	14.2
45-54	13.3	13.8	14.5
55-64	10.8	11.2	11.0
65-74	6.3	6.7	6.6
75 and Older	4.5	4.8	6.1

Source: Trade Dimensions International, Inc. "Demographics USA 2008," County Edition.

Income

The following two tables reflect Median Household Effective Buying Income ("EBI") and also the percentage of households by EBI Groups. EBI is defined as "money income" (defined below) less personal tax and nontax payments. "Money income" is defined as the aggregate of wages and salaries, net farm and nonfarm self-employment income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, other retirement and disability income, public assistance income. unemployment compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income. Deductions are made for personal income taxes (federal, state and local), personal contributions to social insurance (Social Security and federal retirement payroll deductions), and taxes on owner-occupied nonbusiness real estate. The resulting figure is known as "disposable" or "after-tax" income.

Median Household Effective Buying Income

Year	Clark County	State of Nevada	United States
2004	$41,208	$41,389	$38,201
2005	42,168	42,322	39,324
2006	43,682	43,676	40,529
2007	45,135	45,041	41,255
2008	48,012	47,381	41,792

Source: Sales and Marketing Management, "Survey of Buying Power," 2004-2005 editions; and Trade Dimensions International, Inc. "Demographics USA, 2006-2008," County Edition.

Percent Of Households By Effective Buying Income Groups - 2008

Effective Buying Income Group	Clark County	State of Nevada	United States
Under $24,999	20.4%	20.9%	26.8%
$25,000 - $49,999	31.8	32.0	33.3
$50,000 - $74,999	23.3	23.3	19.7
$75,000 - $99,999	13.7	13.4	11.0
$100,000 - $149,999	7.0	6.7	6.0
$150,000 or more	3.8	3.7	3.2

Source: Trade Dimensions International, Inc. "Demographics USA 2008," County Edition.

The following table sets forth annual per capita personal income levels of Clark County, the State and the United States.

Per Capita Personal Income(1)

Year	Clark County	State of Nevada	United States
2003	$30,949	$31,802	$31,504
2004	33,463	34,533	33,157
2005	36,869	37,481	34,690
2006	38,309	38,850	36,794
2007	39,188	39,853	38,615
2008 (2)	n/a	40,353	39,751

(1) County figures revised April 2009, state and national revised March 2009. Subject to periodic revision.
(2) Preliminary.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Employment

Beginning with the release of January 2005 data, the State's Employment and Security Department ("DETR") began publishing labor force and industrial employment data using a new Bureau of Labor Statistics ("BLS") methodology. This new methodology introduces newly-defined metropolitan statistical areas ("MSA"). The Las Vegas MSA has been reconfigured to include Clark County only and is defined as the "Las Vegas - Paradise MSA." Historical data has been revised to reflect the reconstructed Las Vegas - Paradise MSA.

The Las Vegas - Paradise MSA average annual labor force summary as prepared by DETR is as follows:

Average Annual Labor Force Summary(1)
Las Vegas - Paradise MSA, Nevada (Estimates in Thousands)

CALENDAR YEAR	2004	2005	2006	2007	2008	2009(2)
TOTAL LABOR FORCE	836.9	873.4	917.4	953.6	988.0	1,010.6
Unemployment	38.5	36.4	38.4	45.9	65.1	111.7
Unemployment Rate (3)(4)	4.6%	4.2%	4.2%	4.8%	6.6%	11.1%
Total Employment (5)	798.4	837.0	879.0	907.7	922.9	898.9

(1) Revised 2004-2005 numbers as of May 2007; revised 2006-2007 numbers as of April 2008.
(2) Through July 2009.
(3) According to the U.S. Department of Labor, Bureau of Labor Statistics, the U.S. average unemployment rates for the years 2004 through 2008 were 5.5%, 5.1%, 4.6%, 4.6%, and 5.8% respectively, while the average unemployment rate for August 2009 is 9.7%.
(4) The DETR attributes the increased unemployment rate primarily to the housing slowdown which very likely contributed to the weakness in the financial industry and employment services sectors as well.
(5) Adjusted by census relationships to reflect number of persons by place of residence.

Source: State of Nevada - Department of Employment, Training & Rehabilitation.

The following table indicates the number of persons employed, by type of employment, in non-agricultural industrial employment in the Las Vegas - Paradise MSA.

Establishment Based Industrial Employment(1)
Las Vegas-Paradise MSA, Nevada (Clark County)
(Estimates in Thousands)

Calendar Year	2004	2005	2006	2007	2008	2009(2)
Natural Resources and Mining	0.4	0.4	0.5	0.5	0.5	0.4
Construction	88.6	101.5	108.6	102.7	93.4	79.2
Manufacturing	23.4	25.0	27.1	26.7	26.5	24.0
Trade (Wholesale and Retail)	109.8	116.0	121.3	124.2	126.6	118.4
Transportation, Warehousing & Utilities	30.3	32.4	34.8	36.9	37.3	37.1
Information	10.3	10.4	11.0	11.3	11.1	10.4
Financial Activities	46.2	48.8	50.2	50.0	48.6	45.4
Professional and Business Services	95.9	106.1	115.2	116.2	112.5	105.2
Education and Health Services	54.1	57.6	60.1	63.4	66.4	68.4
Leisure and Hospitality (casinos excluded)	81.9	87.4	93.3	98.6	100.4	100.4
Casino Hotels and Gaming	165.8	174.9	178.4	174.5	172.5	156.2
Other Services	22.7	23.5	24.8	25.6	26.1	25.7
Government	83.2	87.5	92.1	97.5	102.1	99.3
TOTAL ALL INDUSTRIES	812.7	871.6	917.3	928.0	924.0	870.2

(1) Totals may not add up due to rounding. Reflects employment by place of work. Does not necessarily coincide with labor force concept. Includes multiple job holders. Subject to periodic revision.
(2) Estimates through July 2009.

Source: State of Nevada - Department of Employment, Training & Rehabilitation.

The following table lists the firm employment size breakdown for the County.

Size Class of Industries(1)
Clark County, Nevada (Non-Government Worksites)

CALENDAR YEAR	1st Qtr 2009	1st Qtr 2008	Percent Change 2009/2008	Employment Totals 1st Qtr 2009
TOTAL NUMBER OF WORKSITES	49,982	49,827	0.3%	735,952
Less Than 10 Employees	38,340	37,269	2.9	89,254
10-19 Employees	5,629	5,882	(4.3)	76,374
20-49 Employees	3,748	4,109	(8.8)	111,715
50-99 Employees	1,291	1,432	(9.8)	89,232
100-249 Employees	672	791	(15.0)	99,669
250-499 Employees	145	168	(13.7)	51,365
500-999 Employees	93	108	(13.9)	64,566
1000+ Employees	64	68	(5.9)	153,777

(1) Subject to revisions.

Source: State of Nevada, Department of Employment Training and Rehabilitation.

The following table is based on unemployment insurance tax account numbers and is an estimate based on reported information. No independent investigation has been made of and consequently no assurances can be given as to the financial condition or stability of the employers listed below or the likelihood that such entities will maintain their status as major employers in the County.

Clark County's Ten Largest Employers
1st Quarter 2009

Employer	Employment Range	Industry
Clark County School District	30,000 - 39,999	Public education
Clark County	9,000 - 9,499	Local government
Wynn Las Vegas	8,500 - 8,999	Casino hotel
Bellagio LLC	8,000 - 8,499	Casino hotel
MGM Grand Hotel/Casino	7,500 - 7,999	Casino hotel
Mandalay Bay Resort and Casino	6,000 - 6,499	Casino hotel
Las Vegas Metropolitan Police	5,500 - 5,999	Police protection
University of Nevada - Las Vegas	5,500 - 5,999	University
Caesars Palace	5,000 - 5,499	Casino hotel
Venetian Casino Resort	4,500 - 4,999	Casino hotel

Source: State of Nevada - Department of Employment, Training & Rehabilitation.

Retail Sales

The following table presents a record of taxable sales in the County and the State.

Taxable Sales(1)

Fiscal Year(2)	County Total	Percent Change	State Total	Percent Change
2005	$32,606,312,337	--	$44,192,447,817	--
2006	35,745,051,299	9.6%	48,581,095,724	9.9%
2007	36,262,388,158	1.5	49,427,707,106	1.7
2008	35,930,373,796	(0.9)	48,196,848,945	(2.5)
2009	31,378,241,926	(12.7)	42,086,614,338	(12.7)

(1) Subject to revision.
(2) Fiscal year runs from July 1 to the following June 30.

Source: State of Nevada - Department of Taxation.

Construction

Construction valuation is a value placed on a project in order to determine permit and plans check fees. Construction valuation has no relationship to assessed valuation. Set forth in the following table is a summary of the number and valuation of new single-family (including townhomes and condos) building permits within the County and its incorporated areas.

Residential Building Permits
(Values in Thousands)

Calendar Year	2005		2006		2007		2008		2009(1)	
	Permits	Value	Permits	Value	Permits	Value	Permits	Value	Permits	Value
Las Vegas	4,270	$ 549,751	2,998	$ 386,419	2,406	$ 319,664	1,092	$262,902	371	$43,183
North Las Vegas	6,889	1,038,382	3,990	633,934	2,346	336,718	907	215,858	284	39,073
Henderson	5,177	683,443	4,326	621,443	2,463	345,828	1,098	146,907	266	34,501
Mesquite	637	83,228	337	50,433	479	66,124	378	60,870	63	8,842
Unincorporated Clark County	13,755	1,848,316	10,022	2,270,947	6,102	2,818,856	2,676	619,447	1,088	122,286
Boulder City (2)(3)	25	9,078	16	7,979	19	4,430	88	15,388	--	--
TOTAL	30,753	$4,212,198	21,689	$3,971,155	13,815	$3,891,620	6,160	$1,309,428	2,072	$247,885

(1) As of July 2009.
(2) Boulder City imposed a strict growth control ordinance effective July 1, 1979.
(3) Due to a new computer program and reporting methods, Boulder City's November 2008 summary reflected an extraordinary amount of activity due to the program change and combining information from both systems. Further, no information is available for 2009 until the program is functional.

Source: Department of Building - Las Vegas, North Las Vegas, Henderson, Mesquite, Clark County Development Services and Boulder City.

The following table is a summary of the total valuation of all building permits within the County and its incorporated areas.

Total Building Permits

Calendar Year	2005	2006	2007	2008	2009(1)
Las Vegas	$1,517,709,030	$1,662,736,850	$1,085,621,651	$ 715,859,589	$604,821,271
North Las Vegas	1,311,961,499	881,272,586	906,339,931	468,943,518	118,477,391
Henderson	1,104,540,539	946,162,801	808,502,032	446,490,205	106,995,443
Mesquite	148,668,272	95,349,631	117,115,672	102,527,883	15,036,202
Unincorporated Clark County	4,221,262,482	4,877,842,956	6,840,305,524	4,219,999,765	731,409,466
Boulder City	20,067,637	29,721,714	14,317,325	36,862,942	-- (2)
TOTAL	$8,324,209,459	$8,493,086,538	$9,772,202,135	$5,990,683,902	$1,576,739,773
% Change	12.07%	2.03%	15.06%	(38.70)%	--

(1) Through July 2009.
(2) Boulder City numbers are not currently available due to computer program problems.

Sources: Department of Building - Las Vegas, North Las Vegas, Henderson, Mesquite, Clark County Development Services and Boulder City.

Gaming

General. The economy of the County and the State is heavily dependent upon a tourist industry based on legalized casino gambling. Gaming has been legal in Nevada since 1931 and is controlled and regulated by the State. Control is vested in a five-member Gaming Commission and a three- member Gaming Control Board. All of the board and commission members are appointed by the Governor. These bodies investigate and approve all licenses, establish operating rules, and collect gaming taxes due the State.

Prior to 2002, gross taxable gaming revenues in the State and the County had never declined from one fiscal year to the next, notwithstanding the changing economic condition of the nation. The County's gross taxable 2009 gaming revenue represents 83.7% of the State's total 2009 gaming revenue. The following table presents a six-year record of gross taxable gaming revenues and total gaming taxes collected on a State-wide basis and in the County.

Gross Taxable Gaming Revenue And Total Gaming Taxes(1)

Fiscal Year Ended June 30	Gross Taxable Gaming Revenue (2) State Total	Clark County	% Change Clark County	State Gaming Collection (3) State Total	Clark County	% Change Clark County
2004	$ 9,927,453,718	$ 8,117,421,969	--	$ 854,515,140	$ 706,506,600	--
2005	10,609,819,932	8,742,377,274	7.70%	904,122,239	754,652,285	6.81%
2006	11,802,532,867	9,835,182,641	12.50	1,002,447,124	848,204,810	12.40
2007	12,220,614,419	10,234,740,450	4.06	1,036,853,003	880,504,162	3.81
2008	11,925,067,415	10,022,673,531	(2.07)	980,052,427	831,333,768	(5.58)
2009	10,240,320,805	8,567,621,679	(14.52)	858,007,713	730,603,021	(12.12)
July 08	$937,016,349	$773,630,573	--	$57,151,759	$49,146,909	--
July 09	838,049,370	699,841,388	(9.54)%	46,614,922	38,280,280	(22.11)%

(1) The figures shown are subject to adjustments due to amended tax filings, fines and penalties.
(2) The total of all sums received as winnings less only the total of all sums paid out as losses (before operating expenses).
(3) Cash receipts of the State from all sources relating to gaming (General Fund and other revenues) including percentage license fees, quarterly flat license fees, annual license fees, casino entertainment taxes, annual slot machine taxes, penalties, advance fees, and miscellaneous collections. A portion of collections is deposited to the State funds other than the State's General Fund.

Source: State of Nevada - Gaming Control Board.

Gaming Competition. Different forms of legalized gaming have been authorized by many states, as well as the tribal casinos, across the United States. Other states may authorize gaming in the future in one form or another. The different forms of gaming range from casino gaming to riverboat gambling to lotteries and internet gaming. As presently operated, lotteries offer a considerably different gaming product than that offered in Nevada. The City cannot predict the impact of legalization of state lotteries and casino gaming in other states on the economy of the County or the State.

California Gaming Measure. In 2000, California voters approved a constitutional amendment allowing Las Vegas-style slot machines and card games at tribal casinos within California. To date, California has signed and ratified compacts with 67 of the State's 107 Indian tribes. Each compact specifies the number of casinos and slot machines a tribe may operate. There currently are 57 tribal casinos operated by 56 tribes.

No gaming revenues are pledged to pay debt service on the Bonds. It is not possible at this time to predict whether tribal casinos will negatively impact City revenues in the future.

Tourism

Tourism is an important industry in the County. Hoover Dam, Lake Mead, Mt. Charleston and other tourist attractions are in Clark County. Attractions such as the Great Basin, Grand Canyon, Yosemite, Bryce Canyon, Zion, and Death Valley National Parks are each within a short flight or day's drive of southern Nevada.

A reflection of the growth of tourism in southern Nevada is the increase in the number of hotel and motel rooms available for occupancy as shown in the following table. The area's hotels and motels have historically experienced higher occupancy rates than those on a national level.

Set forth in the table below is the Las Vegas Convention and Visitors Authority ("LVCVA") Marketing Department's estimate of the number of visitors to the Las Vegas Metropolitan Area since 2004. Las Vegas, as did most of the tourism industry, saw declines in tourism indicators in 2008 as the combined economic factors of housing crisis, frozen credit markets, volatile gas prices and increased unemployment translated to reduced consumer confidence and travel spending in much of the country.

<u>Visitor Volume and Room Occupancy Rate</u>
Las Vegas Metropolitan Area, Nevada

Calendar Year	Total Visitor Volume	Number of Hotel/Motel Rooms Available	Hotel/Motel Occupancy Rate(1)	National Occupancy Rate(2)
2004	37,388,781	131,503	88.6%	61.3%
2005	38,566,717	133,186	89.2	63.1
2006	38,914,889	132,605	89.7	63.4
2007	39,196,761	132,947	90.4	63.2
2008	37,481,552	140,529	86.0	60.4
Jan - July 2008	22,733,244	136,990	89.0	n/a
Jan - July 2009	21,358,828	141,520	82.9	n/a

(1) The sample size for this survey represents approximately 75% of the hotel/motel rooms available.
(2) 2004 through 2008 – Smith Travel Research, Lodging Outlook.

Source: Las Vegas Convention and Visitors Authority.

The LVCVA is financed with the proceeds of hotel and motel room taxes in the County and its incorporated cities. A history of the room tax revenue collected is presented in the following table.

<u>Room Tax Revenue</u>(1)
Las Vegas Convention & Visitors Authority, Nevada

Calendar Year	Revenue	Percent Change
2004	$164,821,755	--
2005	193,136,789	17.2%
2006	207,289,931	7.3
2007	219,713,911	6.0
2008	207,117,817	(5.7)
2009(2)	80,622,736	--

(1) Subject to revision. Room tax revenue represents a 5% tax allocated to the Las Vegas Convention & Visitors Authority; a total 9-11% room tax is assessed on all Clark County hotel/motel properties.
(2) Through June 2009.

Source: Las Vegas Convention and Visitors Authority.

Transportation

Clark County, through its Department of Aviation, operates an airport system comprised of McCarran International Airport ("McCarran") and a reliever airport in North Las Vegas. Other general aviation airports in the County include Jean Sport, Overton-Perkins Field, and Henderson Executive Airport in Henderson. Boulder City Municipal Airport, which is not owned by the County, is located in the southeastern part of Clark County.

McCarran was the sixth busiest airport in North America and 15th busiest in the world, according to the year-end 2008 report from Airports Council International, in addition to being designated as an international port of entry. Nearly half of all Las Vegas visitors arrive by air via McCarran, making it a major driving force in the southern Nevada economy. In 2007, McCarran completed the busiest year in its 60-year history, with approximately 47.7 million arriving and departing passengers. Passenger traffic declined, however, in 2008. In addition to scheduled carriers, McCarran is served by supplemental, commuter and charter carriers and continuously updates its long-range plan to meet anticipated growth in airline passengers and aircraft operations by building and maintaining state-of-the-art facilities, maximizing existing resources, and capitalizing on new and innovative technology.

McCarran International Airport Enplaned & Deplaned Passenger Statistics

Calendar Year	Scheduled Carriers	Charter, Commuter & Other Aviation	Total	Percent Change
2004	38,621,383	2,820,148	41,441,531	--
2005	40,948,538	4,951,161	45,899,699	10.8%
2006	43,719,825	2,584,551	46,304,376	0.9
2007	45,231,266	2,497,148	47,728,414	3.1
2008	42,269,065	1,805,642	44,074,707	(7.7)
Jan. - July 2008	25,718,927	1,143,692	26,862,619	--
Jan. - July 2009	23,103,436	679,579	23,783,015	(11.5)%

Source: McCarran International Airport website.

A major railroad crosses Clark County. There are nine federal highways in Nevada, two of which are part of the interstate system. Interstate 15, connecting Salt Lake City and San Diego, passes through Las Vegas and provides convenient access to the Los Angeles area. Interstate 80 connects Salt Lake City with the San Francisco Bay area and passes through the Reno-Sparks area. Several national bus lines and trucking lines serve the State.

U.S. Highways 95 and 93 are major routes north from Las Vegas, through Reno and Ely, Nevada, respectively. South of Las Vegas, U.S. 95 extends to the Mexican border, generally following the Colorado River, and U.S. 93 crosses Hoover Dam into Arizona.

Federal Activities

Operations and facilities of the Federal Government in the State have been significant, beginning with Hoover Dam in the 1930's, an Army Air Force gunnery school (which later became Nellis AFB) during World War II, and the subsequent creation of the Nevada Test Site. Currently, the following federal activities are located in the County.

Hoover Dam. Hoover Dam, operated by the Bureau of Reclamation, is a multiple-purpose development. The dam controls floods and stores water for irrigation, municipal and industrial uses, hydroelectric power generation, and recreation. Hoover Dam is still one of the world's largest hydroelectric installations with a capacity of more than 2,000,000 kilowatts. Hoover Dam also is a major tourist attraction in the County.

Nellis Air Force Base. Nellis Air Force Base, a part of the U.S. Air Force Air Combat Command, is located adjacent to the City of Las Vegas. The base itself covers more than 14,000 acres of land, while the total land area occupied by Nellis Air Force Base and its ranges is over three million acres. The base hosts numerous military programs as well as civilian workers. It is the home base of the "Thunderbirds," the world famous air demonstration squadron.

Nevada Test Site. The Nevada Test Site ("NTS") was established in 1950 as the nation's proving ground for nuclear weapons testing. In recent years, under the direction of the Department of Energy's (DOE) Nevada Operations Office, NTS use has diversified into many other areas such as hazardous chemical spill testing, emergency response training, conventional weapons testing, and waste management projects that can best be conducted in this remote desert area. The NTS has been designated as an Environmental Research Park where scientists and students can conduct research on environmental issues. Located 65 miles northeast of Las Vegas, the NTS is a massive outdoor laboratory and national experimental center. NTS comprises 1,350 square miles, surrounded by thousands of additional acres of land withdrawn from the public domain for use as a protected wildlife range and for a military gunnery range, creating an unpopulated area of some 5,470 square miles. Federal employees and independent contractors are employed at NTS.

Yucca Mountain. President Bush, on the Department of Energy's recommendation, approved the suitability of Yucca Mountain (located near Las Vegas in Nye County) as a national nuclear repository for high level waste and spent fuel from nuclear power plants around the country. Following several years of procedural and legal battles, the Department of Energy continued its planning for Yucca Mountain, including addressing design and transportation issues. Due to budget constraints and regulatory issues, the timeline for opening the project has been delayed several times. If the NRC grants the licenses to proceed with the construction and operation of a monitored geologic repository at Yucca Mountain, it is currently expected that acceptance of radioactive materials would begin in 2020. However, in late February 2009, the Obama administration's proposed budget slashed funding for the Yucca Mountain site in accordance with its stated position that nuclear waste not be stored there. It is not certain at this time whether or when Yucca Mountain will be used as the national nuclear repository.

Development Activity

The Nevada Development Authority ("NDA") is a nonprofit organization dedicated to the expansion and diversification of the entire southern Nevada community. Now in its fifth decade of service, NDA's membership is comprised of hundreds of business-oriented individuals. NDA's primary function is to provide information to companies considering relocation as well as to firms already doing business in southern Nevada. Nevada does not have corporate or personal income tax; inheritance or gift tax; unitary franchise on income;

admission's tax; inventory tax; chain-store tax; special intangible tax; or franchise tax, which attracts many businesses to the area.

Complementing the area's emphasis on economic diversification are the numerous business incentives unique to the State of Nevada. Competitive wage rates, an expanding labor force, low out-bound freight transportation costs to other prominent southwestern markets and a graduated schedule for payment of sales and use tax on new capital equipment combine to give business and industry an attractive advantage. The State also abates sales and use taxes on capital equipment for qualified relocating or expanding companies. Additional incentives include a customized job training program (Train Employees Now) as well as no corporate, personal or inventory taxes.

Utilities

Electric utility services are provided to the vast majority of southern Nevada residents by NV Energy (formerly Nevada Power Company, a stand-alone subsidiary of Sierra Pacific Resources) with headquarters in Las Vegas, Nevada, and natural gas is provided by Southwest Gas Corporation.

Embarq is the largest provider of local telephone service to the greater Las Vegas area, including the smaller communities of Blue Diamond, Boulder City, Cal-Nev-Ari, Cottonwood Cove, Goodsprings, Jean, Laughlin, Mt. Charleston, Nelson, Primm and Searchlight.

Clean Water Coalition

The Clean Water Coalition (the "CWC") is a joint powers authority created in 2002 by cooperative agreements between the City of Las Vegas, the City of Henderson, the Clark County Water Reclamation District and the City of North Las Vegas (the "Members"). The purpose of the CWC is to carry out the Systems Conveyance and Operations Program ("SCOP"). The SCOP encompasses the planning, design, financing, construction, and operation and maintenance of a regional system to transport highly treated wastewater effluent from the facilities of the Member agencies to the ultimate outfall location within the Colorado River system. The primary objective of the SCOP is to improve water quality in Lake Mead at the point of discharge. The CWC is prohibited from performing any function that is being performed by a Member without the written consent of that Member.

Construction of the SCOP currently is anticipated to cost approximately $828 million. The County Bond Bank has issued special obligation commercial paper notes on behalf of the CWC in an amount not to exceed $800,000,000 (not more than $200,000,000 may be outstanding at any time). The proceeds of the notes will be used to pay all or part of the cost of the SCOP. The notes are secured by and payable from regional fees comprised of sewer connection charges and sewer usage charges assessed by CWC (the "Regional Fees") and certain other CWC revenues. All of the Members have begun imposing Regional Fees. However, if the Regional Fees are inadequate, the Members are required to pay CWC's financial obligations in the following percentages: City of Las Vegas - 30%, Clark County Water Reclamation District - 46%, City of Henderson - 14%, and City of North Las Vegas - 10%. Each Member, in its sole judgment, determines the method of raising the funds needed to satisfy its obligations under the cooperative agreements.

Clean Air

The County is subject to various clean air requirements imposed by the federal government and enforced by the U.S. Environmental Protection Agency ("EPA"). These include carbon monoxide, dust and ozone concerns. The County has submitted a clean air plan for the Las Vegas Valley serious carbon monoxide ("CO") nonattainment area and the EPA has issued a finding that the applicable standard has been met. The County must prepare a CO maintenance plan for EPA approval in order to be designated as a CO attainment area.

The County finalized and submitted a clean air plan to address PM10 (dust) concerns in the Las Vegas Valley in accordance with the Federal Clean Air Act on June 19, 2001 and has attained the PM10 standard and submitted a final report as required by EPA.

On April 30, 2004, the U.S. EPA published in the Federal Register nonattainment designations for the new 8-hour ozone standard, classifying Clark County as a Subpart 1 ozone nonattainment area. The classification requires Clark County to attain the 8-hour ozone standard no later than 2009. In December 2006, the District of Columbia circuit court vacated EPA's Phase I implementation rule, which contained the standards for Subpart 1 designated areas. The court's action remanded the rule back to EPA for further action. However, Clark County is currently in attainment with the ozone standard for the latest three-year average of the 4th highest reading (2004, 2005, 2006) and can demonstrate attainment through 2018. Therefore, the County is working with EPA on receiving a clean data finding and submission of an ozone maintenance plan. Clark County submitted the request to the EPA on June 7, 2007, and is awaiting their decision.

If the U.S. EPA disapproves a clean air plan, the County could face sanctions, including withholding federal funds for new transportation projects, and could include the diversion of federal funds to projects outside the Las Vegas valley until acceptable plans are approved. The County cannot predict the effect of a plan disapproval on highway and road projects or other possible effects of the withholding of federal funds or its effect on growth in the County. The nature and scope of these effects will depend, among other things, on the projects and the period of time for which funding is withheld.

Education

Clark County School District provides public education services to the residents of the County and enrolls approximately 72% of all school children in the State; it is the fifth largest school district in the United States. Higher education is provided by the College of Southern Nevada (a two-year institution), by Nevada State College in Henderson (a four-year institution) and by the University of Nevada, Las Vegas (a four-year university). All of these institutions are part of the Nevada System of Higher Education.

LEGAL MATTERS

Litigation

There are various suits pending in courts within the State to which the City is a party. In the opinion of the City Attorney, there is no litigation or controversy of any nature now pending, or to the knowledge of the City Attorney, threatened, (i) restraining or enjoining the issuance, sale, execution or delivery of the Bonds or (ii) in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof, the pledge, collection or application of any moneys or securities provided for the payment of the Bonds, or the corporate existence of the City.

Sovereign Immunity

Pursuant to State statute (NRS Section 41.035), an award for damages in an action sounding in tort against the City may not include any amount as exemplary or punitive damages and is limited to $75,000 per cause of action. The limit will increase to $100,000 effective October 1, 2011. The increase in the limitation will have the effect of increasing the liability insurance costs for the City. The limitation does not apply to federal actions brought under federal law such as civil rights actions under 42 U.S.C. Section 1983 and actions under The Americans with Disabilities Act of 1990 (P.L. 101-336), or to actions in other states.

Legal Opinions

The legal opinion of Swendseid & Stern, a member in Sherman & Howard L.L.C., Bond Counsel, Las Vegas, Nevada as to the validity and enforceability of the Bonds will be made available to the Initial Purchaser at the time of original delivery. See Appendix C - FORM OF APPROVING OPINION OF BOND COUNSEL. Swendseid & Stern, a member in Sherman & Howard L.L.C. also has acted as special counsel to the City in connection with this Official Statement. The City Attorney will pass upon certain legal matters for the City.

Police Power

The obligations of the City are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power and powers of taxation inherent in the sovereignty of the State, and to the exercise by the United States of the powers delegated to it by the federal constitution (including bankruptcy).

TAX MATTERS

Federal Tax Matters

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. For purposes of this paragraph and the succeeding discussion, "interest" includes the original issue discount on certain of the Bonds only to the extent such original issue discount is accrued as described herein.

The Tax Code imposes several requirements which must be met with respect to the Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income. Certain of these requirements must be met on a continuous basis throughout the term of the Bonds. These requirements include: (a) limitations as to the use of proceeds of the Bonds; (b) limitations on the extent to which proceeds of the Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the Bonds above the yield on the Bonds to be paid to the United States Treasury. The City will covenant and represent in the Bond Ordinance that it will take all steps to comply with the requirements of the Tax Code to the extent necessary to maintain the exclusion of interest on the Bonds from gross income and alternative minimum taxable income under such federal income tax laws. Bond Counsel's opinion as to the exclusion of interest on the Bonds from gross income and alternative minimum taxable income is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the City to comply with these requirements could cause the interest on the Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance. Bond Counsel's opinion also is rendered in reliance upon certifications of the City and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

With respect to Bonds that were sold in the initial offering at a discount (the "Discount Bonds"), the difference between the stated redemption price of the Discount Bonds at maturity and the initial offering price of those bonds to the public (as defined in Section 1273 of the Tax Code) will be treated as "original issue discount" for federal income tax purposes and will, to the extent accrued as described below, constitute interest which is excluded from gross income and alternative minimum taxable income under the conditions described in the preceding paragraphs. The original issue discount on the Discount Bonds is treated as accruing over the respective terms of such Discount Bonds on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on April 1 or October 1 with straight line interpolation between compounding dates. The amount of original issue discount accruing each period (calculated as described in the preceding sentence) constitutes interest which is excluded from gross income and alternative minimum taxable income under the conditions described in the preceding paragraphs and will be added to the owner's basis in the Discount Bonds. Such adjusted basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale or payment at maturity). Owners should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners who purchase Discount Bonds after the initial offering or who purchase Discount Bonds in the initial offering at a price other than the initial offering price (as defined in Section 1273 of the Tax Code) should consult their own tax advisors with respect to the federal tax consequences of the ownership of the Discount Bonds. Owners who are subject to state or local income taxation should consult their tax advisor with respect to the state and local income tax consequences of ownership of the Discount Bonds. It is possible that, under the applicable provisions governing determination of state and local taxes, accrued original issue discount on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the Bonds. Owners of the Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal and state tax consequences. Under section 3406 of the Tax Code, backup withholding may be imposed on payments on the Bonds made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. Certain of the Bonds may be sold at a premium, representing a difference between the original offering price of those Bonds and the principal amount thereof payable at maturity. Under certain circumstances, an initial owner of such bonds (if any) may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner's acquisition cost. Bond Counsel's opinion relates only to the exclusion of interest (and, to the extent described above for the Discount Bonds, original issue discount) on the Bonds from gross income and alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal tax consequences arising from the receipt or accrual of interest on or ownership of the Bonds. Owners of the Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based on existing law as of the delivery date of the Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed legislation. Amendments to the federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the Bonds, the exclusion of interest (and, to the extent described above for the Discount Bonds, original issue discount) on the Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the Bonds or any other date, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the Bonds. Owners of the Bonds are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, the market value of the Bonds may be adversely affected. Under current audit procedures, the Service will treat the City as the taxpayer and the Owners may have no right to participate in such procedures. The City will covenant in the Bond Ordinance not to take any action that would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the City, the Purchaser, the Financial Advisor, Bond Counsel or Special Counsel is responsible for paying or reimbursing any registered owner or Beneficial Owner for any audit or litigation costs relating to the Bonds.

State Tax Exemption

In the opinion of Bond Counsel, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

FINANCIAL ADVISOR

NSB Public Finance, Las Vegas, Nevada, is serving as Financial Advisor to the City in connection with the Bonds. See "INTRODUCTION--Additional Information" for contact information for the Financial Advisor. The Financial Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Financial Advisor respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement.

INDEPENDENT AUDITORS

The basic financial statements of the City of Las Vegas, Nevada, as of and for the year ended June 30, 2008, included hereto as Appendix A, have been audited by KPMG, LLP, Los Angeles, California, independent certified public accountants, to the extent and for the period indicated in their report thereon.

The audited basic financial statements of the City, including the auditors report thereon, are public documents and pursuant to State law, no consent from the auditors is required to be obtained prior to inclusion of the audited financial statements in this Official Statement. Accordingly, the City has not requested consent from its auditors. Since the date of its report, KPMG LLP has not been engaged to perform and has not performed any procedures on the basic financial statements addressed in that report and also has not performed any procedures relating to this Official Statement.

RATINGS

Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies ("S&P") and Fitch Ratings, Ltd. ("Fitch"), have assigned the Bonds the respective ratings shown on the cover page of this Official Statement. The Fitch rating carries a negative outlook. The City also has applied to Moody's Investors Service, Inc. ("Moody's") for a rating on the Bonds.

The Moody's rating has not been received as of the date of this Official Statement; however, the City expects to receive the Moody's rating prior to the sale of the Bonds. An explanation of the significance of any ratings given by S&P may be obtained from S&P at 55 Water Street, New York, New York 10041. An explanation of the significance of any ratings given by Moody's may be obtained from Moody's at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. An explanation of the significance of any ratings given by Fitch may be obtained from Fitch at One State Street Plaza, New York, 10004.

There is no assurance that such ratings will continue for any given period of time after they are received or that they will not be lowered or withdrawn entirely if, in the judgment of the rating agencies, circumstances so warrant. Other than the City's obligations under the Disclosure Certificate, neither the City nor the Financial Advisor has undertaken any responsibility either to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such ratings or to oppose any such proposed revision. Any such change in or withdrawal of the ratings could have an adverse effect on the market price of the Bonds.

PUBLIC SALE

The City expects to offer the Bonds at public sale on October 14, 2009. See the Official Notice of Bond Sale attached hereto as Appendix E.

OFFICIAL STATEMENT CERTIFICATION

The preparation of this Official Statement and its execution and distribution have been authorized by the City Council.

LAS VEGAS, NEVADA

By:__________________________________
Director of Finance and Business Services

APPENDIX A

AUDITED BASIC FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2008

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KPMG LLP
Suite 2000
355 South Grand Avenue
Los Angeles, CA 90071-1568

Independent Auditors' Report

The Honorable Mayor, City Council,
and City Manager
City of Las Vegas, Nevada:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Las Vegas, Nevada (the City), as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Las Vegas, Nevada as of June 30, 2008, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2009 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 15 through 25 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

KPMG LLP

January 27, 2009

As management of the City of Las Vegas, Nevada (City), we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City of Las Vegas as of and for the year ended June 30, 2008**.** We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 - 8 of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of fiscal year ended June 30, 2008**,** by $3,712,540,604. Governmental activities represent $3,097,080,145 of the total net assets and $615,460,459 are from business-type activities.

- The government-wide net capital assets totaled $3,432,421,053. Governmental activities contributed $2,888,662,187 and business-type activities contributed $543,758,866. Major additions included $19,795,146 in sewer lines, $40,759,821 in road additions and $24,174,588 in storm drains. Depreciation is reflected on all City-owned depreciable assets. Depreciation expense totaling $92,068,890 is included in the government-wide statements.

- At the close of fiscal year 2008, the City's governmental funds reported combined ending fund balances of $473,004,231. Of this total amount, $136,747,644 is unreserved and undesignated. The unreserved and undesignated amounts consist of $77,344,860 from the General Fund, $58,964,506 from the Special Revenue Funds and $438,278 from the Debt Service Funds.

- The general fund had a total fund balance of $96,798,926 at June 30, 2008**,** which represented 19 percent of total General Fund revenues. The unreserved and undesignated portion of the fund balance was $77,344,860. It is the City's fiscal policy to maintain a total ending fund balance in the general fund of at least 12 percent of operating revenues.

- The City's primary revenue sources are ad valorem (property) taxes of $153,144,730 and consolidated taxes of $250,913,934. Combined, these two sources represent 43 percent of the total governmental activities revenue of $945,923,379 from the statement of activities.

- The City's total debt had a net decrease of $11,578,367. Contributing factors were the issuance of $39,655,000 in general obligation revenue bonds and $320,000 in special assessment bonds, offset by $51,553,367 from debt payments during the current fiscal year.

- Government-wide total governmental expenses were $753,279,124. The major expense functions were Public Safety at $372,473,644, Public Works at $81,744,388, General Government at $124,302,206, and Culture and Recreation at $98,292,624. Business-type activities *(proprietary funds)* operating and non-operating expenses totaled $125,739,002.

Overview of the Basic Financial Statements

This discussion and analysis serves as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets.* Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, judicial, public safety, public works, welfare, health, culture and recreation, economic development and assistance, transit systems, and interest on long-term debt. The business-type activities of the City include operations of its water pollution control facility (sanitation), municipal golf course, municipal parking, building permits and inspections, video production and nonprofit corporation activities.

The government-wide financial statements include not only the City itself (known as the *primary government),* but also the activities of legally separate component units: City of Las Vegas Redevelopment Agency, and Non-Profit Corporations. Because the City Council acts as the governing board or has oversight power for each of these component units, their activities are blended with those of the primary government because they function as part of the City. The City also reports one discretely presented component unit; The Commission for the Las Vegas Centennial, which is both legally and operationally separate.

By state statute, the City and Clark County are partners in a joint venture that created the Las Vegas Metropolitan Police Department (LVMPD). A five-member fiscal affairs committee approves the LVMPD budget and related business matters. The committee is composed of two appointees each from the City and the County, and one appointee from the general public. The statute defines the funding formula shared by the City and the County. Complete financial information for the LVMPD is included in the comprehensive annual financial statements of Clark County, Nevada.

Additional information on the joint venture can be found in the notes to the government-wide financial statements on page 63 of this report. In addition to funding its share of the LVMPD, the City maintains its own detention facility and a small police force (City marshals) that has jurisdiction over City property, especially parks and recreation facilities.

The government-wide financial statements can be found on pages 28-31 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Las Vegas, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, and the following capital project funds: Parks and Leisure Activities, Road and Flood, and Special Assessments. Each of these funds is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the Combining and Individual Funds Statements and Schedules subsections of this report.

The City adopts an annual appropriated budget for its general fund and each of its special revenue funds, debt service fund, and capital project funds and its permanent fund. A budgetary comparison statement is provided for each of the City's governmental funds to demonstrate compliance with this budget. The budgetary comparison statements for the general fund, a major governmental fund, is located in the basic financial statements; the budgetary comparison statements for the Parks and Leisure Activities, Road and Flood, and Special Assessments Capital Projects funds, also major governmental funds, and the other Non-major governmental funds are included in the Combining and Individual Fund Statements and Schedules subsection of this report.

The basic governmental fund financial statements can be found on pages 32-33, 36-37, and 40-41 of this report.

Proprietary funds. The City maintains two different types of proprietary funds.

1. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its golf course, sewer, parking, video production, and development services as well as its non-profit corporations.

2. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the following activities:
    - Emergency dispatch services
    - Reprographics equipment and operations
    - Vehicle, computer and phone management
    - Self-insurance activities, including:
        - Liability insurance and property damage
        - Employee benefit
    - Fire equipment acquisition
    - Miscellaneous and inventory stores

Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sanitation Enterprise Fund and Non-Profit Corporations, which are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the Combining and Individual Funds Statements and Schedules subsections of this report.

The basic proprietary fund financial statements can be found on pages 42-46 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City's Fiduciary funds consist of three Agency funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

The basic fiduciary funds financial statement can be found on page 47 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 48-87 of this report.

Other information. In addition to the basic financial statements and accompanying notes, the report also presents a subsection titled Combining and Individual Funds Statements and Schedules Section, which includes the statements for the City's major governmental funds – budget and actual, non-major governmental funds, major proprietary funds - budget and actual, non-major proprietary funds, internal service funds and fiduciary funds, together with information on capital assets used in the operation of governmental funds (those not included in internal service funds). Combining and individual fund statements and schedules, and information on governmental fund capital assets can be found on pages 90-193 of this report.

The Statistical section can be found on pages 195-217 of this report. This section includes schedules on statistical information provided on a basis for historical analysis.

The Compliance and Supplementary Information section can be found on pages 219-222 of this report. This section includes a schedule in compliance with state statutes.

The Single Audit section can be found on pages 223-235 of this report. This section presents a schedule of expenditures of federal awards for the City, related notes and a schedule of findings and questioned costs.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of City of Las Vegas, assets exceeded liabilities by $3,712,540,604 at the close of the most recent fiscal year.

The largest portion of the net assets (85 percent) reflect its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.), less accumulated depreciation and any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net assets increased by 6 percent or $225,678,007.

City of Las Vegas Summary Schedule of Net Assets
As of June 30, 2008 and 2007

	Governmental		Business-type		Total	
	FY2008	FY2007	FY2008	FY2007	FY2008	FY2007
Current and other assets	$ 652,522,625	$ 622,765,915	$ 177,953,968	$ 167,278,107	$ 830,476,593	$ 790,044,022
Net capital assets	2,888,662,187	2,642,068,680	543,758,866	532,568,681	3,432,421,053	3,174,637,361
Total assets	3,541,184,812	3,264,834,595	721,712,834	699,846,788	4,262,897,646	3,964,681,383
Long-term liabilities outstanding	389,650,182	302,036,008	94,365,669	103,856,913	483,141,938	405,892,921
Other liabilities	54,454,485	61,594,813	11,886,706	10,331,052	67,215,104	71,925,865
Total liabilities	444,104,667	363,630,821	106,252,375	114,187,965	550,357,042	477,818,786
Net assets:						
Invested in capital assets, net of related debt	2,690,891,666	2,475,416,487	450,267,110	428,711,768	3,141,158,776	2,904,128,255
Restricted	80,505,779	115,479,093			80,505,779	115,479,093
Unrestricted	325,682,700	310,308,194	165,193,349	156,947,055	490,876,049	467,255,249
Total net assets	$ 3,097,080,145	$ 2,901,203,774	$ 615,460,459	$ 585,658,823	$ 3,712,540,604	$ 3,486,862,597

The City's total net assets are $3,712,540,604, of which $490,876,049 are *unrestricted net assets*, which may be used to meet the City's ongoing obligations to citizens and creditors. An additional portion of the City's net assets represents resources that are subject to external restrictions on how they may be used. Of these restricted net assets, 95 percent is for construction and maintenance of capital projects, 3 percent is for repayment of long-term debt and 2 percent is for cemetery perpetual care.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Governmental activities. Governmental activities increased the City's net assets by $195,876,371**,** thereby contributing to a 6 percent increase in total net assets of the City of Las Vegas. This is the result of basic budget policies, which include: appropriations for ongoing expenditures will not exceed ongoing revenues; one-time revenues will only be used for one-time expenses; and the ending fund balance should equal at least 12 percent of operating revenues. Key elements of this increase are as follows:

City of Las Vegas Changes in Net Assets
For the Years Ended June 30, 2008 and 2007

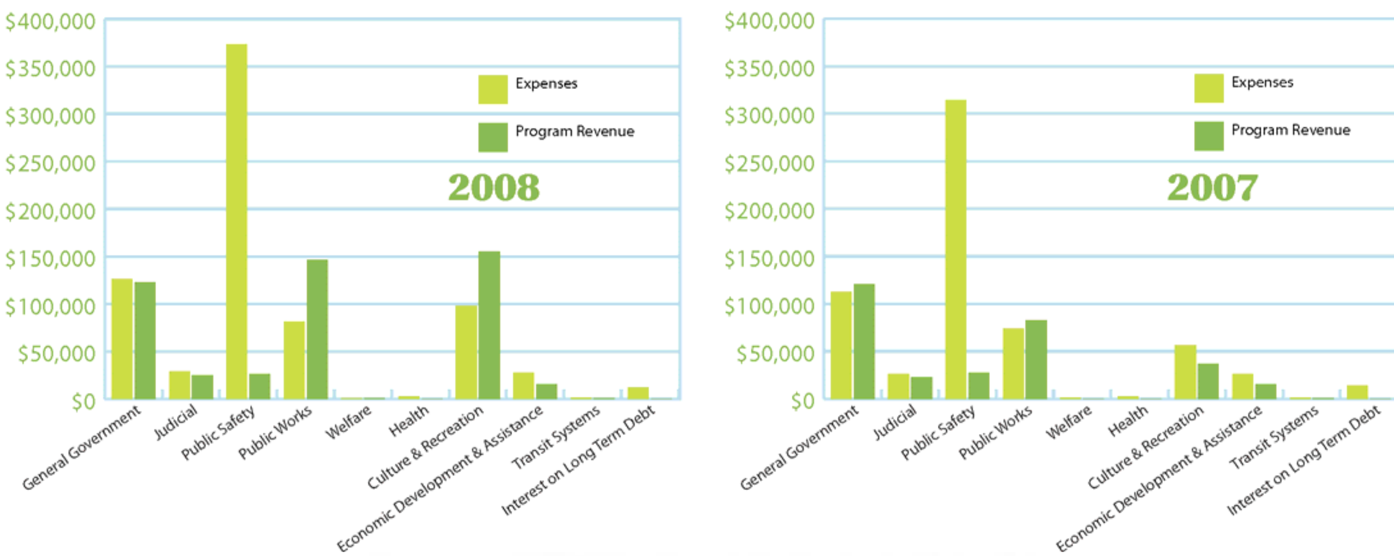
	Governmental		Business-type		Total	
	FY2008	FY2007	FY2008	FY2007	FY2008	FY2007
Revenues:						
Program revenues:						
Charges for services	$ 187,821,871	$ 182,240,989	$ 111,033,023	$ 108,551,525	$ 298,854,894	$ 290,792,514
Operating grants and contributions	57,097,300	13,822,646		615,336	57,097,300	14,437,982
Capital grants and contributions	250,141,869	111,084,595	35,795,799	32,624,360	285,937,668	143,708,955
General revenues:						
Consolidated tax	250,913,934	263,249,775			250,913,934	263,249,775
Property taxes	153,144,730	138,427,928			153,144,730	138,427,928
Room tax	4,519,368	4,186,951			4,519,368	4,186,951
Residential construction tax	1,721,000	2,041,051			1,721,000	2,041,051
Motor vehicle fuel tax	8,278,648	8,807,699			8,278,648	8,807,699
Unrestricted investment earnings	28,018,742	27,378,276	9,468,544	7,391,716	37,487,286	34,769,992
Contributions not restricted to specific programs	2,493,035	107,428,606			2,493,035	107,428,606
Gain on disposal of capital assets	1,772,882	775,370	2,475,388		4,248,270	775,370
Total revenues	945,923,379	859,443,886	158,772,754	149,182,937	1,104,696,133	1,008,626,823
Expenses:						
General government	124,302,206	112,574,158			124,302,206	112,574,158
Judicial	30,838,333	25,292,275			30,838,333	25,292,275
Public safety	372,473,644	314,227,649			372,473,644	314,227,649
Public works	81,744,388	73,595,058			81,744,388	73,595,058
Welfare	1,223,060	1,103,680			1,223,060	1,103,680
Health	3,111,815	2,756,489			3,111,815	2,756,489
Culture and recreation	98,292,624	56,351,300			98,292,624	56,351,300
Economic development and assistance	27,772,537	25,917,365			27,772,537	25,917,365
Transit systems	1,363,455	1,218,787			1,363,455	1,218,787
Interest on long-term debt	12,157,062	14,110,042			12,157,062	14,110,042
Sanitation			95,283,959	83,273,485	95,283,959	83,273,485
Development services			16,249,438	16,966,217	16,249,438	16,966,217
Parking			4,118,202	3,836,241	4,118,202	3,836,241
Golf course			3,328,925	3,039,389	3,328,925	3,039,389
Video production			1,844,356	1,771,862	1,844,356	1,771,862
Land development			4,914,122	1,680,294	4,914,122	1,680,294
Total expenses	753,279,124	627,146,803	125,739,002	110,567,488	879,018,126	737,714,291
Change in net assets before transfers	192,644,255	232,297,083	33,033,752	38,615,449	225,678,007	270,912,532
Transfers	3,232,116	(5,763,939)	(3,232,116)	5,763,939		
Change in net assets	195,876,371	226,533,144	29,801,636	44,379,388	225,678,007	270,912,532
Net assets – July 1	2,901,203,774	2,674,670,630	585,658,823	541,279,435	3,486,862,597	3,215,950,065
Net assets-June 30	$ 3,097,080,145	2,901,203,774	$ 615,460,459	$ 585,658,823	$ 3,712,540,604	$ 3,486,862,597

Program revenues for governmental activities include charges for services, licenses and permits, special assessments, intergovernmental fines and forfeitures, and both operating and capital grants and contributions. Program revenues of the governmental activities provided 66 percent of the resources necessary to pay the cost of providing program services. The remaining program costs were financed from general revenues. Assets contributed by developers was $144,061,527 for governmental activities, and $9,738,000 for business-type activities for a total of $153,799,527 included in program revenues.

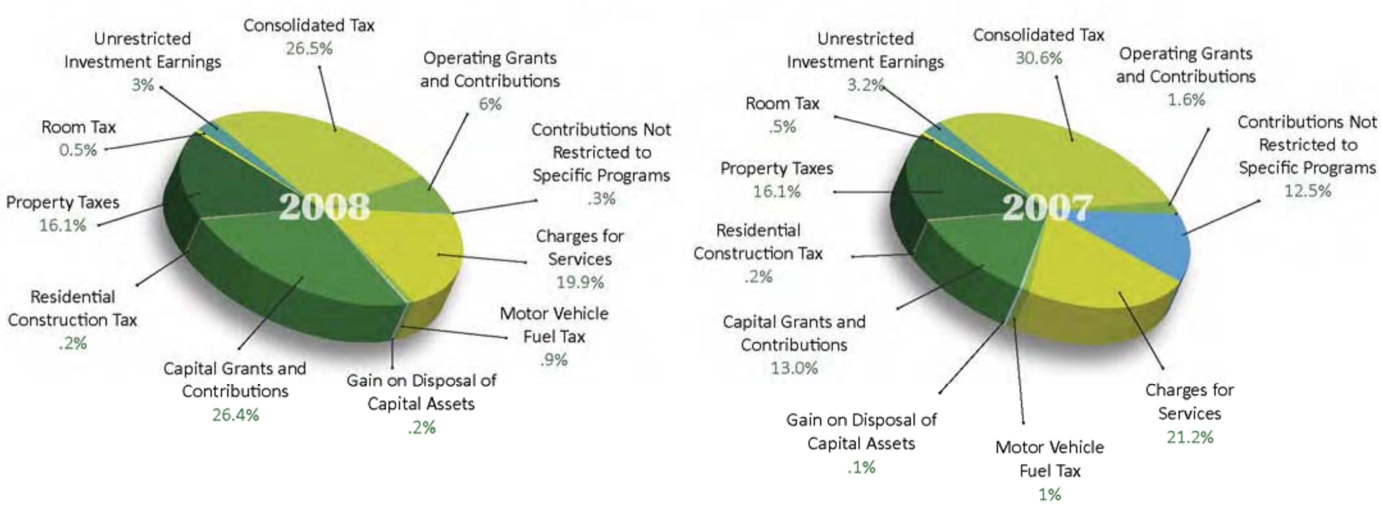
The largest general revenues are consolidated tax of $250,913,934 and Ad Valorem tax (property tax) of $153,144,730, representing 43 percent of total governmental revenues. Consolidated tax decreased 5 percent. The retreat in the housing market and the slowing national and local economy has contributed to the decline. Property taxes have increased 11 percent during the year, attributable to a 2 percent increase in population, and a 12 percent increase in assessed property values. Capital grants and contributions increased by 125 percent, or approximately $139 million. The major amounts were from a donation from the State of Nevada of $73,615,894 for Floyd Lamb State Park and $64,585,778 from various developers for storm drains, roadways and land.

Expenditures in public works of $81,744,388 and public safety of $372,473,644 represent 60 percent of the total governmental expenditures. Public Works' major expenditures consist of planning and engineering of the City's arterial street and floodwater conveyance systems. Public Safety's major expenditures increased by 19 percent, or approximately $58 million, due to an increase in the contribution to the Las Vegas Metropolitan Police Department for capital expenditures. Other major expenditures for Public Safety include Fire and Rescue and Detention and Correctional Services Departments.

Expenses & Program Revenues – Governmental Activities (in thousands)



Revenues by Source – Governmental Activities

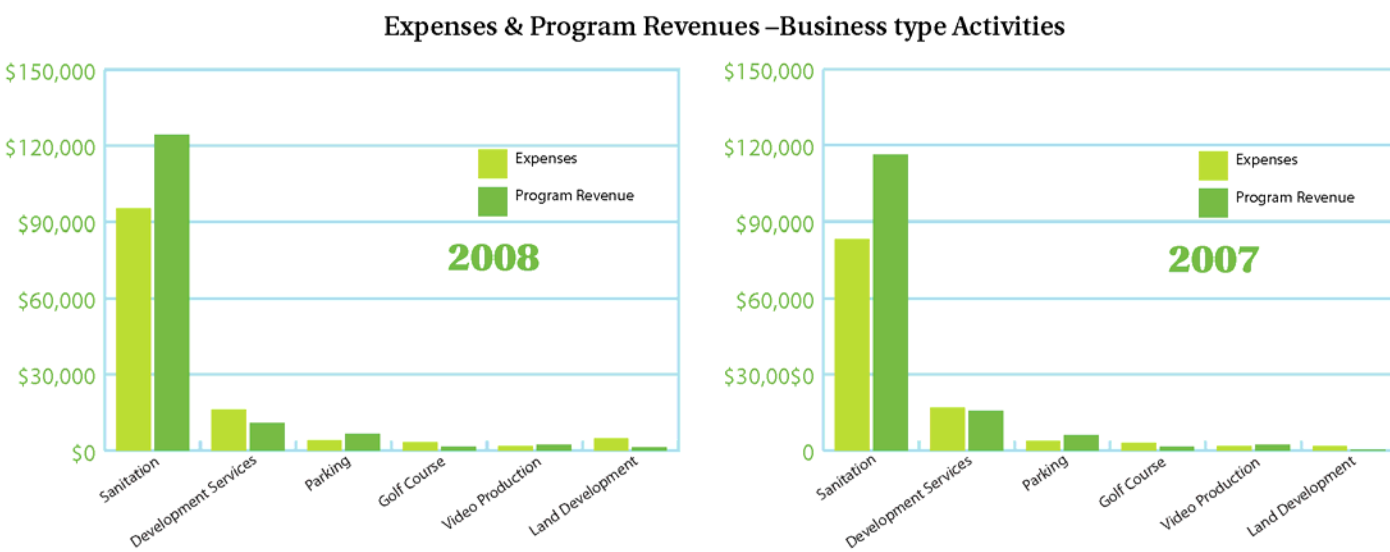


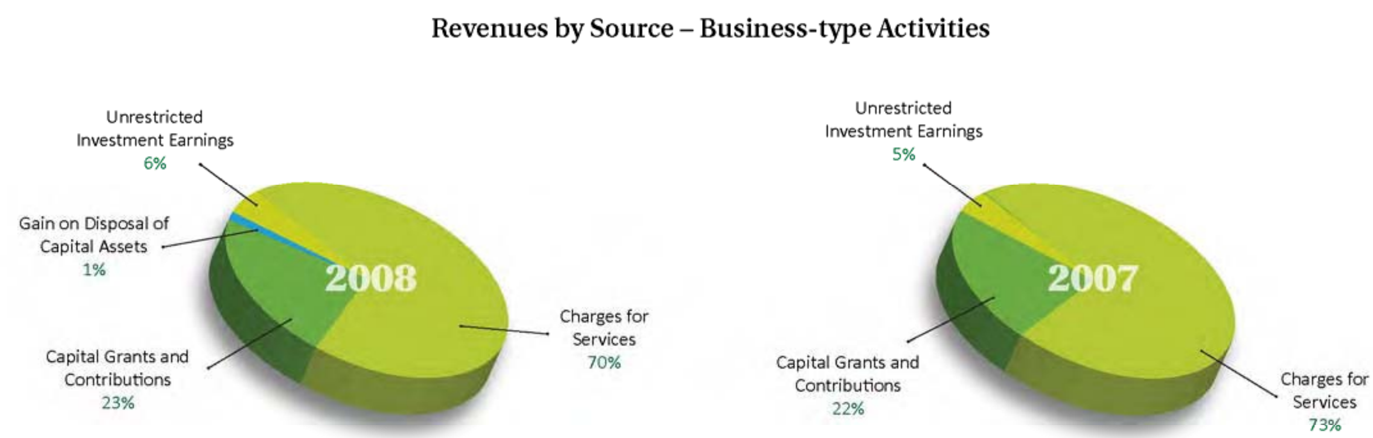
Business-type activities. Business-type activities increased the City's net assets by $29,801,636. Key elements of this increase were charges for sanitation and development services, which consisted of 68 percent of total program revenues.

Of this increase in net assets, $36.9 million is in the Sanitation Enterprise Fund. Seventy-two percent of this increase is in the investment in capital assets, and 28 percent in unrestricted net assets. This results from annual increases in service fees and connection charges in anticipation of capital expansion needs to meet the demands for services in an area of continued dynamic population growth.

Sanitation-related expenses represent 76 percent of total expenses for business-type activities. These expenses increased by 14 percent in 2008 as a result of a new interlocal agreement with the City of North Las Vegas and the Clean Water Coalition, that included operations at the water pollution control facility, maintenance of sewer lines and storm drainage, and street cleaning.

Business-type activities program revenues provided 117 percent of the resources to finance their operations.





Financial Analysis of City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-regulated legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on current inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $473 million, a decrease of $0.2 million from the prior year. Approximately $437.3 million, or 92 percent of this total fund balance, constitutes unreserved fund balance. Of that total, $288.1 million has been designated for construction projects and $12.5 million for redevelopment projects, leaving the remaining $136.7 million as undesignated and available for spending at the City's discretion. The remaining $35.7 million fund balance is reserved and is not available for spending as it has already been committed: (1) $8 million to pay debt service, (2) $1.6 million for the perpetual care of the cemetery, (3) $19.3 million for unfunded Las Vegas Metro Police (OPEB) self insurance liability, and (4) $6.6 million in land held for resale.

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unreserved fund balance in the General Fund was $77.3 million and total fund balance was $96.8 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 14.9 percent of total fund expenditures and transfers out while total fund balance represents 18.6 percent of that same amount.

The fund balance of the City's General Fund increased by $7.4 million during the current fiscal year. Key factors in this change are as follows:

- Total revenue and transfers-in exceeded the prior year by $6.2 million or 1.2 percent. Changes were mixed among major categories, with the largest increase seen in property taxes.

- Total expenditures and transfers out of $519.4 million decreased from the prior year by $9.5 million or 1.8 percent. This decrease was driven primarily by transfers out, which decreased by $28.8 or 67.2 percent, as a result of decreasing contributions to capital projects. This decrease was partially offset by an increase in public safety costs of $18.7 million or 6.3 percent.

The Special Assessments' fund balance at June 30, 2008, was $26.4 million, an increase of $7.2 million, all of which is unreserved and designated for construction projects. The City collected $14.5 million of assessments on non-developer projects and expended $8.7 million on special assessment projects under construction that will be levied to property owners in future years.

The Road and Flood capital projects fund has a total fund balance of $5.6 million, all of which is unreserved and designated for construction projects. The net decrease in fund balance during the current year was $0.9 million. The fund received $56.5 million in revenues from other governmental reimbursements and had expenditures for Capital Projects of $57.4 million.

The Parks and Leisure Activities capital projects fund has a total balance of $86.8 million, all of which is unreserved and designated for construction projects. The net increase in fund balance during the current year was $5.3 million. The fund received $31.4 million in revenues, consisting of $22.5 million from Southern Nevada Public Lands Management Act (SNPLMA) for parks, trails, and natural land management, $3.4 million in State grants for multi-use transportation and the post modern museum project, and $5.5 million in interest income. The fund also received $12.7 million of bond proceeds for construction costs for the Stupak Community Center. The fund had expenditures of $50 million for various Capital Projects, with net transfers in of $11.2 million.

Enterprise Funds. The City's enterprise funds statements provide the same type of information found in the government-wide financial statements, but in more detail. Net assets of the proprietary funds totaled $615.5 million of which the Sanitation Fund had $563.8 million in net assets. The total growth of the proprietary funds was $29.8 million of which the growth in the Sanitation Fund was $36.9 million. The Sanitation Fund was established to account for the City-owned and operated sewer system in the City of Las Vegas and service provided to North Las Vegas. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City's business-type activities.

Internal Service Funds. The City's internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its computer services, communications, graphic arts, automotive operations (including fire equipment), and the centralized purchasing of certain office supplies. The City also uses internal service funds to account for its self-insurance activities, including liability insurance, workers' compensation, property damage insurance and employee benefits. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Other factors concerning the finances of the internal service funds have already been addressed in the discussion of the City's governmental activities.

General Fund Budgetary Highlights

There were no budget augmentations during the year for the general fund (see Note 3A). The actual General Fund operating revenues of $509.8 million were $27.8 million or 5.2 percent below budgeted operating revenues of $537.6 million (see page 91), thus no funding sources were available for augmenting the original General Fund budget. This decrease is mostly attributable to reduced consolidated tax collections received from the State of Nevada. City departments within the General Fund were required to analyze their budgets to find areas where spending could be reduced for cost savings resulting in $34 million compared to the final budget amounts (see pages 92-98). Anticipating this trend could continue into the next fiscal years, cost saving measures were introduced into the FY2009 budget.

Capital Asset and Debt Administration

Capital assets. The City of Las Vegas and its blended component units' investment in capital assets for its governmental and business-type activities amounts to $3,432,421,053 (net of accumulated depreciation of $1,087,014,817) as of June 30, 2008. Capital assets include land, buildings, improvements, machinery & equipment and vehicles, wastewater systems, infrastructures (roadways, traffic signals and lighting, signage, pavement markers, storm drainage and sanitary sewer lines), and construction in progress. For the current fiscal year, the City's net increase in capital assets was 8.3 percent before depreciation (9.1 percent for governmental activities and 4.3 percent for business-type activities).

The City has an aggressive capital improvement program totaling over $1.8 billion over the next five years (the City budgets its capital program in rolling 5-year increments). The City budgets these projects in six categories: general government, public safety, sanitation, public works, culture and recreation, and economic development and assistance. Among these categories, the major projects include: new park and leisure facilities ($471.9 million), general City facilities ($168.3 million), and road and flood construction ($807.3 million).

Major capital asset events during the current fiscal year included the following:

Construction in progress increased $87.3 million mainly from the construction of a community center, a museum, a performing arts center, street construction projects in new residential developments and widening and expansion of existing streets. Construction costs during FY 2008 includes $6.7 million for new fire stations, $49.5 million for several parks, recreation and trail projects and road work and storm drainage projects totaling $54.5 million. In the current year, the fire department purchased $1.7 million in new vehicles and general fleet purchases of $3.4 million.

Additional information on capital assets can be found in Note 9 on pages 64-66 of this report.

City of Las Vegas Capital Assets
(net of depreciation)
As of June 30, 2008 and 2007

	Governmental		Business-type		Total	
	FY2008	FY2007	FY2008	FY2007	FY2008	FY2007
Land	$ 1,104,487,894	$ 985,555,130	$ 52,109,897	$ 41,810,563	$ 1,156,597,791	$ 1,027,365,693
Construction in progress	385,810,429	292,311,063	15,205,678	21,423,606	401,016,107	313,734,669
Land improvements	106,026,287	100,145,602	11,213,865	12,039,667	117,240,152	112,185,269
Sewer plant improvements			195,411,019	202,039,834	195,411,019	202,039,834
Buildings	139,135,180	137,961,188	16,345,921	16,839,126	155,481,101	154,800,314
Building improvements	43,673,780	43,224,311	1,879,360	565,321	45,553,140	43,789,632
Sewer lines			250,242,294	236,409,702	250,242,294	236,409,702
Machinery and equipment	9,555,807	9,968,420	1,350,832	1,440,862	10,906,639	11,409,282
Vehicles	26,621,973	24,616,718			26,621,973	24,616,718
Roadways	598,759,966	589,671,649			598,759,966	589,671,649
Traffic pavement markers	409,897	564,009			409,897	564,009
Traffic signals and lighting	56,566,488	55,105,924			56,566,488	55,105,924
Traffic signage	952,273	819,881			952,273	819,881
Storm drainage	416,662,213	402,124,785			416,662,213	402,124,785
Total	$ 2,888,662,187	$ 2,642,068,680	$ 543,758,866	$ 532,568,681	$ 3,432,421,053	$ 3,174,637,361

Long-term debt. At the end of the current fiscal year, the City and its blended component units' total bonded debt outstanding was $341,173,400, exclusive of deferred issuance costs, and premiums and discounts. Of this amount, $237,890,000 comprises general obligation debt backed by the full faith and credit of the government, $95,080,000 of general obligation debts additionally secured by specified revenue sources, and $8,203,400 of special assessment debt for which the City is obligated in the event of default by the bonded property owners.

City of Las Vegas Outstanding Debt
General Obligation and Revenue Bonds
(before amortization of premiums, discounts and unamortized debt refunding transaction)
As of June 30, 2008 and 2007

	Governmental		Business-type		Total	
	FY2008	FY2007	FY2008	FY2007	FY2008	FY2007
General obligation bonds	$	$ 945,000	$	$	$ -	$ 945,000
General obligation medium-term bonds	71,835,000	62,424,967			71,835,000	62,424,967
General obligation tax increment revenue bonds	23,245,000	26,925,000			23,245,000	26,925,000
	95,080,000	90,294,967			95,080,000	90,294,967
Special assessment bonds	8,203,400	8,586,800			8,203,400	8,586,800
General obligation revenue bonds	142,170,000	147,080,000	95,720,000	106,790,000	237,890,000	253,870,000
Total	$ 245,453,400	$ 245,961,767	$ 95,720,000	$ 106,790,000	$ 341,173,400	$ 352,751,767

The City and its blended component units' total debt decreased by $11,578,367 during the current fiscal year. The change was a result from the increase in new bond issuances for special assessment local improvements of $320,000, general obligation various purpose bonds of $39,655,000, and debt principal payments of $51,553,367.

State statutes and City Charter limit the amount of general obligation debt a governmental entity may issue to 20 percent of its total assessed valuation. The current debt limitation for the City is $5,289,181,000 (see page 211), which is significantly in excess of the City's outstanding general obligation debt.

The City maintains an AA rating from Fitch, an AA rating from Standard and Poors (S&P) Corporation, and an Aa3 rating from Moody's Investors Service. These ratings apply to all of the City's bond issues except for the Redevelopment Agency whose S&P rating is A.

Additional information on the City's long-term debt can be found in Note 12 on pages 69-74 of this report.

Economic Factors

For fiscal year 2009 the assessed valuation of the City is $24,992,555,583 an increase of $343,207,472 over fiscal year 2008 with a combined tax rate of $0.7715 apportioned to the City per $100 of assessed value.

Requests for Information

The financial report is designed to provide a general overview of the City of Las Vegas finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Business Services Department, 400 Stewart Avenue, Las Vegas, Nevada, 89101.

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BASIC FINANCIAL STATEMENT

Sustainability Tip:
Use a mode of alternative transportation such as mass transit, biking or carpooling.

BASIC FINANCIAL STATEMENT

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CITY OF LAS VEGAS
STATEMENT OF NET ASSETS
JUNE 30, 2008

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMMISSION FOR THE LAS VEGAS CENTENNIAL
ASSETS				
Cash and cash equivalents	$ 496,227,029	$ 165,008,557	$ 661,235,586	$ 3,088,138
Investments	11,166,288		11,166,288	
Receivables net of allowance:				
Property taxes	4,003,666		4,003,666	
Consolidated taxes	42,319,924		42,319,924	
Gaming tax	3,390		3,390	
Accounts	5,102,040	13,834,295	18,936,335	
Interest	3,222,754	1,155,701	4,378,455	12,508
Loans	10,098,839	3,196,200	13,295,039	
Special assessments	7,475,181		7,475,181	
Intergovernmental	46,417,277	3,692,305	50,109,582	
Internal balances	12,365,325	(12,365,325)		
Land held for resale	6,608,924		6,608,924	
Inventories	3,007,535	2,379,015	5,386,550	
Prepaid items	126,817	260,811	387,628	2,123
Deposits		26,191	26,191	
Deferred charges	2,751,952	766,218	3,518,170	
Restricted assets:				
Permanently restricted:				
Cash and cash equivalents	227,725		227,725	
Investments	1,397,959		1,397,959	
Capital assets:				
Land and construction in progress	1,490,298,323	67,315,575	1,557,613,898	
Depreciable improvements, buildings, machinery and equipment, and infrastructure, net of depreciation	1,398,363,864	476,443,291	1,874,807,155	
TOTAL ASSETS	3,541,184,812	721,712,834	4,262,897,646	3,102,769

The notes to the basic financial statements are an integral part of this statement.

CITY OF LAS VEGAS
STATEMENT OF NET ASSETS
JUNE 30, 2008

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMMISSION FOR THE LAS VEGAS CENTENNIAL
LIABILITIES				
Accounts payable	$ 35,249,469	$ 7,911,013	$ 43,160,482	$ 17,161
Deposits payable	1,815,687	418,165	2,233,852	
Interest payable	1,713,604	928,429	2,642,033	
Contracts payable	8,046,295	583,956	8,630,251	
Connection fees payable		116,400	116,400	
Intergovernmental payable	7,151,222	1,928,743	9,079,965	57,403
Claims and judgments payable	171,577		171,577	
Unearned revenue	306,631		306,631	
Noncurrent liabilities:				
Current portion due or payable within one year:				
Bonds payable	24,121,403	11,125,296	35,246,699	
Benefits payable	10,837,987		10,837,987	
Compensated absences payable	33,622,542		33,622,542	
Unearned revenue		23,500	23,500	
Long-term portion due or payable after one year:				
Bonds payable	222,385,895	82,366,460	304,752,355	
Compensated absences payable	18,114,027		18,114,027	
Unearned revenue		850,413	850,413	
Arbitrage rebate payable	1,380,000		1,380,000	
Unfunded Metro police self insurance and OPEB liability	19,303,749		19,303,749	
OPEB liability	22,163,348		22,163,348	
Heart lung presumptive liability	37,721,231		37,721,231	
TOTAL LIABILITIES	444,104,667	106,252,375	550,357,042	74,564
NET ASSETS				
Invested in capital assets, net of related debt	2,690,891,666	450,267,110	3,141,158,776	
Restricted for:				
Debt service	2,576,000		2,576,000	
Capital projects	61,424,035		61,424,035	
Street maintenance	14,877,528		14,877,528	
Cemetery perpetual care-nonexpendable	1,628,216		1,628,216	
Unrestricted	325,682,700	165,193,349	490,876,049	3,028,205
TOTAL NET ASSETS	$ 3,097,080,145	$ 615,460,459	$ 3,712,540,604	$ 3,028,205

CITY OF LAS VEGAS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	EXPENSES	CHARGES FOR SERVICES	PROGRAM OPERATING GRANT AND CONTRIBUTIONS
FUNCTIONS/PROGRAMS			
Primary government:			
Governmental activities:			
General government	$ 124,302,206	$ 122,841,441	$ 70,810
Judicial	30,838,333	25,107,483	85,119
Public safety	372,473,644	17,809,616	1,063,631
Public works	81,744,388	6,358,243	14,535,759
Welfare	1,223,060	44,990	696,153
Health	3,111,815	123,779	258,879
Culture and recreation	98,292,624	12,851,113	35,305,788
Economic development and assistance	27,772,537	1,786,937	5,081,161
Transit systems	1,363,455	898,269	
Interest on long-term debt	12,157,062		
Total governmental activities	753,279,124	187,821,871	57,097,300
Business-type activities:			
Sanitation	95,283,959	88,373,599	
Development services	16,249,438	11,012,878	
Parking	4,118,202	6,674,645	
Golf course	3,328,925	1,493,565	
Video production	1,844,356	2,226,736	
Land development	4,914,122	1,251,600	
Total business-type activities	125,739,002	111,033,023	
Total primary government	$ 879,018,126	$ 298,854,894	$ 57,097,300
Component unit:			
Commission for the Las Vegas Centennial	$ 1,032,564	$ 28,838	$ 1,709,095
Total component unit	$ 1,032,564	$ 28,838	$ 1,709,095

The notes to the basic financial statements are an integral part of this statement.

	REVENUES	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
		PRIMARY GOVERNMENT			COMPONENT UNIT
	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMMISSION FOR THE LAS VEGAS CENTENNIAL
	$ 62,100	$ (1,327,855)	$	$ (1,327,855)	$
		(5,645,731)		(5,645,731)	
	7,775,889	(345,824,508)		(345,824,508)	
	125,934,255	65,083,869		65,083,869	
		(481,917)		(481,917)	
		(2,729,157)		(2,729,157)	
	107,331,034	57,195,311		57,195,311	
	9,038,591	(11,865,848)		(11,865,848)	
		(465,186)		(465,186)	
		(12,157,062)		(12,157,062)	
	250,141,869	(258,218,084)		(258,218,084)	
	35,795,799		28,885,439	28,885,439	
			(5,236,560)	(5,236,560)	
			2,556,443	2,556,443	
			(1,835,360)	(1,835,360)	
			382,380	382,380	
			(3,662,522)	(3,662,522)	
	35,795,799		21,089,820	21,089,820	
	$ 285,937,668	(258,218,084)	21,089,820	(237,128,264)	
	$				705,370
	$				705,370
General revenues:					
Consolidated tax		250,913,934		250,913,934	
Property taxes		153,144,730		153,144,730	
Room tax		4,519,368		4,519,368	
Residential construction tax		1,721,000		1,721,000	
Motor vehicle fuel tax		8,278,648		8,278,648	
Unrestricted investment earnings		28,018,742	9,468,544	37,487,286	75,580
Contributions not restricted to specific programs		2,493,035		2,493,035	
Gain on disposal of capital assets		1,772,882	2,475,388	4,248,270	
Transfers		3,232,116	(3,232,116)		
Total general revenues and transfers		454,094,455	8,711,816	462,806,271	75,580
Change in net assets		195,876,371	29,801,636	225,678,007	780,950
Net assets - July 1,		2,901,203,774	585,658,823	3,486,862,597	2,247,255
Net assets - June 30,		$ 3,097,080,145	$ 615,460,459	$ 3,712,540,604	$ 3,028,205

CITY OF LAS VEGAS, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	General	Parks and Leisure Activities	Road and Flood
ASSETS			
Cash and cash equivalents	$ 57,067,007	$ 86,719,464	$ 279,720
Investments			
Receivables (net of allowances for uncollectibles)			
Property tax	2,848,766		
Consolidated tax	42,319,924		
Gaming tax	3,390		
Accounts	1,232,847	207,398	9,736
Interest	706,336	343,551	
Loans	5,200,000		
Special Assessments			
Intergovernmental	1,311,447	11,985,977	16,588,654
Due from other funds	3,338,358		
Land held for resale			
Inventories	1,540,488		
Prepaid items	126,817		
Permanently restricted:			
Cash and cash equivalents			
Investments			
Total assets	$ 115,695,380	$ 99,256,390	$ 16,878,110
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 5,135,243	$ 8,701,846	$ 9,073,848
Due to other funds	142,631		
Deposits payable	276,817		
Contracts payable		3,732,502	2,239,889
Loans payable			
Intergovernmental payable	5,437,200		
Deferred revenue	7,904,563		
Total liabilities	18,896,454	12,434,348	11,313,737
Fund balances:			
Reserved for:			
Debt service			
Imprest funds	23,500		
Prepaid items	126,817		
Noncurrent loans receivable			
Land held for resale			
Cemetery perpetual care			
Unfunded Metro Police self insurance and OPEB liability	19,303,749		
Unreserved:			
Designated for construction projects			
Special revenue funds			
Capital project funds		86,822,042	5,564,373
Designated for redevelopment projects			
Special revenue funds			
Undesignated			
General fund	77,344,860		
Special revenue funds			
Debt service funds			
Total fund balances	96,798,926	86,822,042	5,564,373
Total liabilities and fund balances	$ 115,695,380	$ 99,256,390	$ 16,878,110

The notes to the basic financial statements are an integral part of this statement.

Special Assessments	Other Non-Major Governmental Funds	Total Governmental Funds
$ 26,456,791	$ 228,786,999	$ 399,309,981
	2,674,726	2,674,726
	1,154,900	4,003,666
		42,319,924
		3,390
	3,109,626	4,559,607
37,893	1,351,065	2,438,845
	18,432,781	23,632,781
7,462,577	12,604	7,475,181
	15,287,316	45,173,394
	91,554	3,429,912
	6,608,924	6,608,924
		1,540,488
		126,817
	227,725	227,725
	1,397,959	1,397,959
$ 33,957,261	$ 279,136,179	$ 544,923,320
$ 92,949	$ 10,416,337	$ 33,420,223
	4,547,756	4,690,387
31,829	1,187,641	1,496,287
	2,073,904	8,046,295
59,826	811,534	871,360
	1,714,022	7,151,222
7,408,199	930,553	16,243,315
7,592,803	21,681,747	71,919,089
	7,971,011	7,971,011
		23,500
		126,817
	26,965	26,965
	6,608,924	6,608,924
	1,628,216	1,628,216
		19,303,749
	49,494,731	49,494,731
26,364,458	119,830,665	238,581,538
	12,491,136	12,491,136
		77,344,860
	58,964,506	58,964,506
	438,278	438,278
26,364,458	257,454,432	473,004,231
$ 33,957,261	$ 279,136,179	$ 544,923,320

CITY OF LAS VEGAS, NEVADA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2008

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balances - total governmental funds (page 33)	$ 473,004,231
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Capital assets consist of governmental assets of $2,864,885,776 and internal service fund assets of $23,776,411.	2,888,662,187
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(266,152,699)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	15,936,684
Internal service funds are used by management to charge the costs of various services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Total net assets in the internal service funds are $9,119,671, plus $286,482 to reflect consolidation of internal service fund activities to related enterprise funds; and less $23,776,411 of internal service fund net capital assets reflected in governmental activities.	(14,370,258)
Net assets of governmental activities (page 29)	$ 3,097,080,145

The notes to the basic financial statements are an integral part of this statement.

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CITY OF LAS VEGAS, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	General	Parks and Leisure Activities	Road and Flood
Revenues:			
Taxes	$ 116,574,425	$	$
Licenses and permits	83,402,354		
Intergovernmental	255,611,961	26,084,212	56,449,631
Charges for services	27,844,553	207,635	59,286
Special assessments			
Fines and forfeits	18,038,379		
Interest	3,711,593	4,029,090	
Miscellaneous	4,622,848	1,066,136	31,935
Total revenues	509,806,113	31,387,073	56,540,852
Expenditures:			
Current:			
General government	86,447,724		
Judicial	25,891,084		
Public safety	297,063,363		
Public works	19,872,785		2,861,144
Welfare			
Health	2,717,579		
Culture and recreation	44,193,815	479,713	
Economic development and assistance	7,403,542		
Transit systems	1,290,881		
Debt service:			
Principal retirement			
Interest and fiscal charges			
Capital outlay:			
General government	77,279		
Judicial	39,236		
Public safety	20,102,468		
Public works	58,904		54,540,564
Culture and recreation	21,720	49,493,893	
Economic development and assistance	86,521		
Total expenditures	505,266,901	49,973,606	57,401,708
Excess (deficiency) of revenues over (under) expenditures	4,539,212	(18,586,533)	(860,856)
Other financing sources (uses):			
Transfers in	16,951,561	15,802,886	
Transfers out	(14,083,884)	(4,605,223)	
Sale of capital assets			
General obligation bonds issued		12,500,000	
Premium		189,876	
Special assessment bonds issued			
Total other financing sources (uses)	2,867,677	23,887,539	
Net changes in fund balances	7,406,889	5,301,006	(860,856)
Fund balances, July 1	89,392,037	81,521,036	6,425,229
Fund balances, June 30	$ 96,798,926	$ 86,822,042	$ 5,564,373

The notes to the basic financial statements are an integral part of this statement.

Special Assessments	Other Non-Major Governmental Funds	Total Governmental Funds
$	$ 41,704,300	$ 158,278,725
	1,779,471	85,181,825
	95,065,623	433,211,427
	8,692,178	36,803,652
14,534,534	2,911,257	17,445,791
	179,934	18,218,313
940,311	13,102,183	21,783,177
1,225	6,550,517	12,272,661
15,476,070	169,985,463	783,195,571
	15,248,086	101,695,810
	2,158,756	28,049,840
	1,258,547	298,321,910
5,693,405	9,609,328	38,036,662
	1,119,288	1,119,288
	183,851	2,901,430
	40,922,239	85,595,767
	17,986,880	25,390,422
		1,290,881
	23,328,367	23,328,367
	11,249,599	11,249,599
	32,814,072	32,891,351
		39,236
	11,717,221	31,819,689
3,052,587	5,196,900	62,848,955
		49,515,613
	17,534,381	17,620,902
8,745,992	190,327,515	811,715,722
6,730,078	(20,342,052)	(28,520,151)
1,500,000	50,780,870	85,035,317
(1,348,320)	(61,328,690)	(81,366,117)
	1,473,734	1,473,734
	10,000,000	22,500,000
	151,873	341,749
320,000		320,000
471,680	1,077,787	28,304,683
7,201,758	(19,264,265)	(215,468)
19,162,700	276,718,697	473,219,699
$ 26,364,458	$ 257,454,432	$ 473,004,231

CITY OF LAS VEGAS, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Amounts reported for governmental activities in the statement of activities (page 30 - 31) are different because:

Net changes in fund balances - total governmental funds (page 37)	$ (215,468)
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	109,304,378
The net effect of various transactions involving capital assets (i.e., sales, trade-ins, transfers, and donations) is to increase net assets.	143,931,080
Property tax revenue and special assessments revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	94,705
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	401,363
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(15,388,952)
Internal service funds are used by management to charge the costs of a variety of services (i.e. fleet, graphic reproduction, purchase and maintenance of computers, maintenance of radios, pagers, cellular, and telephones, etc.) to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	(42,250,735)
Change in net assets of governmental activities (page 31)	$ 195,876,371

The notes to the basic financial statements are an integral part of this statement.

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CITY OF LAS VEGAS, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	$ 117,823,604	$ 117,823,604	$ 116,574,425	$ (1,249,179)
Licenses and permits	84,786,631	84,786,631	83,402,354	(1,384,277)
Intergovernmental	284,252,987	284,252,987	255,611,961	(28,641,026)
Charges for services	28,014,128	28,014,128	27,844,553	(169,575)
Fines and forfeits	17,091,743	17,091,743	18,038,379	946,636
Interest	3,237,990	3,237,990	3,711,593	473,603
Miscellaneous	2,346,091	2,346,091	4,622,848	2,276,757
Total revenues	537,553,174	537,553,174	509,806,113	(27,747,061)
Expenditures:				
General government:				
Legislative	3,624,851	3,424,851	2,938,466	486,385
Executive	5,687,876	5,537,876	5,070,335	467,541
Financial administration	24,163,957	25,158,957	22,859,777	2,299,180
Other	64,349,019	63,704,019	55,656,425	8,047,594
Total general government	97,825,703	97,825,703	86,525,003	11,300,700
Judicial:				
Municipal courts	19,556,849	19,556,849	17,329,996	2,226,853
City attorney-criminal division	4,669,426	4,669,426	4,283,505	385,921
Public defender	485,296	485,296	441,327	43,969
Alternative sentencing & education	4,163,463	4,163,463	3,875,492	287,971
Total judicial	28,875,034	28,875,034	25,930,320	2,944,714
Public safety:				
Police	148,483,510	148,483,510	146,535,302	1,948,208
Fire	114,130,452	114,130,452	108,315,699	5,814,753
Corrections	50,704,738	50,704,738	46,724,832	3,979,906
Other protection	17,132,266	17,132,266	15,589,998	1,542,268
Total public safety	330,450,966	330,450,966	317,165,831	13,285,135
Public works:				
Administration	1,427,288	1,427,288	1,225,315	201,973
Engineering	18,927,110	18,927,110	16,670,782	2,256,328
Paved streets	2,176,105	2,176,105	2,035,592	140,513
Total public works	22,530,503	22,530,503	19,931,689	2,598,814
Health:				
Animal control	2,619,525	2,669,525	2,592,698	76,827
Cemetery operation	70,000	120,000	124,881	(4,881)
Communicable disease control	50,000	50,000		50,000
Total health	2,739,525	2,839,525	2,717,579	121,946

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Culture and recreation:				
Culture & recreation administration	$ 5,427,779	$ 5,427,779	$ 4,557,763	$ 870,016
Participant recreation	16,473,082	16,473,082	15,537,796	935,286
Spectator recreation	4,364,480	4,364,480	4,135,565	228,915
Parks	17,941,906	17,941,906	16,931,469	1,010,437
Senior citizens	2,983,929	2,983,929	3,052,942	(69,013)
Total culture and recreation	47,191,176	47,191,176	44,215,535	2,975,641
Economic development and assistance:				
Economic development and assistance	669,184	669,184	868,572	(199,388)
Neighborhood services	7,377,260	7,377,260	6,621,491	755,769
Total economic development and assistance	8,046,444	8,046,444	7,490,063	556,381
Transit systems:				
Transportation services	1,458,102	1,458,102	1,290,881	167,221
Total transit systems	1,458,102	1,458,102	1,290,881	167,221
Total expenditures	539,117,453	539,217,453	505,266,901	33,950,552
Excess of revenues over expenditures	(1,564,279)	(1,664,279)	4,539,212	6,203,491
Other financing sources (uses):				
Transfers in	14,146,826	14,146,826	16,951,561	2,804,735
Transfers out	(16,261,721)	(16,161,721)	(14,083,884)	2,077,837
Total other financing sources (uses)	(2,114,895)	(2,014,895)	2,867,677	4,882,572
Net changes in fund balances	(3,679,174)	(3,679,174)	7,406,889	11,086,063
Fund balances, July 1	73,335,376	73,335,376	89,392,037	16,056,661
Fund balances, June 30	$ 69,656,202	$ 69,656,202	$ 96,798,926	$ 27,142,724

The notes to the basic financial statements are an integral part of this statement.

CITY OF LAS VEGAS, NEVADA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
ASSETS					
Current assets:					
Cash and cash equivalents	$ 142,543,269	$ 2,642,551	$ 19,822,737	$ 165,008,557	$ 96,917,048
Investments					8,491,562
Receivables (net of allowances for uncollectibles):					
Accounts	13,823,338		10,957	13,834,295	542,433
Interest	1,004,733	11,214	139,754	1,155,701	783,909
Loans		3,196,200	2,781,449	5,977,649	59,826
Intergovernmental	3,690,641		1,664	3,692,305	1,243,883
Due from other funds		1,337,349		1,337,349	616,910
Inventories	2,359,674		19,341	2,379,015	1,467,047
Prepaid items	85,085	50,748	124,978	260,811	
Deposits			26,191	26,191	
Total current assets	163,506,740	7,238,062	22,927,071	193,671,873	110,122,618
Deferred charges-bond issuance costs	710,679		55,539	766,218	
Capital assets:					
Land	12,522,133	36,261,634	3,326,130	52,109,897	
Land improvements	4,340,422		13,063,433	17,403,855	257,077
Sewer plant improvements	347,047,654			347,047,654	
Buildings	15,309,594		6,530,956	21,840,550	3,986,315
Building improvements	3,191,225		845,284	4,036,509	4,482,527
Sewer lines	316,127,132			316,127,132	
Machinery and equipment	1,542,193		2,326,849	3,869,042	4,733,713
Vehicles					46,128,989
Construction in progress	15,205,678			15,205,678	
Less accumulated depreciation	(223,624,014)		(10,257,437)	(233,881,451)	(35,812,210)
Total capital assets (net of accumulated depreciation)	491,662,017	36,261,634	15,835,215	543,758,866	23,776,411
Total noncurrent assets	492,372,696	36,261,634	15,890,754	544,525,084	23,776,411
Total assets	655,879,436	43,499,696	38,817,825	738,196,957	133,899,029

Continued

CITY OF LAS VEGAS, NEVADA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS (continued)
JUNE 30, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
LIABILITIES					
Current liabilities:					
Accounts payable	$ 5,116,688	$ 2,684,213	$ 110,112	$ 7,911,013	$ 1,829,246
Compensated absences payable					33,622,542
Deposits		400,200	17,965	418,165	319,400
Due to other funds		693,784		693,784	
Benefits payable					10,837,987
Claims and judgments payable					171,577
Unearned revenue			23,500	23,500	
General obligation revenue bonds payable	10,640,245		485,051	11,125,296	
Interest payable	880,353		48,076	928,429	
Contracts payable	583,956			583,956	
Connection fees payable	116,400			116,400	
Intergovernmental payable	1,927,037		1,706	1,928,743	
Total current liabilities	19,264,679	3,778,197	686,410	23,729,286	46,780,752
Noncurrent liabilities:					
Compensated absences payable					18,114,027
General obligation revenue bonds payable	72,768,323		9,598,137	82,366,460	
Loans payable		15,503,857		15,503,857	
Unearned revenue			850,413	850,413	
OPEB liability					22,163,348
Heart lung presumptive liability					37,721,231
Total noncurrent liabilities	72,768,323	15,503,857	10,448,550	98,720,730	77,998,606
Total liabilities	92,033,002	19,282,054	11,134,960	122,450,016	124,779,358
NET ASSETS					
Investment in capital assets, net of related debt	408,253,449	26,442,139	5,752,027	440,447,615	23,776,411
Unrestricted	155,592,985	(2,224,497)	21,930,838	175,299,326	(14,656,740)
Total net assets	$ 563,846,434	$ 24,217,642	$ 27,682,865	615,746,941	$ 9,119,671
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(286,482)	
Net assets of business-type activities (page 29)				$ 615,460,459	

The notes to the basic financial statements are an integral part of this statement.

CITY OF LAS VEGAS, NEVADA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
Operating revenues:					
Licenses and permits	$	$	$ 12,233,155	$ 12,233,155	$
Charges for services	88,319,431		4,286,000	92,605,431	200,005,050
Fines and forfeits			3,328,082	3,328,082	
Miscellaneous	54,168	1,251,600	1,560,587	2,866,355	145,429
Total operating revenues	88,373,599	1,251,600	21,407,824	111,033,023	200,150,479
Operating expenses:					
Salaries and employee benefits	23,261,641		15,861,435	39,123,076	144,164,499
Services and supplies	28,493,222	4,914,122	6,031,938	39,439,282	15,138,460
Cost of stores issued			121,353	121,353	7,465,293
Insurance claims					75,176,127
Insurance premiums					3,365,548
Depreciation	19,670,996		961,467	20,632,463	6,071,120
Total operating expenses	71,425,859	4,914,122	22,976,193	99,316,174	251,381,047
Operating income (loss)	16,947,740	(3,662,522)	(1,568,369)	11,716,849	(51,230,568)
Nonoperating revenues (expenses):					
Interest revenue	8,221,205	90,886	1,156,453	9,468,544	5,854,286
Interest expense	(4,580,920)		(595,864)	(5,176,784)	
Sewer connection charges	14,959,952			14,959,952	
Gain on sale of capital assets		2,475,388		2,475,388	202,398
Intergovernmental revenue	11,097,847			11,097,847	49,000
Intergovernmental expense	(16,481,660)		(33,854)	(16,515,514)	(1,419,297)
Total net nonoperating revenues	13,216,424	2,566,274	526,735	16,309,433	4,686,387
Income (loss) before contributions and transfers	30,164,164	(1,096,248)	(1,041,634)	28,026,282	(46,544,181)
Capital contributions	9,738,000			9,738,000	
Transfers in			2,706,303	2,706,303	139,990
Transfers out	(3,000,000)		(2,938,419)	(5,938,419)	(577,074)
Changes in net assets	36,902,164	(1,096,248)	(1,273,750)	34,532,166	(46,981,265)
Total net assets, July 1	526,944,270	25,313,890	28,956,615		56,100,936
Net assets, June 30	$ 563,846,434	$ 24,217,642	$ 27,682,865		$ 9,119,671
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(4,730,530)	
Changes in net assets of business-type activities (page 31)				$ 29,801,636	

The notes to the basic financial statements are an integral part of this statement.

CITY OF LAS VEGAS, NEVADA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
Cash flows from operating activities:					
Cash received from customers	$ 87,796,698	$ 81,143	$ 21,448,834	$ 109,326,675	$ 202,335,685
Cash payments to suppliers for goods and services	(29,229,187)	(3,242,861)	(6,110,028)	(38,582,076)	(46,752,726)
Cash payments to employees for services	(23,261,641)		(15,861,435)	(39,123,076)	(142,353,189)
Net cash provided (used in) by operating activities	35,305,870	(3,161,718)	(522,629)	31,621,523	13,229,770
Cash flows from noncapital financing activities:					
Federal grants					49,000
Cash paid to other funds		689,548		689,548	
Reimbursements from other governments	819,810			819,810	
Transfers in from other funds			2,706,303	2,706,303	139,990
Transfers out to other funds	(3,000,000)		(2,938,419)	(5,938,419)	
Subsidies paid to other governments					(1,419,297)
Contributions to other governments	(15,001,705)		(33,854)	(15,035,559)	
Net cash provided by (used in) noncapital financing activities	(17,181,895)	689,548	(265,970)	(16,758,317)	(1,230,307)
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(19,885,808)		(151,289)	(20,037,097)	(5,285,832)
Proceeds from bonds	17,253,379			17,253,379	
Sewer connection charges	14,959,952			14,959,952	
Payment to refunded bond escrow agent	(17,326,822)			(17,326,822)	
SNWA infrastructure fund	10,453,082			10,453,082	
Principal paid on bonds	(10,545,000)		(455,000)	(11,000,000)	
Interest paid	(4,068,145)		(599,076)	(4,667,221)	
Proceeds from sale of capital assets		2,493,035		2,493,035	344,803
Net cash provided by (used in) capital and related financing activities	(9,159,362)	2,493,035	(1,205,365)	(7,871,692)	(4,941,029)
Cash flows from investing activities:					
Interest and dividends on investments	8,129,994	106,694	1,167,536	9,404,224	5,620,337
Net cash provided by investing activities	8,129,994	106,694	1,167,536	9,404,224	5,620,337
Net increase (decrease) in cash and cash equivalents	17,094,607	127,559	(826,428)	16,395,738	12,678,771
Cash and cash equivalents, July 1	125,448,662	2,514,992	20,649,165	148,612,819	84,238,277
Cash and cash equivalents, June 30	$ 142,543,269	$ 2,642,551	$ 19,822,737	$ 165,008,557	$ 96,917,048

Continued

CITY OF LAS VEGAS, NEVADA
STATEMENT OF CASH FLOWS (continued)
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	$ 16,947,740	$ (3,662,522)	$ (1,568,369)	$ 11,716,849	$ (51,230,568)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	19,670,996		961,467	20,632,463	6,071,120
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(1,804,195)	2,185	43,614	(1,758,396)	173,777
Decrease in loans receivable					6,000
Decrease in intergovernmental receivable	1,227,294			1,227,294	1,313,184
(Increase) decrease in due from other funds		(1,272,075)	19,118	(1,252,957)	668,125
Decrease in inventories	18,651		4,654	23,305	1,400
(Increase) decrease in prepaid items	(50,357)	4,927	(5,767)	(51,197)	
Increase (decrease) in accounts payable	(704,259)	1,666,334	44,153	1,006,228	702,757
Increase in intergovernmental payable			223	223	
Increase in compensated absences payable					1,811,310
Increase in deposits		99,433	506	99,939	30,120
(Decrease) in deferred revenue			(22,228)	(22,228)	
Increase in benefits payable					53,769,602
(Decrease) in claims and judgments payable					(87,057)
Net cash provided by (used in) operating activities	$ 35,305,870	$ (3,161,718)	$ (522,629)	$ 31,621,523	$ 13,229,770
Noncash investing, capital, and financing activities:					
Contributions of capital assets from developers	$ 9,738,000				
Increase in fair value of investments					134,308
Transfer out of stores inventory to governmental funds					577,074

The notes to the basic financial statements are an integral part of this statement.

CITY OF LAS VEGAS, NEVADA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2008

		Total Agency Funds
ASSETS		
Cash and cash equivalents	$	42,666,426
Receivables (net of allowances for uncollectibles):		
Interest		23,523
Intergovernmental		82,282
Total assets	$	42,772,231
LIABILITIES		
Accounts payable	$	20,099
Salaries payable		7,072,111
Deposits payable		26,232,092
Intergovernmental payable		2,722,172
Payroll liabilities payable		2,229,887
Outstanding bail payable		3,595,377
Unclaimed monies payable		511,310
Arbitrage rebate payable		389,183
Total liabilities	$	42,772,231

The notes to the basic financial statements are an integral part of this statement.

1. Summary of significant accounting policies

The basic financial statements of the City of Las Vegas (City) have been prepared in conformity with United States generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB). The more significant of the City's accounting policies are described below.

A. Reporting entity

The City of Las Vegas, Nevada, was incorporated in 1911. The City provides a full range of municipal services as directed by statute. Services provided include public safety (police and fire), street construction and maintenance, sanitation, culture-recreation, public improvements, planning and zoning, and general administration and services. The City has a Council-Manager form of government. The Mayor is elected by the voters of the City at large for a four-year term. The City is divided into six wards. Voters of each ward elect a member of the Council for a four-year term. The Mayor and City Council are limited to three four-year terms, or a total of twelve years. Policymaking and legislative authority are vested in the Council. The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. City officials appoint board members to the Clark County Board of Health, Las Vegas Convention and Visitors Authority, Las Vegas Housing Authority, Regional Flood Control District, Regional Transportation Commission, Clean Water Coalition, Southern Nevada Regional Planning Coalition, and the Southern Nevada Water Authority.

The accompanying basic financial statements present the financial position of the City of Las Vegas (primary government) and its blended component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations. The blended component units discussed below are included in the City's reporting entity because of the significance of their operation or financial relationship with the City. The financial statements of component units have been included in the City's reporting entity as blended component units. The City's discretely presented component unit is reported in a separate column in the government-wide financial statement (see note below for description) to emphasize that it is operationally separate from the City.

Blended component units

On March 5, 1986, the Official Redevelopment Plan was adopted to facilitate urban redevelopment efforts for the downtown area. The City of Las Vegas Redevelopment Agency (Agency) is governed by a seven-member board comprised of the seven City councilpersons. For financial reporting purposes, the Agency is reported as if it were part of the City's operations because the governing body is one and the same, and the Agency's activities are so closely aligned with the City's.

The Nonprofit Corporations exclusively promote the health and welfare of the City of Las Vegas, and therefore, are reported as blended component units. Their services include the acquisition and disposition of property located therein for public purposes, or the distribution of the proceeds thereof, to the City of Las Vegas. The City of Las Vegas is financially accountable as follows: the corporations are governed by a two-member board of directors appointed by the Mayor and ratified by the Las Vegas City Council, and the corporations are also fully dependent on the City of Las Vegas for fiscal and operational support.

Discretely presented component unit

The Commission for the Las Vegas Centennial is a nonprofit corporation formed on May 20, 2004, to advance, support and promote the health and social welfare of the City of Las Vegas and its citizens for the City's 100 year birthday celebration (centennial). The Commission is governed by a fifteen member Board of Directors (Board) which provides management for the business and affairs of the corporation. The Board appoints a thirty-three member Executive Committee. Board members may also be Executive Committee members. All members of the Board are appointed by the Mayor of the City of Las Vegas and ratified by the Las Vegas City Council. The financial operations of the commission are reported as a separate column in the basic financial statements to emphasize that it is legally and operationally separate from the City.

1. Summary of significant accounting policies (continued)

A. Reporting entity (continued)

Complete financial statements of the Agency, the Nonprofit Corporations and the Commission can be obtained from the City of Las Vegas Department of Finance and Business Services, 6th Floor, 400 Stewart Avenue, Las Vegas, Nevada 89101.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of material interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except agency funds that have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Government fund financial statements are reported using the *current financial measurement focus* and *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are recognized when earned and billable to the grant-awarding agency. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, and other taxpayer-assessed tax revenues (franchise fees, consolidated tax, room tax, residential construction tax, motor vehicle fuel tax), licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major government funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

1. Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

The *parks and leisure activities capital projects fund* accounts for the costs of constructing new or improving existing parks, recreation centers and senior citizen facilities.

The *road and flood capital projects fund* accounts for major infrastructure improvements to the City's arterial street system and floodwater conveyance systems.

The *special assessments capital projects fund* accounts for major infrastructure improvements which benefit particular taxpayers in a special improvement district.

The government reports the following major proprietary funds:

The *sanitation enterprise fund* accounts for the City's sewage treatment plant, sewage pumping stations and collection systems and the wastewater distribution system.

The *nonprofit corporations fund* is to promote the health and welfare of the City of Las Vegas and its citizens through the acquisition and disposition of property located therein, exclusively for public purposes.

Additionally, the government reports the following fund types:

Internal service funds account for a variety of services provided to other departments or agencies of the City on a cost reimbursement basis. These services include graphic reproduction, purchase and maintenance of personal computers, emergency dispatch services, purchase and maintenance of radios, pagers, cellular and telephone equipment, automotive operations, liability insurance, workers compensation insurance, group and property damage insurance, and fire equipment acquisition.

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. These funds are custodial in nature and do not involve measurement of operations. The agency funds are merely clearing accounts and have no fund equity. The agency funds consists of a deposits fund, municipal court bail fund and developer special assessment fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are internal service fund charges to business-type activities and other charges to business-type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

1. Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

D. Assets, liabilities and net assets or equity

1. *Cash, cash equivalents and investments*

The City maintains a cash, cash equivalents and investment pool that is available for use by all funds. Monies that are not required for immediate obligations are invested. Cash and cash equivalents include currency on hand, demand deposits with banks or other financial institutions, and highly liquid short-term investments with original maturities of three months or less from date of acquisition.

The City's investment policies are governed by state statutes and its own written policies. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, bankers acceptances, corporate, state, and local government bonds, repurchase agreements, commercial paper and money market mutual funds.

Investments include short-term investments that are not easily converted to cash and long-term investments with maturity dates ranging from six months to five years. Investments are stated at fair value, determined by using quoted market prices provided by a nationally recognized independent bank or amortized cost for investments that have a remaining maturity at time of purchase of one year or less.

2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Receivables are reported at their gross value and, where appropriate, are shown net of an allowance for uncollectible accounts.

By December 31 of each year, all property in Clark County is assessed by parcel for property tax purposes by the Clark County Assessor. The assessment valuation roll is published in a local newspaper for the information of all taxpayers. If desired, property owners have until January 15 to appeal the valuation to the Clark County Board of Equalization. Any taxpayer not agreeing with the decision of the County Board of Equalization may file an appeal with the State Board of Equalization no later than the first Monday of March.

1. Summary of significant accounting policies (continued)

D. Assets, liabilities and net assets or equity (continued)

2. *Receivables and payables (continued)*

The Nevada Department of Taxation provides the maximum allowable tax rates for operating purposes to local governments for inclusion in their budgets. Each local government that receives property taxes must file a budget on or before June 1, which provides for the allowed tax rate for the next fiscal year. The Nevada Tax Commission must certify all tax rates on June 25, the levy date, and property is liened on July 1. Property taxes are then payable to the County Treasurer in four equal installments, the first Monday of August, October, January and March. Apportionment of taxes by Clark County to the City of Las Vegas is made in the calendar quarters of September, December, March and June. The actual rates, which were levied for 2008, were General Fund 0.6765, and Special Revenue 0.0950 , for a total tax rate of 0.7715 (amount per $100 of assessed value).

3. *Inventories and prepaid items*

Inventories in the internal service and enterprise funds consist of expendable supplies held for consumption and are stated at cost, which approximates market, using the first-in, first-out method. The balances are determined by physical count. Inventories in governmental funds are recorded as expenditures when consumed rather than when purchased.

Payments made to vendors for services that will benefit periods beyond June 30, 2008, are recorded as prepaid items, in both government-wide and fund financial statements. In fund financial statements, a portion of fund balance equal to total prepaid items is reserved to indicate that it is not available for appropriation.

4. Restricted assets

Cemetery Operations Permanent Fund - Restricted assets in this fund are derived from the endowment care portion of the fee charged for a cemetery lot. The monies are invested and the interest income is used for the perpetual care and maintenance of the cemetery in accordance with the cemetery system's lease agreement (Note 11c). An independent trustee manages the fund. At June 30, 2008, the restricted assets consisted of cash and cash equivalents of $227,725, investments of $1,397,959 and interest receivable of $2,532 for a total of $1,628,216.

5. Capital assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property and equipment acquired by proprietary funds are reported in those funds at cost or estimated fair market value at the time of donation. In enterprise funds, interest expense on bonds issued for construction of capital assets is netted against interest revenue earned on the investment of bond proceeds, as provided for in the Statement of Financial Accounting Standards (SFAS) No. 62, and if determined to be immaterial will not be capitalized.

1. Summary of significant accounting policies (continued)

D. Assets, liabilities and net assets or equity (continued)

5. Capital assets (continued)

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

Storm drains	50 years	Building improvements	10-20 years
Roadways	30 years	Vehicles	3-10 years
Buildings	20-40 years	Traffic signage	10 years
Land & sewer plant improvements	20-24 years	Machinery and equipment	7-10 years
Traffic signals and lighting	20 years	Traffic pavement markers	4 years

6. Compensated absences

It is the City's policy to permit employees to accumulate earned, but unused vacation and sick pay benefits. The estimated liability of vested or accumulated vacation and sick leave is accounted for in the government-wide financial statements. Vested or accumulated vacation and sick leave is recorded as an expense and liability in the Employee Benefit Internal Service Fund as the benefits accrue to employees.

7. Long-term obligations

In the government-wide financial statements, and in proprietary fund types financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Arbitrage rebate payable is recorded as a liability to account for arbitrage amounts to be rebated to the federal government that result from interest earned in excess of the interest costs on the monies invested from the proceeds of bond issues.

The City of Las Vegas and Clark County both provide financing for the Las Vegas Metropolitan Police Department Self Insurance internal service fund. At June 30, 2008, the Las Vegas Metropolitan Police Department Self Insurance fund had a deficit balance. In the government-wide financial statements, the City's portion of the deficit is reported as a liability in the applicable governmental activities. In the fund financial statements, the General Fund recognizes the deficit as a reserve of fund balance.

1. Summary of significant accounting policies (continued)

D. Assets, liabilities and net assets or equity (continued)

8. Net assets and fund equity

In the government-wide financial statements and proprietary fund financial statements, net assets are reported in three categories: net assets invested in capital assets, net of related debt; restricted net assets and unrestricted net assets. Restricted net assets represent net assets restricted by parties outside of the City (such as creditors, grantors, contributors, laws and regulations of other governments) and include unspent proceeds of bonds issued to acquire or construct capital assets. The cemetery portion of the permanent fund is reported as permanently restricted. The City's other restricted net assets are temporarily restricted (ultimately expendable assets). All other net assets are considered unrestricted.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

9. Estimates

The preparation of basic financial statements in conformance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

10. Grant portion of intergovernmental revenues

Grant revenues and expenditures are generally recorded in special revenue funds. If an expenditure of monies by a grantee is the prime factor for determining the release of grant funds, revenue is recognized at the time of the expenditure. If release of grant funds is not contingent upon expenditure of monies, revenue is recorded when received or when the grant becomes an obligation of the grantor.

11. Interfund transactions

During the course of normal operations, the City has numerous transactions between funds, which include transfer of resources from one fund to another. The fund financial statements reflect such transactions as transfers. Certain receivable/payable balances between the primary government and blended component units are eliminated for financial statement presentation. Internal service funds record charges for services to all City departments and funds as operating revenue. All City funds record these payments to the internal service funds as operating expenditures/ expenses.

2. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of the $266,152,699 difference are as follows:

2. Reconciliation of government-wide and fund financial statements (continued)

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets (continued)

Bonds Payable	$	245,453,400
Less: Original issue discount (to be amortized over the life of the bond as interest expense and fiscal charges)		(117,519)
Add: Original issue premiums (to be amortized over the life of the bond as interest income)		3,835,115
Less: Deferred charges for issuance costs (to be amortized over the life of the bonds as interest expense and fiscal charges)		(2,751,952)
Less: Unamortized debt refunding transaction (to be amortized)		(2,663,698)
Accrued interest payable		1,713,604
Las Vegas Metropolitan Police Department self-insurance (OPEB) liabililty		19,303,749
Arbitrage rebate payable		1,380,000
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$	266,152,699

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of the $109,304,378 difference are as follows:

Capital outlay	$	174,669,685
Depreciation expense (Note 9)		(65,365,307)
Net adjustments to increase *net changes in fund balance-total governmental funds* to arrive at *changes in net assets - governmental activities*	$	109,304,378

Another element of that reconciliation states that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of the $143,931,080 difference are as follows:

2. Reconciliation of government-wide and fund financial statements (continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (continued)

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	$ 144,061,527
The statement of activities reports *losses* from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.	(130,447)
Net adjustment to increase net changes *in fund balance - total governmental funds to arrive at changes in net assets - governmental activities*	$ 143,931,080

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this $401,363 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	$ (22,500,000)
Issuance of special assessment bonds	(320,000)
Add premium	(341,749)
Issuance costs	234,745
Principal repayments:	
General obligation debt	22,624,967
Special assessment debt	703,400
Net adjustment to increase *net changes in fund balance-total governmental funds* to arrive at *changes in net assets - governmental activities*	$ 401,363

2. Reconciliation of government-wide and fund financial statements (continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (continued)

Another element of the reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this $15,388,952 difference are as follows:

Las Vegas Metropolitan Police Department self-insurance and (OPEB) liability	$ (14,862,768)
Arbitrage rebate	(415,000)
Accrued interest	138,884
Amortization of issuance costs	(280,920)
Amortization of bond discounts	(30,275)
Amortization of bond premiums	381,279
Amortization of debt refunding	(320,152)
Net adjustment to decrease *net changes in fund balance - total governmental funds to arrive at changes in net assets - governmental activities*	$ (15,388,952)

Another element of the reconciliation states that some revenue reported in the statement of activities does not provide current financial resources and therefore are not reported as revenue in governmental funds. The details of this $94,705 difference are as follows:

Property tax revenue	$ 1,106,373
Special assessments	(1,011,668)
Net adjustment to increase *net changes in fund balance - total governmental funds to arrive at changes in net assets - governmental activities*	$ 94,705

Another element of the reconciliation states that internal service funds are used by management to charge the costs of a variety of services: fleet, graphic reproduction, purchase and maintenance of computers, maintenance of radios and telephones, employee benefits, and property damage and fire equipment acquisition to individual funds. The net revenue of certain activities of internal service funds is reported with government activities. The details of this $42,250,735 differences are as follows:

Changes in net assets of the internal services funds	$ (46,981,265)
Less: Loss from charges to business-type activities	4,730,530
Net adjustment to decrease *net changes in fund balance - total government funds to arrive at changes in net assets of - governmental activities*	$ (42,250,735)

2. Reconciliation of government-wide and fund financial statements (continued)

C. Explanation of certain differences between the proprietary fund statement of net assets and the government-wide statement of net assets

The proprietary fund statement of net assets includes a reconciliation between *net assets - total enterprise funds* and *net assets of business-type* activities as reported in the government-wide statement of net assets. The description of the sole element of that reconciliation is "Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds." The details of this $286,482 difference are as follows:

Internal receivable representing charges in excess of cost to business-type activities - prior years	$ 4,444,048
Internal receivable representing charges in excess of cost to business-type activities - current year	(4,730,530)
Net adjustment to decrease *net assets - total enterprise funds to* arrive at *net assets - business-type activities*	$ (286,482)

3. Stewardship and legal compliance

A. Budgetary information

Budgets are adopted on a basis consistent with United States generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue, capital projects, and debt service funds. An annual budget report is filed with the Nevada Department of Taxation, a branch of the state government charged with the responsibility to oversee local government finances.

The City's budgeting process consists of a series of reviews and analyses of budget requests that are submitted by the various departments by February 1 of each year. City management and budget office staff compile and prioritize all data, with the objective of aligning budget resources with the City Council's strategic plan objectives as closely as possible. A series of public hearings are held for the City Council and the general public on budget recommendations. The final budget is approved and adopted by the Mayor and City Council and filed with the City Clerk, County Clerk and the Nevada Department of Taxation by June 1.

The annual appropriated budgets approved by the City Council are controlled at the function level, which is the legal level of budgetary control. The revenue classifications and expenditure functions shown in the basic financial statements are those prescribed by the Nevada Department of Taxation. An amended budget is one in which internal modifications are made but the total resources and expenditures remain the same as the original. Per Nevada law, the City Manager may amend the budget by transferring appropriations within any function or program or between any function or program within a fund, and may authorize the transfer of appropriations between funds at any time if the City Council is advised of the action at a Council meeting and the action is recorded in the official minutes of the meeting.

An augmented budget is approved by the City Council and filed with the Nevada Department of Taxation when the total revenues and corresponding expenditures increase. All annual appropriations lapse at fiscal year-end.

Non-appropriated budgets are prepared for all proprietary type funds as a guide to levels of operating expenses. Budgets are not required for agency (fiduciary) type funds.

3. Stewardship and legal compliance (continued)

A. Budgetary information (continued)

For the fiscal year ended June 30, 2008, funds were augmented and realigned between functions to provide additional expenditures for new and expanded programs. Non-appropriated budgets for proprietary type funds were augmented and filed with the Nevada Department of Taxation for informational purposes, according to Nevada law. The following governmental funds were augmented from actual beginning fund balance in excess of the original budgeted amount to increase total appropriations (expenditures, other financing uses).

	Final Budget	Adjustment	Augmented Budget
Fremont Street Room Tax-Special Revenue Fund	$ 3,663,291	$ 5,000	$ 3,668,291
Transportation Program-Special Revenue Fund	14,061,730	10,000	14,071,730
Extraordinary Maintenance-Capital Project Fund	610,620	5,855	616,475
Cemetary Operations-Permanent Fund	1,716,379	45,000	1,761,379

For budgetary control purposes, the City records encumbrances for purchase orders, contracts and other commitments in memorandum accounts. Since they do not constitute actual liabilities of the City in accordance with United States generally accepted accounting principles, encumbrances are not reported in the basic financial statements.

B. Excess of expenditures over appropriations

The Special Improvement District Administration Fund, a Special Revenue Fund, had expenditures exceeding appropriations by $2,245,507 due to a debt refund of Developer Special Improvement District (SID) Bonds for Summerlin 808. Nevada Revised Statute 354.626(1) provides the expenditures for debt repayments do not constitute a violation of law.

The Street Maintenance Special Revenue Fund expenditures exceeded appropriations by $1,417,986 due from acceleration of work performed under contract for asphalt paving (slurry seal) city streets.

The Multipurpose Special Revenue Fund expenditures exceeded appropriations by $33,981,249. During the year ended June 30, 2008, the City received Federal grant revenue Southern Nevada Public Lands Management Act (SNPLMA) from the Bureau of Land Management for $35,120,800. The amount was passed through to the Las Vegas Valley Water District, who is a subrecipient on the grant. Nevada Revenue Statute 354.626 2(i) provides that expenditures pursuant to a grant award by an agency of the Federal government does not constitute a violation of law.

4. Deposits and investments

As of June 30, 2008, the City had the following investments:

Cash, cash equivalents and investments reconciled to government-wide financial statements:

Total investments	$ 716,395,114
Add: Cash in checking accounts	298,870
	716,693,984
Less: Cash and cash equivalents in agency funds	(42,666,426)
Cash and cash equivalents and investments-government-wide	$ 674,027,558

GASB Statement 31 allows the City to report short-term money market investments such as commercial paper and U.S. Treasury and agency obligations that have a remaining maturity at time of purchase of one year or less, to be reported at amortized cost (book value). All other investments are reported at their fair value.

4. Deposits and investments (continued)

Type of Investments	Book Value	Fair Value	Total Value	Weighted-Average Maturity (Year)
U.S. Treasury	$ 1,934,937	$ 60,743,300	$ 62,678,237	3.562
U.S. Agencies	74,924,287	197,697,613	272,621,900	1.993
Corporate Bonds		47,189,296	47,189,296	2.323
Commercial Paper	72,831,156		72,831,156	0.095
Money Market Funds		183,894,157	183,894,157	0.003
State Investment Pool (NVEST)		77,180,368	77,180,368	0.003
Total value	$ 149,690,380	$ 566,704,734	$ 716,395,114	
Portfolio weighted-average maturity				1.234

		Investment Maturities			
Type of Investments	Amount	1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days To 5 Years
U.S. Treasury	$ 62,678,237	$	$	$ 1,934,937	$ 60,743,300
U.S. Agencies	272,621,900	9,998,917	34,902,986	47,133,009	180,586,988
Corporate Bonds	47,189,296	1,214,959		739,787	45,234,550
Commercial Paper	72,831,156	24,989,375	22,953,853	24,887,928	
Money Market Funds	183,894,157	183,894,157			
State Investment Pool (NVEST)	77,180,368	77,180,368			
Total Investments	$ 716,395,114	$ 297,277,776	$ 57,856,839	$ 74,695,661	$ 286,564,838

Interest Rate Risk: In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the weighted-average maturity of its investment portfolio to less than thirty months.

Credit Risk: Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies (i.e., FNMA, FHLB, etc.), corporate bonds rated "A" or better by a nationally recognized rating service, commercial paper rated "A-1," "P-1" by a nationally recognized rating service, repurchase agreements, certificates of deposit, money market mutual funds rated "AAA" by a nationally recognized rating service or other securities in which banking institutions may legally invest, State of Nevada Local Government Pooled Funds or collaterized investment contracts.

As of June 30, 2008, the City was holding $250,000 par value security of Lehman Brothers Holdings in the Darling Foundation special revenue fund. Although rated as "A" as of the fiscal year end, Lehman Brothers Holdings filed for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code on September 19, 2008.

				Rating as of Year End				
Type of Investments	Amount	Minimum Legal Rating	Exempt From Disclosure	AAA	Aa	A	A-1/P-1	Not Rated
U.S. Treasury	$ 62,678,237	N/A	$ 62,678,237	$	$	$	$	$
U.S. Agencies	272,621,900	N/A		227,719,997				44,901,903
Corporate Bonds	47,189,296	A		5,182,349	30,258,300	10,533,688		1,214,959
Commercial Paper	72,831,156	A-l/P-1					72,831,156	
Money Market Funds	183,894,157	AAA		183,894,157				
State Investment Pool (NVEST)	77,180,368	N/A						77,180,368
Total	$ 716,395,114		$ 62,678,237	$ 416,796,503	$ 30,258,300	$ 10,533,688	$ 72,831,156	$ 123,297,230

4. Deposits and investments (continued)

Concentration of Credit Risk: The City's investment policy allows for investments as follows: (1) U.S. Treasury, money market funds and agencies, State of Nevada local government pooled funds, no limit; (2) repurchase agreements, 20% of portfolio; (3) commercial paper, 20% of portfolio with a 10% per issue limit; (4) corporate notes, 20% of portfolio with a 25% per issue limit; and (5) certificates of deposit, $100,000 per institution. Collaterized investment contracts may be utilized on bond proceeds for which the original amount of the principal of the original issuance was $10,000,000 or more. To reduce the overall portfolio risks, the City will diversify its investments by security type and institution. With the exception of U.S. Treasuries and government agency securities, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

5. Property taxes

By December 31 of each year, all property in Clark County is assessed by parcel for property tax purposes by the Clark County Assessor. The assessment valuation roll is published in a local newspaper for the information of all taxpayers. If desired, property owners have until January 15 to appeal the valuation to the Clark County Board of Equalization. Any taxpayer not agreeing with the decision of the County Board of Equalization may file an appeal with the State Board of Equalization no later than the first Monday of March.

The Nevada Department of Taxation provides the maximum allowable tax rates for operating purposes to local governments for inclusion in their budgets. Each local government that receives property taxes must file a budget on or before June 1 which provides for the allowed tax rate for the next fiscal year. The Nevada Tax Commission must certify all tax rates on June 25, the levy date, and property is liened on July 1. Property taxes are then payable to the County Treasurer in four equal installments, the first Monday of August, October, January and March. Apportionment of taxes by Clark County to the City of Las Vegas is made in the calendar quarters of September, December, March and June.

The actual rates, which were levied for June 30, were as follows:

	2008	2007
General	0.6765	0.6765
Special	0.0950	0.0950
Debt		0.0062
Total Tax	0.7715	0.7777

Amounts per $100 of assessed value

For Fiscal Year 2008 there was no debt rate assessed, the outstanding bonds at June 30, 2007 were retired from reserve funds accumulated over prior years.

6. Related party transaction

The City provides building maintenance services to the Las Vegas Metropolitan Police Department (Metro), an entity created as a joint venture involving the City and Clark County. During the year ended June 30, 2008, the City charged Metro $481,245 for services. At June 30, 2008, $24,740 was receivable from Metro for services provided (Note 7).

7. Intergovernmental receivables

The following schedule details the intergovernmental receivables as of June 30, 2008:

	Governmental Activities						Business-Type Activities	
	General Fund	Parks and Leisure Activities	Road and Flood	Other Non-major Govern-mental Funds	Internal Service Fund	Total	Enterprise Fund	Total
CA-NV Super Speed Ground Transportation Commission	$ 587	$	$	$	$	$ 587	$	$ 587
City of Boulder	720					720		720
City of North Las Vegas							1,958,880	1,958,880
Clark County, Nevada	794,781			6,973,077	1,128,631	8,896,489	2,331	8,898,820
Clark County Regional Flood Control District			8,336,407			8,336,407		8,336,407
Clark County Regional Trans-portation Commission	230,062		7,893,805	375,684		8,499,551		8,499,551
Commission for the Las Vegas Centennial	43,684			6,440	1,214	51,338	4,281	55,619
Las Vegas Convention and Visitors Authority				1,863,778		1,863,778		1,863,778
Las Vegas Housing Authority	155,177				40,298	195,475		195,475
Las Vegas Metropolitan Police Department (Note 6)					24,740	24,740		24,740
Las Vegas Valley Water District			255,286			255,286		255,286
National Endowment for the Arts				4,308		4,308		4,308
Southern Nevada Water Authority							1,726,813	1,726,813
State of Nevada	7,220	475,000	103,156	4,209,576		4,794,952		4,794,952
U.S. Department of Education				3,988		3,988		3,988
U.S. Department of Energy					49,000	49,000		49,000
U.S. Department of Health and Human Services				73,526		73,526		73,526
U.S. Department of Homeland Security (FEMA)				549,585		549,585		549,585
U.S. Department of Housing and Urban Development		382,729		1,193,238		1,575,967		1,575,967
U.S. Department of Interior (Bur. of Land Management)		11,128,248				11,128,248		11,128,248
U.S. Department of Justice				3,085		3,085		3,085
U.S. Department of Justice (U.S. Marshals)	79,216					79,216		79,216
U.S. Department of Transportation				31,031		31,031		31,031
Total	$ 1,311,447	$ 11,985,977	$ 16,588,654	$ 15,287,316	$ 1,243,883	$ 46,417,277	$ 3,692,305	$ 50,109,582

7. Intergovernmental receivables (continued)

Payments of intergovernmental receivables are expected to be received and available soon enough after year-end to finance expenditures of the year ended June 30, 2008. In addition, the City has resources available from the U.S. Department of Housing and Urban Development through the Community Development Block Grant Program totaling $3,110,298, the Housing Opportunities for Persons With AIDS totaling $11,359, the HOME Investment Program totaling $4,949,340, and the Emergency Shelter Grant Program totaling $3,366, which are available to reimburse the City for qualifying expenditures.

8. Joint venture

The City is a participant in a joint venture with Clark County created by a special financing relationship for the Las Vegas Metropolitan Police Department established by state statute. A five-member committee composed of two appointees each from the City and the County, and one appointee from the general public approves the Department's budget.

State statute mandates apportionment of costs among the participating political subdivisions based upon a percentage of the permanent population and the total number of calls for service within each subdivision. Complete financial information of the Las Vegas Metropolitan Police Department is included in the comprehensive annual financial report of Clark County, Nevada. The following schedule presents a two-year summary of financial information for the Las Vegas Metropolitan Police Department for the years ended June 30:

	2008	2007
Assets	$ 110,834,191	$ 105,998,618
Liabilities	49,861,002	54,153,330
Equity	$ 60,973,189	$ 51,845,288
Revenues	$ 329,833,200	$ 300,085,192
Expenditures	509,687,570	458,823,176
	(179,854,370)	(158,737,984)
Net other financing sources	188,982,271	187,617,610
Net increase in fund balance	$ 9,127,901	$ 28,879,626
Political subdivision funding percentage:		
Clark County	61.4%	60.5%
City of Las Vegas	38.6%	39.5%

9. Capital assets

Capital asset activity for the year ended June 30, 2008, was as follows:

Primary Government

	Balance July 1, 2007	Additions	Transfers	Deletions	Balance June 30, 2008
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 985,555,130	$ 118,932,764	$	$	$ 1,104,487,894
Construction in progress	292,311,063	141,908,747	(43,203,315)	(5,206,066)	385,810,429
Total capital assets, not being depreciated	1,277,866,193	260,841,511	(43,203,315)	(5,206,066)	1,490,298,323
Capital assets, being depreciated:					
Land improvements	165,351,835	5,420,158	7,781,493		178,553,486
Buildings	190,645,966	533,993	5,375,572	(26,520)	196,529,011
Building improvements	76,761,099	640,179	3,766,601		81,167,879
Machinery and equipment	38,213,486	1,370,688	564,781	(2,190,726)	37,958,229
Vehicles	56,686,472	8,303,011		(2,552,330)	62,437,153
Roadways	994,007,934	19,147,893	21,611,928		1,034,767,755
Traffic pavement markers	1,334,744	112,890			1,447,634
Traffic signals and lighting	146,718,333	6,018,035	800,269		153,536,637
Traffic signage	1,080,993	242,512			1,323,505
Storm drain	479,601,353	20,871,917	3,302,671		503,775,941
Total capital assets, being depreciated	2,150,402,215	62,661,276	43,203,315	(4,769,576)	2,251,497,230
Less accumulated depreciation for:					
Land improvements	(65,206,233)	(7,320,966)			(72,527,199)
Buildings	(52,684,778)	(4,709,053)			(57,393,831)
Building improvements	(33,536,788)	(3,957,311)			(37,494,099)
Machinery and equipment	(28,245,066)	(2,145,995)		1,988,639	(28,402,422)
Vehicles	(32,069,754)	(6,259,576)		2,514,150	(35,815,180)
Roadways	(404,336,285)	(31,671,504)			(436,007,789)
Traffic pavement markers	(770,735)	(267,002)			(1,037,737)
Traffic signals and lighting	(91,612,409)	(5,357,740)			(96,970,149)
Traffic signage	(261,112)	(110,120)			(371,232)
Storm drain	(77,476,568)	(9,637,160)			(87,113,728)
Total accumulated depreciation	(786,199,728)	(71,436,427)		4,502,789	(853,133,366)
Total capital assets, being depreciated, net	1,364,202,487	(8,775,151)	43,203,315	(266,787)	1,398,363,864
Governmental activities capital assets, net	$ 2,642,068,680	$ 252,066,360	$	$ (5,472,853)	$ 2,888,662,187

9. Capital assets (continued)

	Balance July 1, 2007	Additions	Transfers	Deletions	Balance June 30, 2008
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 41,810,563	$ 10,316,981	$	$ (17,647)	$ 52,109,897
Construction in progress	21,423,606	8,919,380	(15,137,308)		15,205,678
Total capital assets, not being depreciated	63,234,169	19,236,361	(15,137,308)	(17,647)	67,315,575
Capital assets, being depreciated:					
Land improvements	17,403,855				17,403,855
Sewer plant improvements	340,719,007	252,660	6,075,987		347,047,654
Buildings	21,840,550				21,840,550
Building improvements	2,628,608	947,567	460,334		4,036,509
Sewer lines	296,331,986	11,194,159	8,600,987		316,127,132
Machinery and equipment	3,690,004	209,548		(30,510)	3,869,042
Total capital assets, being depreciated	682,614,010	12,603,934	15,137,308	(30,510)	710,324,742
Less accumulated depreciation for:					
Land improvements	(5,364,188)	(825,802)			(6,189,990)
Sewer plant improvements	(138,679,173)	(12,957,462)			(151,636,635)
Buildings	(5,001,424)	(493,205)			(5,494,629)
Building improvements	(2,063,287)	(93,862)			(2,157,149)
Sewer lines	(59,922,284)	(5,962,554)			(65,884,838)
Machinery and equipment	(2,249,142)	(299,578)		30,510	(2,518,210)
Total accumulated depreciation	(213,279,498)	(20,632,463)		30,510	(233,881,451)
Total capital assets, being depreciated, net	469,334,512	(8,028,529)	15,137,308		476,443,291
Business-type activities capital assets, net	$ 532,568,681	$ 11,207,832	$	$ (17,647)	$ 543,758,866

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 2,728,215
Judicial	25,590
Public safety	10,807,255
Public works	41,552,602
Health	58,270
Culture and recreation	9,006,047
Economic development	1,185,947
Transit systems	1,381
	65,365,307
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets	6,071,120
Total depreciation expense-governmental activities	$ 71,436,427

9. Capital assets (continued)

Business-type activities:		
Sanitation	$	19,670,996
Municipal Parking		2,359
Municipal Golf Course		776,515
Video Production		182,593
Total depreciation expenses business-type activities	$	20,632,463

Construction commitments

The City of Las Vegas has active construction projects as of June 30, 2008. The projects include buildings, building improvements, land improvements (associated with various parks), machinery and equipment (mainly associated with upgrades to our technology in progress), roadways, storm sewers (widening, construction of new and existing streets and detention basin and drainage facilities), traffic signals and streetlights in progress. The City is also in the process of constructing sewer plant improvements and sanitary sewer lines. At year-end, the City commitments with contractors are as follows:

Projects - Governmental funds		Spent to date		Remaining commitment
Buildings	$	95,182,473	$	6,479,671
Building improvements		25,461,359		4,904,382
Land improvements		108,178,166		101,199,810
Machinery and equipment		1,367,061		153,263
Roadways		110,763,401		84,107,487
Storm drains		33,594,788		22,529,586
Traffic signals, lighting, signs and markers		11,263,182		3,777,287
	$	385,810,430	$	223,151,486
Projects - Proprietary funds				
Sanitation sewer lines	$	3,683,798	$	6,375,587
Sanitation plant improvements		11,521,880		21,447,894
	$	15,205,678	$	27,823,481

The major financing for roadways and storm sewer projects includes reimbursements from the Regional Transportation Commission, Clark County, Clark County Regional Flood Control District, Nevada Department of Transportation, Motor Vehicle Fuel Tax, special assessment, and bond issuances. Sanitation sewer lines and sanitation plant improvements are financed by general obligation revenue bonds secured by sewer revenues. Transfers from the General Fund and bond proceeds finance the building and land improvements, mainly in the Parks and City facilities funds.

10. Defined benefit pension plan

The City contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost-sharing, multiple employer, non-contributory, defined benefit public employee retirement plan administered by PERS. PERS provides retirement benefits, death benefits, and disability benefits, including annual cost of living adjustments, to plan members and their beneficiaries.

Municipal Court judges may elect to participate under the PERS regular retirement plan or under the Judicial Retirement System (JRS) plan, both plans are administered by PERS. The 2005 Nevada Legislature extended eligibility of the JRS plan to municipal judges per NRS 1A.285. Prior to July 1, 2005, Judicial Members participated as regular members. If selected, service credit earned under PERS is transferred to JRS.

Members of the JRS system who retire at age 65 with 5 years of service; at 60 with 10 years of service, or with 30 or more years of service at any age are entitled to a retirement benefit payable monthly for life. For each year of service in the JRS, earned after July 1, 2005, retirees receive benefits equal to 3.4091% of average compensation. For PERS' transferred service, retirees receive 2.5% for each year of service prior to July 1, 2001, and 2.67% for each year completed after July 1, 2001. The maximum accrual is 75% for all service. Average compensation is the average of an employee's 36 consecutive months of highest compensation.

10. Defined benefit pension plan (continued)

Regular members of the system who retire at age 65 with 5 years of service; at age 60 with 10 years of service, or with 30 years or more of service at any age are entitled to a retirement benefit payable monthly for life, equal to 2.5 percent prior to July 1, 2001 and 2.67 percent after July 1, 2001, of their average compensation per service year. Police and fire members may retire at age 65 with 5 years of service, at age 55 with 10 years of service, at age 50 with 20 years of service or at any age with 25 years of service. Average compensation is the average of an employee's 36 consecutive months of highest compensation. Maximum benefits are generally 90 percent of average compensation for individuals who became members before July 1, 1985, and 75 percent of average compensation for individuals who became members after June 30, 1985. Vested employees that have not attained the required age may retire at any age with reduced retirement benefits. The City does not offer any post retirement benefit plans.

Plan members are funded under the employer paid contribution plan, wherein the City is required to contribute all amounts due under the plan. The contribution requirements of the plan members are established by Nevada Revised Statutes 286.450. The City's contribution rates and amounts contributed (equal to the annual required contribution) for the last three years are as follows:

	Contribution Rate			
Fiscal Year	Judicial Members	Regular Members	Police/Fire Public Safety Employees	Total Contributions
2008	23.5%	20.50%	33.50%	$ 53,610,247
2007	22.5%	19.75%	32.00%	$ 48,432,866
2006	22.5%	19.75%	32.00%	$ 45,018,280

For further information, PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599, or by calling (775) 687-4200.

11. Lease commitments

Development Service Center:

A. The City (lessee) leases a building under a noncancelable-operating lease. Total cost for the lease was $859,506 for the year ended June 30, 2008. The lease terminates on November 30, 2010. The following is a schedule of future minimum lease payments for this lease for the year ending June 30:

Amount			
2009	$ 977,264	2011	$ 424,561
2010	$ 1,006,582		

Ogden and Carson Parking Garages:

B. The City (lessor) leases two off-street parking garages in the downtown area to private companies on a long-term basis. Annual payments are paid one year in advance under one lease agreement. The second agreement requires monthly payments. The leases run for 50 years from their inception and rental rates are subject to change at five-year intervals based on changes in the consumer price index. The following is a schedule of future rental income for the years ending June 30:

Amount			
2009	$ 1,177,582	2014 - 2018	$ 5,887,910
2010	1,177,582	2019 - 2023	5,887,910
2011	1,177,582	2024 - 2028	5,887,910
2012	1,177,582	2029 - 2033	5,887,910
2013	1,177,582	2034	1,072,900

11. Lease commitments (Continued)

Woodlawn Cemetery:

C. On May 19, 2000, the City entered into a systems lease agreement with a private company to manage and operate Woodlawn Cemetery. The initial term of the agreement is for 10 years. The following is a schedule of future rental income for the years ending June 30:

Amount					
2009	$	63,962	2010	$	56,553

The above rental income is subject to a yearly increase based on the consumer price index. Per the agreement, the City will bear responsibility for the first $50,000 in water charges and one-half of the water charges over $100,000.

Atrium Office Building:

D. The City (lessor) owns an office building and leases office space to various tenants on a long-term basis. The leases run for nine years from inception and the rental rates are subject to change annually based on the consumer price index. The following is a schedule of future rental income for the year ended June 30:

2009	$	2,520,719	2013	$	689,301
2010		1,688,082	2014		685,397
2011		1,004,213	2015		352,209
2012		715,170	2016		90,132

12. Long-term debt and debt service requirements to maturity

A. Defeasance of debt

In December 1989, the City of Las Vegas Redevelopment Agency (Agency) placed $14,065,459 of the $35,000,000 tax increment revenue long-term bond proceeds in trust to defease the outstanding December 1986 $15,000,000 tax increment revenue long-term bonds. The 1986 bonds were defeased to relieve the Agency of restrictive covenants contained in that issue. The outstanding balance on the defeased 1986 bonds was $1,790,000 at June 30, 2008.

In July 2005, the City issued $21,295,000 in general obligation various purpose refunding bonds series 2005B. The proceeds were used to defease $6,890,000 of outstanding general obligation parking bonds series October 1, 1999 and $15,000,000 of outstanding general obligation redevelopment project bonds. The bonds were defeased to take advantage of lower interest rates in order to achieve a debt service savings. The outstanding balance on the defeased general obligation parking bonds series October 1, 1999 was $6,890,000, and the general obligation redevelopment project bonds was $15,000,000, at June 30, 2008

In March 2006, the City issued $31,920,000 in general obligation (limited tax) sewer funding bonds series 2007A. The proceeds were used to defease $31,070,000 of outstanding general obligation sewer bonds Series 2001. The bonds were defeased to take advantage of lower interest rates in order to achieve a debt service savings. The outstanding balance on the defeased general obligation sewer bonds series 2001 was $31,070,000 at June 30, 2008.

In May 2006, the City issued $21,745,000 in general obligation tax exempt various purpose bonds series 2007B. The proceeds were used to defease $20,905,000 of outstanding general obligation parking bonds series 2002A. The bonds were defeased to take advantage of lower interest rates in order to achieve a debt service savings. The outstanding balance on the defeased 2002A general obligation parking bonds was $20,905,000 at June 30, 2008.

12. Long-term debt and debt service requirements to maturity (continued)

B. Changes in long-term obligations

The schedule on the following page summarizes the changes in long-term debt.

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds:					
2.5 to 3.1% Fire general obligation Refunding Bonds Series 2002C, due 03/01/08	$ 945,000	$	$ (945,000)	$	$
General obligation Revenue Bonds:					
4.75 to 5.40% Parking general obligation Bonds Series October 1, 1999, due 06/01/09	975,000		(475,000)	500,000	500,000
5.9 to 6.25% Redevelopment Project general obligation Bonds (taxable), due 06/01/12	8,325,000		(1,580,000)	6,745,000	1,675,000
2.5% to 3.5% Transportation refunding general obligation Revenue Bonds Series 2002D, due 07/01/09	2,650,000		(860,000)	1,790,000	880,000
2.75 to 4.95% Fremont Street general obligation Revenues Refunding Bonds Series 2002, due 07/01/15	9,885,000		(850,000)	9,035,000	900,000
Variable rate general obligation various purpose Bonds Series 2006C, due 6/1/36	32,000,000			32,000,000	
3.0 to 5.25% Parking general obligation long-term Bonds Series 2002A, due 6/10/18	3,205,000		(475,000)	2,730,000	500,000
3.0 to 5.0% Various purpose general obligation Refunding Bonds Series 2005B, due 06/01/19	21,295,000			21,295,000	
5.625 to 5.90% Taxable various purpose general obligation Bonds Series 2006A, due 05/01/24	18,000,000		(670,000)	17,330,000	710,000
4.0 to 5.0% Various purpose general obligation Bonds Series 2006B, due 05/01/36	50,745,000			50,745,000	
	147,080,000		(4,910,000)	142,170,000	5,165,000

12. Long-term debt and debt service requirements to maturity (continued)

B. Changes in long-term obligations (continued)

	Balance June 30, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Governmental Activities (continued)					
General obligation medium-term bonds:					
2.48% medium-term Housing note, due 10/01/07	$ 259,967	$	$ (259,967)	$	$
2.0 to 3.6% Recreation general obligation medium-term Bonds Series 2003, due 11/01/13	14,690,000		(1,925,000)	12,765,000	1,970,000
4.0 to 4.63% Various purpose general obligation Revenue Bonds Series 1997B, due 11/01/07	1,215,000		(1,215,000)		
3.8 to 4.9% Park general obligation medium-term Bonds Series 1999, due 02/01/10	11,715,000		(3,380,000)	8,335,000	3,885,000
5.0 to 5.25% Building general obligation medium-term Bonds Series 2000, due 08/01/10	3,780,000		(875,000)	2,905,000	920,000
4.0 to 4.2% Public Safety general obligation medium-term Bonds Series 2001, due 04/01/11	11,545,000		(2,705,000)	8,840,000	2,825,000
8.0% Parking Garage general obligation medium-term Bonds (taxable), due 06/10/10	2,820,000		(875,000)	1,945,000	940,000
3.0% to 4.0% Recreation general obligation medium-term Bonds Series 2004C, due 10/01/14	16,400,000		(1,855,000)	14,545,000	1,895,000
4.0 to 4.25% Neighborhood Services general obligation medium-term Bonds Series 2007, due 11/01/17		12,500,000		12,500,000	1,035,000
4.0 to 4.25% Fire Safety general obligation medium-term Bond Series 2007, due 11/01/17		10,000,000		10,000,000	830,000
	62,424,967	22,500,000	(13,089,967)	71,835,000	14,300,000

12. Long-term debt and debt service requirements to maturity (continued)

B. Changes in long-term obligations (continued)

	Balance June 30, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Governmental Activities (continued)					
General obligation tax increment Revenue Bonds:					
4.25 to 5.6% Redevelopment Agency tax increment Bonds Series 1994, due 06/01/09	$ 6,630,000	$	$ (3,225,000)	$ 3,405,000	$ 3,405,000
5.25 to 6.25% Redevelopment Agency tax increment Bonds Series 1995B, due 06/15/09	180,000		(85,000)	95,000	95,000
3.00 to 5.00% Redevelopment Agency tax increment Revenue Refunding Bonds Series 2003A, due 06/15/14	18,470,000		(170,000)	18,300,000	175,000
3.00 to 4.50% Redevelopment Agency tax increment Refunding Bonds Series 2003B, due 06/15/14	1,645,000		(200,000)	1,445,000	215,000
	26,925,000		(3,680,000)	23,245,000	3,890,000
4.26% Special Assessment local improvement Bonds, due 06/01/14	315,800		(45,400)	270,400	45,400
4.126% Special Assessment local improvement Bonds, due 12/01/16	444,000		(43,000)	401,000	38,000
3.75 to 4.5% Special Assessment local improvement Bonds, due 07/01/08	260,000		(130,000)	130,000	130,000
3.625 to 5.00% Special Assessment local improvement Bonds Series 2003, due 12/01/23	3,405,000		(235,000)	3,170,000	235,000
3.25 to 4.875% Special Assessment local improvement Bonds, due 06/01/24	1,690,000		(95,000)	1,595,000	95,000
4.04% Special Assessment local improvement Bonds, due 12/01/15	748,000		(72,000)	676,000	74,000
4.320% Special Assessment local improvement Bonds, due 06/01/27	1,724,000		(55,000)	1,669,000	57,000
4.526% Special Assessment local improvement Bonds due, 06/01/17		320,000	(28,000)	292,000	27,000
	8,586,800	320,000	(703,400)	8,203,400	701,400
Subtotal	245,961,767	22,820,000	(23,328,367)	245,453,400	24,056,400

12. Long-term debt and debt service requirements to maturity (continued)

B. Changes in long-term obligations (continued)

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Governmental Activities (continued):					
Deferred amounts:					
Less: Unamortized debt refunding transaction	$ (2,983,850)	$	$ 320,152	$ (2,663,698)	$ (297,239)
Add: Issuance Premiums	3,874,645	341,749	(381,279)	3,835,115	389,750
Less: Issuance Discounts	(147,794)		30,275	(117,519)	(27,508)
	246,704,768	23,161,749	(23,359,219)	246,507,298	24,121,403
Compensated absences	49,925,259	33,871,339	(32,060,029)	51,736,569	33,622,542
Arbitrage rebates	965,000	415,000		1,380,000	
Unfunded Metro Police self insurance and OPEB liability	4,440,981	19,303,749	(4,440,981)	19,303,749	
OPEB liability		22,163,348		22,163,348	
Heart lung presumptive liability		37,721,231		37,721,231	
Government activity long-term liabilities	$ 302,036,008	$ 136,636,416	$ (59,860,229)	$ 378,812,195	$ 57,743,945

Compensated absences. Included in the City's governmental long-term obligations is $51,736,569 of accrued compensated absences, $43,426,685 relates to the General fund, $1,686,771 to the Internal Service fund, $755,066 to the Special Revenue fund, and $5,868,047 to the Enterprise fund. Compensated absences for all funds are now reported in the Employee Benefit Internal Service fund. The fund charges all other funds a benefit allocation rate to subsidize compensated absences.

Arbitrage rebates. Included in the City's governmental long-term obligations is $1,380,000 of arbitrage rebate that relates to the City's Debt Service fund.

Bond covenants. For the Fremont Street Experience general obligation revenue bonds the City is required to maintain a reserve fund in the amount of $400,000. At June 30, 2008 the reserve was at $400,000.

Special Assessment Debt. Special assessment local improvement bonds are unique obligations of the City, payable solely from the assessments levied in each district, the general fund and general tax proceeds pledged therefore. The special assessment receivable balance at June 30, 2008, is $7,462,577.

Unfunded Metro Police Self-Insurance and OPEB Liability Accrual. The City of Las Vegas and Clark County both provide financing for the Las Vegas Metro Police Self-Insurance internal service fund (Note 1D7, Note 8 and Note 18). The liability is for potential insurance settlements that are of a long-term nature and unfunded other post-employment benefits (OPEB).

12. Long-term debt and debt service requirements to maturity (continued)

B. Changes in long-term obligations (continued)

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Business-type Activities-Major Funds:					
Bonds payable:					
Sanitation:					
General obligation revenue bonds:					
3.0 to 4.0% Sewer general obligation Refunding Bonds Series 2004, due 06/30/18	$ 21,050,000	$	$	$ 21,050,000	$
4.25 to 6.0% Sanitary Sewer general obligation Refunding Bonds, due 10/01/08	24,555,000		(20,780,000)	3,775,000	3,775,000
4.75 to 5.0% Sanitary Sewer general obligation Revenue Bonds, due 11/01/08	3,355,000		(1,640,000)	1,715,000	1,715,000
4.1 to 5.375% Sewer and Flood Control general obligation Bonds Series 2001, due 04/01/21	8,615,000		(2,010,000)	6,605,000	2,090,000
2.5 to 5.0% Sanitary Sewer general obligation Refunding Bonds Series 2002B, due 01/01/09	6,825,000		(3,340,000)	3,485,000	3,485,000
4.0 to 5.0% Sanitary Sewer general obligation Refunding Bonds Series 2006A, due 04/01/21	31,920,000			31,920,000	
4.0% Sanitary Sewer general obligation Refunding Bonds Series 2007, due 10/01/12		17,155,000		17,155,000	
Business-type Activities-Non-major Funds:					
5.1 to 6.0% Golf Course general obligation Revenue Bonds Series 2001, due 12/01/21	10,470,000		(455,000)	10,015,000	480,000
	106,790,000	17,155,000	(28,225,000)	95,720,000	11,545,000
Deferred amounts:					
Add: Issuance Premiums	1,993,905	250,755	(561,191)	1,683,469	296,595
Less: Issuance Discounts	(33,145)		22,096	(11,049)	(11,049)
Less: Defeasance Cost	(4,893,847)	(828,150)	1,821,333	(3,900,664)	(705,250)
Business-type activity long-term liabilities	$ 103,856,913	$ 16,577,605	$ (26,942,762)	$ 93,491,756	$ 11,125,296

Interfund loans payable of $2,781,449 between the Non-Profit Corporations and the Municipal Parking Fund were eliminated in the Government-wide Statement of Net Assets.

12. Long-term debt and debt service requirements to maturity (continued)

C. Payment requirements for debt service

The annual debt service requirements for all bonds outstanding are as follows:

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Year Ended June	General Obligation Revenue Bonds Principal	General Obligation Revenue Bonds Interest	General Obligation Medium-Term Bonds Principal	General Obligation Medium-Term Bonds Interest	LVRA Tax Increment Revenue Bonds Principal	LVRA Tax Increment Revenue Bonds Interest	Special Assessment Local Improvement Bonds Principal	Special Assessment Local Improvement Bonds Interest
2009	$16,710,000	$10,646,261	$14,300,000	$2,714,703	$3,890,000	$1,136,968	$701,400	$343,817
2010	14,250,000	10,317,320	15,280,000	2,078,204	3,515,000	924,750	599,000	318,405
2011	14,585,000	9,700,594	10,190,000	1,498,442	3,680,000	767,675	618,000	294,671
2012	15,380,000	9,033,012	6,315,000	1,118,699	3,875,000	585,975	633,000	269,561
2013	16,085,000	8,347,805	6,545,000	885,592	4,045,000	411,600	656,000	243,208
2018	66,635,000	32,561,356	19,205,000	1,530,791	4,240,000	210,650	2,384,000	875,059
2023	35,595,000	19,229,148					2,037,000	398,007
2028	17,560,000	12,898,005					575,000	57,320
2033	24,820,000	7,923,500						
2036	16,270,000	1,653,500						
Total	$237,890,000	$122,310,501	$71,835,000	$9,826,431	$23,245,000	$4,037,618	$8,203,400	$2,800,048

Year Ended June 30	GOVERNMENTAL ACTIVITIES Total Bonds Principal	GOVERNMENTAL ACTIVITIES Total Bonds Interest	BUSINESS-TYPE ACTIVITIES General Obligation Revenue Bonds Principal	BUSINESS-TYPE ACTIVITIES General Obligation Revenue Bonds Interest
2009	$24,056,400	$10,768,192	$11,545,000	$4,073,557
2010	24,864,000	10,109,153	8,780,000	3,529,526
2011	19,933,000	9,105,257	9,140,000	3,156,125
2012	16,493,000	8,241,042	9,710,000	2,766,205
2013	17,241,000	7,509,032	10,090,000	2,379,173
2014-2018	60,909,000	27,572,454	31,555,000	7,605,402
2019-2023	22,732,000	18,227,167	14,900,000	1,399,988
2024-2028	18,135,000	12,955,325		
2029-2033	24,820,000	7,923,500		
2034-2036	16,270,000	1,653,500		
Total	$245,453,400	$114,064,622	$95,720,000	$24,909,976

13. Developer special assessment debt

In November 1989, the City of Las Vegas created Special Improvement District No. 404 for the Summerlin development area. In December 1989, the City issued $73.8 million in tax-exempt bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. The project was completed in June 1997. The outstanding balance on the bonds was $7,935,000 at June 30, 2008.

In November 1993, the City of Las Vegas created Special Improvement District No. 505 for the Elkhorn Springs development area. In January 1994, the City issued $9.5 million in limited obligation improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as trustee for the property owners in collecting the assessments and as the paying agent for the bondholders pursuant to the provisions of the bond ordinance. These transactions are accounted for in an agency fund. The Elkhorn Springs project consists of the acquisition of certain improvements made by Watt Residential, Inc. These improvements, which were accounted for in a capital project fund, include construction of streets, water distribution systems, sanitary sewers, storm sewers, curbs and gutters, sidewalks, localized drainage facilities, and landscaping. The project was completed in June 1995. The outstanding balance on the bonds payable was $2,930,000 at June 30, 2008.

In May 1996, the City of Las Vegas created Special Improvement District No. 707 for the Summerlin development area. In July 1996, the City issued $40 million in tax-exempt bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include construction of streets, water distribution systems, sanitary sewers, storm sewers, curbs and gutters, sidewalks, localized drainage facilities, and landscaping. As of June 30, 2008, the City had released approximately $44.6 million for improvements included $5.4 million of interest income used. The outstanding balance on the bonds was $17,140,000 at June 30, 2008.

In February 2001, the City of Las Vegas created Special Improvement District No. 808 for the Summerlin development area. In May 2001, the City issued $46 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2008, the City has released $39.7 million of the construction funds, which includes $3 million of interest income used. The outstanding balance on the bonds payable was $23,285,000 at June 30, 2008.

13. Developer special assessment debt (continued)

In July 2007, the City of Las Vegas created Special Improvement District No. 810 for the Summerlin development area. In September 2007, the City issued $23.6 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2008, the City has released $4.2 million of the construction funds, $8.1 million for refunding of District No. 808, and $4.4 million for bond costs and reserves. The outstanding balance on the bonds payable was $23,360,000at June 30, 2008.

In May 2003, the City of Las Vegas created Special Improvement District No. 809 for the Summerlin development area. In June 2003, the City issued $10 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2008, the City has released $7.9 million of the construction funds included $763,000 in interest income used. The outstanding balance on the bonds payable was $8,060,000 at June 30, 2008.

In May 2004, the City of Las Vegas created Special Improvement District No. 607 for the Providence development area. On June 3, 2004, the City issued $51,185,000 in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as the agent for the property owners in collecting the assessments and forwarding the collection to the bondholders. These transactions are accounted for in an agency fund. The Providence project consists of the acquisition of certain improvements developed by Cliffs Edge, LLC. These improvements, which are accounted for in a capital projects fund, include street, water, sewer, storm drainage and other improvements. The outstanding balance on the bonds payable was $44,830,000 at June 30, 2008.

14. Deferred/Unearned Revenues

The following schedule details unearned revenues at June 30, 2008, and the reasons for each:

	Nonmajor Governmental Funds						Deferred Revenue	Unearned Revenue		
	Special Revenue Funds	Debt Service Funds	Total	Capital Projects Funds	General Funds	Total	Adjustments	Govern-mental Activities	Business-type Activities	Total Primary Government
Prepaid tuitions	$	$	$	$	$ 287,531	$ 287,531	$	$ 287,531	$	$ 287,531
Property taxes	356,051	555,402	911,453		7,617,032	8,528,485	(8,528,485)			
Special assessment				7,408,199		7,408,199	(7,408,199)			
State Grant revenue	19,100		19,100			19,100		19,100		19,100
Gift certificates									16,338	16,338
Prepaid parking garage rental									857,575	857,575
	$ 375,151	$ 555,402	$ 930,553	$ 7,408,199	$ 7,904,563	$ 16,243,315	$ (15,936,684)	$ 306,631	$ 873,913	$ 1,180,544

15. Encumbrances / commitments

Encumbrances for purchase orders, contracts, and other commitments for expenditures are recorded in memorandum accounts of the City's governmental funds. Encumbrances lapse for budgetary purposes at the end of each fiscal year and the subsequent year's appropriations provide authority to complete these transactions, accordingly no reserve of fund balance has been created.

	2008
General Fund	$ 3,081,420
Special Revenue Funds	8,753,162
Capital Projects Funds	225,031,284
Total	$ 236,865,866

In November 1998, the City of Las Vegas and Clark County entered into the Clark County/City of Las Vegas/Las Vegas Metropolitan Police Department Project Interlocal Financing Agreement. On February 1, 1999, the County issued Medium-term Public Safety bonds in the principal amount of $20,000,000 for the purpose of financing all or a portion of the cost of acquiring, constructing, improving and equipping a police emergency communications center and replacing the automated fingerprint identification system for the Las Vegas Metropolitan Police Department. The bonds' maturity schedule shall not exceed 10 years. The City's financial commitment for a particular payment date shall equal the debt service payment for such date multiplied by the City's apportionment of the project funding formula approved by the City or otherwise submitted to the City pursuant to NRS 280.190 (4) for the fiscal year in which such debt service payment is due and payable. All payments shall be made at a time such that each payment is received by the bank and deposited into the County's bank account by no later than one business day prior to the date required to make the corresponding debt service payment on the bonds. The City makes semi-annual payments on August 1 and February 1. For the year ended June 30, 2008 the City made $959,486 in payments under the agreement.

In October 1998, the City of Las Vegas and Clark County entered into the Regional Justice Center Financing Agreement. The County has constructed a Regional Justice Center for the Eighth Judicial District Court of the State of Nevada, Court of the Las Vegas Township, and the Municipal Court of the City of Las Vegas. The City has agreed to pay 25% of the project cost limited to a maximum of $29,000,000. On March 1, 1999, the County issued the $29,000,000 of Clark County, Nevada General Obligation (Limited Tax) Public Facilities Bonds (Additionally Secured by Interlocal Agreement Pledged Revenues) Series 1999C. The City makes semi-annual payments per the agreement on December 1 and June 1. For the year ended June 30, 2008, the City made $2,007,201 in payments per the agreement.

The City of Las Vegas and Clark County entered into the Clark County/City of Las Vegas/Las Vegas Metropolitan Police Department Project Interlocal Financing Agreement on March 1, 2000. The County issued General Obligation (Limited Tax) Public Safety Bonds in the principal amount of $18,000,000 for the purpose of financing all or a portion of the cost of acquiring, constructing, improving, and equipping a police training academy and four area command substations for the Las Vegas Metropolitan Police Department. The bonds mature in 15 years. The City's financial commitment for a particular payment date shall equal the debt service for such date multiplied by the City's apportionment of the project funding formula approved by the City or otherwise submitted to the City pursuant to NRS 280.190 (4) for the fiscal year in which such debt service payment is due and payable. All payments shall be made at a time such that each payment is received by the bank and deposited into the County's bank account no later than one business day prior to the date required to make the corresponding debt service payment on the bonds. The City makes semi-annual payments per the agreement on September 1 and March 1. For the year ended June 30, 2008, the City made $675,507 in payments under the agreement.

16. Interfund transactions

A. Due to/from other funds

The following schedule details the amounts due from/to other funds at June 30, 2008:

Receivable Fund	Payable Fund	Amount
General	Non-major governmental	$ 2,644,574
	Nonprofit corporation	693,784
		3,338,358
Non-major governmental	General	4,194
	Non-major governmental	87,360
		91,554
Nonprofit corporation	General	138,437
	Non-major governmental	1,198,912
		1,337,349
Internal service	Non-major governmental	616,910
Total		$ 5,384,171

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances also include the amount of working capital loans made to various funds that the general fund expects to collect in the subsequent year.

B. Interfund transfers

Interfund transfers are legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. Transfers between fund types during the year ended June 30, 2008, were as follows:

		TRANSFERS OUT						
	TRANSFERS IN	General Fund	Parks & Leisure	Special Assess-ment	Non-major Governmental	Sanitation	Non-major Proprietary	Internal Service
General Fund	$ 16,951,561	$	$	$	$ 13,374,487	$ 3,000,000	$	$ 577,074
Parks and Leisure	15,802,886	2,500,000			13,302,886			
Special Assessments	1,500,000				1,500,000			
Non-major governmental	50,780,870	10,350,684	4,605,223	1,348,320	31,538,224		2,938,419	
Non-major proprietary	2,706,303	1,200,000			1,506,303			
Internal Service	139,990	33,200			106,790			
Total	$ 87,881,610	$ 14,083,884	$ 4,605,223	$ 1,348,320	$ 61,328,690	$ 3,000,000	$ 2,938,419	$ 577,074

16. Interfund transactions (continued)

B. Interfund transfers (continued)

Transfers are used to move revenues from the funds with collection authorization to other funds where expenditures are recorded. These include debt service principal and interest payments, voter-approved fire safety initiative expenditures for operating and capital costs, and residential construction taxes and hotel/motel room taxes for capital projects. Unrestricted general fund revenues are moved to finance various programs and capital projects that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies for various programs or matching funds for various grant programs.

17. Segment information

The government issued general obligation revenue bonds to finance construction of a golf course. Summary financial information for the Municipal Golf Course Enterprise Fund as of and for the years ending June 30, 2008 and 2007, is presented below.

CONDENSED STATEMENT OF NET ASSETS

	2008	2007
Assets:		
Current assets	$ 1,199,926	$ 1,426,001
Deferred charges	55,539	59,653
Capital assets	12,455,398	13,231,913
Total assets	13,710,863	14,717,567
Liabilities:		
Current liabilities	587,146	511,470
Noncurrent liabilities	9,614,475	10,103,305
Total liabilities	10,201,621	10,614,775
Net assets:		
Invested in capital assets, net of related debt	2,372,210	2,688,674
Unrestricted	1,137,032	1,414,118
Total net assets	$ 3,509,242	$ 4,102,792

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2008	2007
Charges for services	$ 1,252,576	$ 1,323,132
Miscellaneous revenue	240,989	108,175
Depreciation expense	(776,515)	(776,514)
Other operating expenses	(1,930,657)	(1,614,879)
Operating loss	(1,213,607)	(960,086)
Nonoperating revenue (expenses):		
Interest revenue	41,838	21,821
Interest expense	(587,927)	(614,293)
Contributions to other governments	(33,854)	(34,098)
Loss before transfers	(1,793,550)	(1,586,656)
Transfers in	1,200,000	1,000,000
Change in net assets	(593,550)	(586,656)
Beginning net assets	4,102,792	4,689,448
Ending net assets	$ 3,509,242	$ 4,102,792

17. Segment information (continued)

CONDENSED STATEMENT OF CASH FLOWS

	2008	2007
Net cash (used) by:		
Operating activities	$ (389,033)	$ (248,191)
Noncapital financing activities	1,166,146	965,902
Capital and related financing activities	(1,046,139)	(1,042,355)
Investing activities	41,962	16,866
Net (decrease)	(227,064)	(307,778)
Beginning cash and cash equivalents	1,251,649	1,559,427
Ending cash and cash equivalents	$ 1,024,585	$ 1,251,649

18. Risk management and contingent liabilities

State and local governments are subject to many types of claims; such as those arising out of workers' compensation claims, contractual actions, claims for delays or inadequate specifications, damage to privately owned vehicles by City-owned vehicles, and claims relating to personal injuries and property damage.

Claims against state and local governments are characterized by conditions that could make estimation of the ultimate liability extremely difficult:

a. Certain types of claims may be filed in amounts far greater than those that can reasonably be expected to be agreed on by the government and the claimant or awarded by a court.
b. The time permitted between the occurrence of an event causing a claim and the actual filing of the claim may be lengthy.
c. The time that may elapse between filing and ultimate settlement and payment of a claim may be extremely lengthy. Similarly, the adjudicated loss may be paid over a period of years after settlement.

GASB Statement No. 10 requires that a liability for claims be reported if information available prior to issuance of the basic financial statements indicates it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. In addition, there are situations in which incidents occur before the balance sheet date but claims are not reported or asserted when the basic financial statements are prepared. These "incurred but not reported" claims have been estimated based upon the City's past experience, adjusted for current trends and an inflation factor. The claims are included in the appropriate liability accounts. All interest earned will be credited to the respective funds.

The City operates two self-insured programs – one for liability and property damage purposes and one for employee benefits including workers' compensation, group insurance, and compensated absences.

A. Liability Insurance and Property Damage Internal Service Fund.

The fund was established December 15, 2004, by City Council Resolution. It is a consolidation of the Liability Insurance Internal Service Fund, established July 5, 1979, by City Council Resolution and modified August 7, 1985, and the Property Damage Insurance Fund, established October 6, 1993, by City Council Resolution. The resolution establishes a minimum $7 million cash reserve. The fund's cash and cash equivalents, and investments balance was $12,115,568 at June 30, 2008, and charges for services of $3,243,062 were made to the consolidated funds during the year ended June 30, 2008. The purpose of the fund is to pay for self-assumed losses. As of June 30, 2008, $171,577 has been accrued for claims and judgments payable, including incurred, but not reported claims, which are estimated to be payable within one year.

18. Risk management and contingent liabilities (continued)

A. Liability Insurance and Property Damage Internal Service Fund (continued)

Changes in the balance of claims and judgments during fiscal years ended June 30 were as follows:

	Balance at beginning of fiscal year	Current year changes in estimates	Claim payments	Balance at end of fiscal year	Due within one year
2007	$ 481,652	$ 1,110,541	$ (1,333,559)	$ 258,634	$ 258,634
2008	258,634	805,555	(892,612)	171,577	171,577

B. Employee Benefit Internal Service Fund

The fund was established December 15, 2004, by City Council Resolution. It is a consolidation of the Workers' Compensation Insurance Internal Service Fund established August 21, 1985 by City Council Resolution and the Group Insurance Internal Service Fund. The resolution establishes a minimum cash balance not less than twenty-five percent of the prior year expenditures. The purpose of the fund is to provide employees and beneficiaries with compensation for occupational accidents and diseases and other insurance benefits, and is funded by an adjustable payroll rate and payroll deductions. The City's maximum payment for industrial injuries as of June 30, 2008, ranges from $350,000 to $5,000,000 per claim, with excess insurance coverage provided by an insurance company. Settled claims have not exceeded this commercial coverage over the past three fiscal years. The City will be reimbursed $343,457 by an insurance company for payments on settled claims in excess of the self-insurance limits in effect at the time of the claims. The fund's cash and cash equivalents and investments at June 30, 2008 was $57,591,887 and net assets had a deficit balance of $64,349,358. Current benefits payable totaled $10,837,987, (B.2), $3,257,989 of accrued general workers' compensation claims payable, $937,488 in heart lung (workers' compensation) presumptive claims (B.2), PERS liability of $6,143,462 and insurance premiums payable of $499,048. Noncurrent liability consisted of OPEB liability of $22,163,348 (B.1), heart lung (workers' compensation) presumptive liability of $37,721,231 (B.2), and compensated absences of $18,114,027. There were charges for services of $158,216,771

Changes in the balance of workers' compensation claims during fiscal years ended June 30 were as follows:

	Balance at beginning of fiscal year	Current year changes in estimates	Claim payments	Balance at end of fiscal year	Due within one year
2007	$ 11,074,690	$ 18,743,008	$ (19,075,352)	$ 10,742,346	$ 2,569,360
2008	10,742,346	52,207,224	(21,032,862)	41,916,708	4,195,477

1. Other Postemployment Benefits (OPEB) Plan

Background:

Effective July 1, 2007, the City was required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This new standard addresses how the City should account for and report its costs related to postemployment healthcare and other non-pension benefits. Historically, the City's subsidy was funded on a pay-as-you-go basis. GASB Statement No. 45 requires that the City accrue the cost of the retiree health subsidy and other postemployment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of postemployment benefits and the financial impact on the City. The net OPEB liability is reduced each year by the amount of employee contributions. Employee contributions equal the claim payments, administrative charges and state charged subsidies paid on behalf of retirees, less any retiree contribution premiums.

18. Risk management and contingent liabilities (continued)

B. Employee Benefit Internal Service Fund (continued)

1. Other Postemployment Benefits (OPEB) Plan (continued):

Plan Description:

The City of Las Vegas sponsors a single-employee defined benefit healthcare plan administered by the City of Las Vegas. The plan options are: Sierra 2000 (PPO); Health Plan of Nevada (HMO); FISERV (HRA), a consumer driven plan; and dental and vision, self-funded. Each City plan provides medical, prescription drug, dental and vision benefits to retirees and their covered dependents. Retirees are eligible to participate at age 55 with 5 years of service or at any age with 30 years of service. Those retiring on or before September 1, 2008 also had the option of transferring to the State of Nevada Plan. This plan, the Public Employee Benefit Program (PEBP), is a cost sharing multiple employer, defined benefit plan. PEBP benefit provisions are established by the Nevada State Legislature. For those retirees who selected the State Plan, the City is obligated to pay a monthly subsidy to the State for the coverage on those transferees.

Funding Policy:

The City has a six-member Insurance Committee (three labor and three management) that reviews the insurance needs of the City. They make recommendations to City management. City management determines funding requirements and plan options. Insurance funding for the Las Vegas Police Officers Association/Correction Officers (POA), the Las Vegas Police Protection Association Marshals (PPA) and the International Association of Firefighters Local 1285 are governed by union contracts. The unions cover the OPEB insurance needs of these organizations based on contract funding with the City, therefore they are not included in the City OPEB liability and cost. The City is required to pay the PEBP a monthly subsidy based on the number of years of service with the City at retirement. For retirees who retired prior to January 1, 1994, the subsidy is $410 and does not vary by years of service at retirement. Otherwise, the subsidy level does vary by years of service, except in those instances where greater than 20 years of service is attained. In addition, subsidy levels do not vary by Medicare eligibility or by coverage tier. The subsidy contribution ranges from 5 years of service at $103 per month to 20 or more years of service at $564 per month. Approximately 618 retirees have joined the State Plan as of June 30, 2008. The City's current funding policy for its OPEB liability is pay as you go.

Annual OPEB Cost:

The annual other postemployment benefits cost for the City plan is calculated based on the annual required contribution (ARC) of the City, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty

		2008
ARC, for the year ended June 30,	$	23,582,645
Actual contribution		(1,419,297)
Increase net OPEB obligation		22,163,348
Net OPEB obligation, beginning of year		0
Net OPEB obligation, end of year	$	22,163,348

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the year ended June 30, 2008 is as follows:

Fiscal Year Ended		Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution		Net OPEB Obligation
June 30, 2008	$	23,582,645	6.02%	$	22,163,348

18. Risk management and contingent liabilities (continued)

B. Employee Benefit Internal Service Fund (continued)

1. Other Postemployment Benefits (OPEB) Plan (continued):

Funding status and funding progress:

The funding status of the Plan as of June 30, 2008, was as follows:

Actuarial accrued liability (AAL) (a)	$	201,003,609
Actuarial value of Plan assets (b)		0
Unfunded Actuarial Accrued Liability (UAAL) (a)-(b)		201,003,609
Funded ratio (actuarial value of Plan assets/AAL) (b)/(a)		0
Covered payroll (active Plan members) (c)	$	222,896,774
UAAL as a percentage of covered payroll ([(a)-(b)]/(c))		90.2%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information will provide multiyear trend information that will show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions Projections of benefits for financial reporting purposes are based on the substantial plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions are as follows:

Actuarial valuation date: September 1, 2006

Actuarial cost method: The actuarial calculations were performed in accordance with the Projected Unit Actuarial Cost Method.

Actuarial value of assets: As of the date of valuation, there were no plan assets as recognized under GASB. Claims and state charged subsidies are paid as they are due from general assets of the City.

Remaining amortization period: 30 years in level dollar amounts on an open period amortization basis.

Valuation rate: 4.5%

Healthcare inflation trend rate:	Years from measurement date—1 through 9+ Increase over prior year—10.0% initial through 6.0% ultimate

Trend or subsidy payments to the state plan (PEBP): Same as above

18. Risk management and contingent liabilities (continued)

B. Employee Benefit Internal Service Fund (continued)

2. Heart, Lung Presumptive Liability:

The City has estimated the potential exposure for costs of indemnity (wage replacement) benefits and medical benefits for disability of public safety employees (police, fire) who develop heart disease, lung disease or hepatitis. The estimated liability is the sum of two components:

- The outstanding benefit costs due to reported claims for which the City is currently paying benefits, and
- The outstanding benefit costs for **future claims incurred but not reported (IBNR)** by the City (current population of active and retired public safety employees **who may meet future** eligibility requirements for awards under Nevada revised statutes).

The claims liability currently payable for indemnity claims is $937,488. Reported as noncurrent is $37,721,231, consisting of $4,313,983 of case reserves for existing claims and $33,407,248 of IBNR claims. IBNR is discounted and amortized over a 20 year period. The anticipated future exposure for claims based on an actuarial calculation is approximately $112,041,281, discounted at 5%.

C. Litigation

The City is currently involved in litigation including tort actions, condemnations and civil rights allegations. The City Attorney is vigorously contesting each case. However, due to the nature of the claims, liability may be in the range of $50,000 to $6,500,000. Such amounts have not been accrued in the accompanying basic financial statements.

D. Unfunded Metropolitan Police (Metro) Self-Insurance and OPEB Liability

The City and the County jointly fund the Las Vegas Metropolitan Police Department (LVMPD). The City of Las Vegas funds 38.61% of the LVMPD and is liable for $19,303,749 of the Metro net OPEB obligation. A liability has been established in the government-wide statement of net assets for the City's portion (see Note 8 and 12B).

E. Tax Increment Subordinate Notes

The Agency has entered into tax increment subordinate lien notes as part of an owner participation agreement. The indebtedness represented by the notes have been allocated to the land and improvements and is payable solely and exclusively from a predetermined percentage of the site tax increment received by the Agency on the parcel and shall not be payable from any other source. Because the requirements to repay the note are contingent on the Agency receiving sufficient site tax increment on the specific parcel and subordinate to the lien of the agency's preexisting debt and future debt, the potential future obligation of the Agency has not been reflected in the financial statements. The following summarizes the unique terms of the notes:

- Simon/Chelsea Las Vegas Development, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2004, in the amount of $1,837,360, payments starting June 30, 2004 and continuing for twelve years until March 5, 2016, interest at 7 percent beginning accrual July 1, 2004. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. On June 18, 2008, a second subordinate taxable tax increment subordinate Lien Note in the amount of $756,095 was entered into with Simon/Chelsea Las Vegas Development, LLC. The note has payments starting June 30, 2008 and continuing for eight years until June 30, 2016, with interest at 7 percent beginning accrual June 18, 2008. Also, the percentage of site tax increment from which the note is paid is 41%, and all unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year the Agency received site tax increment revenue. No payment was made on the two notes during the current fiscal year. The combined outstanding balance at June 30, 2008 was $2,568,768.

18. Risk management and contingent liabilities (continued)

E. Tax Increment Subordinate Notes (continued)

- WMCV Phase I, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2005, in the amount of $1,696,622, payments starting June 30, 2007 upon the payment of property taxes and continuing for twenty years until June 30, 2026, interest at 8.07 percent beginning July 1, 2005. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue . The Agency made no payment on the note during the current fiscal year. The outstanding balance was $1,833,539 at June 30, 2008, which includes $136,917 of accrued interest.

- WMCV Phase I, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2006, in the amount of $8,725,545, payments starting June 30, 2006 upon the payment of property taxes and continuing for twenty years until June 30, 2025, interest at 8.04 percent beginning July 1, 2005. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue. The Agency made no payment on the note during the current fiscal year. The outstanding balance was $10,115,912 at June 30, 2008, which includes $1,390,367 of accrued interest.

- WMCV Phase I, LLC Note – Taxable tax increment subordinate Lien Note entered into June 18, 2008, in the amount of $14,268,157, payments starting June 30, 2008 upon the payment of property taxes and continuing for seventeen years until June 30, 2025, interest at 7.98 percent beginning June 30, 2008. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue. The Agency made no payment on the note during the current fiscal year. The note payment was made during August 2008. The outstanding balance was $14,301,415 at June 30, 2008, which includes $33,258 of accrual interest.

- SP Sahara Development, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2008, in the amount of $20,912,094, payments starting June 30, 2008 and continuing for nineteen years until June 30, 2027, interest at 7.09 percent beginning June 18, 2008. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue. No payment was made on the note during the current fiscal year. The note payment was made during August 2008.

- PH ASA, LLC Note – Taxable tax increment subordinate Lien Note entered into April 24, 2006, in the amount of $995,510, payments starting June 30, 2006 and continuing for twenty years until June 30, 2026, interest at 7 percent beginning April 24, 2006. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue. No payment was made on the note during the current fiscal year. The note payment was made during August 2008. The outstanding balance at June 30, 2008 was $1,147,673, which includes $152,163 of accrual inter-

19. Nonprofit corporations

The corporations were established to promote the health and welfare of the City of Las Vegas through the acquisition and disposition of property located within the City of Las Vegas. The following schedule presents the financial information for each of the three nonprofit corporations that comprise the nonprofit corporations on the Statement of Net Assets—Proprietary Funds for the year ended June 30, 2008:

	City Parkway IV A, Inc.	City Parkway V, Inc.	Office District Parking, Inc.	Total
Assets:				
Cash	$ 48,503	$ 587,314	$ 2,006,734	$ 2,642,551
Interest receivable	205	2,493	8,516	11,214
Note receivable			3,196,200	3,196,200
Prepaid insurance	1,820	47,242	1,686	50,748
Due from other funds	13,196	1,204,551	125,242	1,342,989
Land	7,976,261	25,015,249	3,270,124	36,261,634
Total assets	$ 8,039,985	$ 26,856,849	$ 8,608,502	$ 43,505,336
Liabilities and Net Assets				
Accounts payable	$ 37	$ 2,683,920	$ 256	$ 2,684,213
Deposits	200	400,000		400,200
Due to other governments	5,640	693,784		699,424
Loans payable	4,195,549	7,690,325	3,617,983	15,503,857
Net assets	3,838,559	15,388,820	4,990,263	24,217,642
Total Liabilities and Net Assets	$ 8,039,985	$ 26,856,849	$ 8,608,502	$ 43,505,336

Note: Interfund receivables and payables of $5,640 are eliminated on the basic financial statements, pages 42-43.

19. Nonprofit corporations (continued)

	City Parkway IV A, Inc.	City Parkway V, Inc.	Office District Parking, Inc.	Total
Changes in Net Assets				
Revenues:				
Contributions	$	$ 1,204,450	$	$ 1,204,450
Contributions of land	3,790,014		3,270,124	7,060,138
Other reimbursements	24,040			24,040
Rentals	6,918	16,192		23,110
Total revenues	3,820,972	1,220,642	3,270,124	8,311,738
Expenses:				
Association fees	4,066	3,387		7,453
Premiums paid (insurance)	4,374	19,682	11,945	36,001
Consultants		89,539		89,539
Legal services		337,095		337,095
Services and supplies	1,134	1,949,494	371	1,950,999
Contributions to other governments		2,493,035		2,493,035
Total expenses	9,574	4,892,232	12,316	4,914,122
Operating income (loss)	3,811,398	(3,671,590)	3,257,808	3,397,616
Nonoperating revenues (expenses):				
Interest income	1,300	30,988	58,598	90,886
Contributions		2,475,388		2,475,388
Donation of land		(7,060,138)		(7,060,138)
Net nonoperating revenues (expenses)	1,300	(4,553,762)	58,598	(4,493,864)
Increase (decrease) in net assets	3,812,698	(8,225,352)	3,316,406	(1,096,248)
Net Assets - June 30, 2007	25,861	23,614,172	1,673,857	25,313,890
Net Assets - June 30, 2008	$ 3,838,559	$ 15,388,820	$ 4,990,263	$ 24,217,642

Note: On page 44 Contributions of Land for $7,060,138 from City Parkway V, Inc. to City Parkway IVA, Inc. and Office District Parking, Inc. was eliminated.

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APPENDIX B

BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the

Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the Bonds will be made to Cede& Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Registrar on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar and Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

The City and the Registrar and Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purpose of payment of the principal of or interest or premium, if any, on the Bonds, giving any notice permitted or required to be given to registered owners under the Bond Ordinance, including any notice of redemption, registering the transfer of Bonds, obtaining any consent or other action to be taken by registered owners and for all other purposes whatsoever, and will not be affected by any notice to the contrary. The City and the Registrar and Paying Agent will not have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any DTC Direct Participant, Indirect Participant or other person not shown on the records of the Registrar as being a registered owner with respect to: the accuracy of any records maintained by DTC, any DTC Direct Participant or Indirect Participant regarding ownership interests in the Bonds; the payment by DTC, any DTC Direct Participant or Indirect Participant of any amount in respect of the principal of or interest or premium, if any, on the Bonds; the delivery to any DTC Direct Participant, Indirect Participant or any Beneficial Owner of any notice which is permitted or required to be given to registered owners under the Authorizing Document, including any notice of redemption; the selection by DTC, any DTC Direct Participant or any Indirect Participant of any person to receive payment in the event of a partial redemption of the Bonds; or any consent given or other action taken by DTC as a registered owner.

As long as the DTC book-entry system is used for the Bonds, the Registrar and Paying Agent will give any notice of redemption or any other notices required to be given to registered owners of Bonds only to DTC or its nominee. Any failure of DTC to advise any DTC Direct Participant, of any DTC Direct Participant to notify any Indirect Participant, of any DTC Direct Participant or Indirect Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice.

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APPENDIX C

FORM OF APPROVING OPINION OF BOND COUNSEL

[Date of Closing]

City of Las Vegas, Nevada
400 Stewart Avenue
Las Vegas, Nevada 89101

$15,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM BONDS
(MAIN STREET PARKING GARAGE)
SERIES 2009

Ladies and Gentlemen:

We have acted as bond counsel to City of Las Vegas, Nevada (the "City"), in connection with its issuance of the above-captioned bonds (the "Bonds") pursuant to an authorizing ordinance of the City Council of the City adopted on October 7, 2009 (the "Bond Ordinance"). In such capacity, we have examined the City's certified proceedings and such other documents and such law of the State of Nevada (the "State") and of the United States of America as we have deemed necessary to render this opinion letter. Except as otherwise expressly defined herein, capitalized terms used herein have the meanings ascribed to such terms in the Bond Ordinance.

Regarding questions of fact material to our opinions, we have relied upon the City's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding limited tax general obligations of the City.

2. The principal of and interest on the Bonds are payable from any monies of the City legally available for the purpose of making such payment and the City has irrevocably pledged its full faith and credit for the purpose of making such payment on the Bonds.

3. Ad valorem taxes, if any, levied for the purpose of paying the principal of and interest on the Bonds are subject to the limitations contained in the Constitution and laws of the State.

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The opinions expressed in this

paragraph assume continuous compliance with the covenants and representations contained in the City's certified proceedings and in certain other documents and certain other certifications furnished to us.

5. Under laws of the State in effect as of the date hereof, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the City pursuant to the Bonds and the Bond Ordinance are subject to the application of equitable principles, 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 America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

We understand that [__________________________] has issued a financial guaranty insurance policy relating to the Bonds. We express no opinion as to the validity or enforceability of such policy or the security afforded thereby.

In this opinion letter rendered in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the adequacy, accuracy or completeness of the Official Statement relating to the Bonds or any other statements made in connection with any offer or sale of the Bonds or upon any state or federal tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is rendered as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Las Vegas, Nevada (the "Issuer") in connection with the issuance of its City of Las Vegas, Nevada, General Obligation (Limited Tax) Medium-Term Bonds (Main Street Parking Garage), Series 2009in the aggregate principal amount of $____________ (the "Bonds"). The Bonds are being issued pursuant to an ordinance adopted by the City Council of the Issuer on October 7, 2009 (the "Ordinance"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC").

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" means, initially, the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Material Events" means any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB's required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at http://emma.msrb.org.

"Official Statement" means the Final Official Statement dated __________, 2009 relating to the Bonds.

"Participating Underwriter" means the original underwriter of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than nine (9) months following the end of the Issuer's fiscal year of each year, commencing nine (9) months following the end of the Issuer's fiscal year ending June 30, 2009, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send or cause to be sent a notice in substantially the form attached as Exhibit "A" to the MSRB.

(c) The Dissemination Agent shall:

(1) determine each year prior to the date for providing the Annual Report the appropriate electronic format prescribed by the MSRB;

(2) if the Dissemination Agent is other than the Issuer, send written notice to the Issuer at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(3) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(b) An update of the type of information identified in Exhibit "B" hereto, which is contained in the tables in the Official Statement with respect to the Bonds.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet Web Site or filed with the SEC. The Issuer shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The Issuer shall provide or cause to be provided, in a timely manner, notice of any of the following events with respect to the Bonds, if such event is material to the MSRB:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers or their failure to perform;

(f) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;

(g) Modifications to rights of bondholders;

(h) Bond calls;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Bonds; or

(k) Rating changes.

SECTION 6. Electronic Format and Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the Issuer shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist the Issuer in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Issuer will provide notice of such amendment or waiver to the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATE: ________________, 2009

CITY OF LAS VEGAS, NEVADA

By:______________________________________
Its:______________________________________

EXHIBIT "A"

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Las Vegas, Nevada

Name of Bond Issue: City of Las Vegas, Nevada, General Obligation (Limited Tax) Medium-Term Bonds (Main Street Parking Garage), Series 2009, in the aggregate principal amount of $____________.

CUSIP:

Date of Issuance: ________________

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 39 of the ordinance of the Issuer authorizing the issuance of the above-named Bonds and the Continuing Disclosure Certificate executed on ___________, 2009, by the Issuer. The Issuer anticipates that the Annual Report will be filed by ______________________.

Dated: ______________, _____

CITY OF LAS VEGAS, NEVADA

By:____
Its:____

EXHIBIT “B”

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

See page -iv- of this Official Statement

APPENDIX E

OFFICIAL NOTICE OF BOND SALE

$15,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM BONDS
(MAIN STREET PARKING GARAGE),
SERIES 2009

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of the City of Las Vegas, in the State of Nevada (the "Council," the "City," and the "State," respectively), on

Wednesday, October 14, 2009

at the hour of 8:30 a.m., local time, or such other date and at such other time as is announced via the PARITY BIDDING SYSTEM ("PARITY") or Thomson Municipal News at the

Office of the City Director of Finance and Business Services
400 Stewart Avenue, 6th Floor
Las Vegas, Nevada 89101

will receive and cause to be publicly opened sealed bids and cause bids to be received electronically via PARITY for the purchase of the bonds of the City described below.

BOND PROVISIONS

ISSUE: The City of Las Vegas, Nevada, General Obligation (Limited Tax) Medium-Term Bonds (Main Street Parking Garage), Series 2009 in the aggregate principal amount of $15,000,000 (the "Bonds") will be dated as of the date of delivery of the Bonds. The Bonds will be issued by means of a book entry system with no physical distribution of bond certificates to the public. See "BOOK ENTRY TRANSFER AND EXCHANGE" below. The City contemplates delivering the Bonds on or about October 27, 2009.

MATURITIES: The Bonds will mature as provided in the Maturity Schedule set forth in the preliminary official statement relating to the Bonds (the "Preliminary Official Statement"). The amounts of the Bonds maturing in each year may be changed from those listed in the respective Maturity Schedules as described in "ADJUSTMENT OF MATURITIES AFTER DETERMINATION OF BEST BID" below.

ADJUSTMENT OF MATURITIES AFTER DETERMINATION OF BEST BID: The aggregate principal amount and the principal amount of each maturity of the Bonds are subject to adjustment by the City, after the determination of the best bid. Changes to be made will be communicated to the successful bidder by the time of written award of the Bonds, and will not reduce or increase the aggregate principal amount of the Bonds by more than fifteen percent of the aggregate principal amount shown in the Maturity Schedule. The City may change the price to be paid for the Bonds (i.e., par less the discount bid or plus the premium bid) by a successful bidder as described below, but the interest rates specified by the successful bidder for all maturities will not change. A successful bidder may not withdraw its bid as a result of any changes made within these limits. The price to be paid for the Bonds will be changed so that the percentage net compensation to the successful bidder (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the City (excluding accrued interest, if any), less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the Bonds) does not increase or decrease from what it would have been if no adjustment was made to the principal amounts shown in the Maturity Schedule.

To facilitate any adjustment in the principal amounts, the successful bidder for the Bonds is required to indicate by facsimile transmission to the City Director of Finance and Business Services at fax # (702) 383-0769 no later than one-half hour after the time of the bid opening, the amount of any original issue discount or premium on each maturity of the Bonds, the amount received from the sale of the Bonds to the public that will be retained by the successful bidder as its compensation, and in the case of a bid submitted with bond insurance, the amount of the insurance premium. A bidder who intends to insure the Bonds shall also state, in that facsimile transmission, whether the amount of the insurance premium will change as a result of changes in the principal amount of the Bonds and the method used to calculate any such change in the insurance premium.

OPTIONAL PRIOR REDEMPTION: The Bonds maturing on and after October 1, 2015 are subject to redemption in whole or in part on and after October 1, 2014 at a price of par plus accrued interest to the redemption date.

MANDATORY SINKING FUND REDEMPTION. A bidder may request that the Bonds maturing on and after October 1, 2015 be included in one or more term Bonds.

INTEREST RATES AND LIMITATIONS: The following interest limitations are applicable to the Bonds:

A. Interest on the Bonds will be payable on April 1 and October 1 of each year commencing on April 1, 2010.

B. The interest rate on any Bond and the True Interest Cost for the Bonds (see "BASIS OF AWARD," below) may not exceed by more than 3% the "Index of Twenty Bonds" most recently published in The Bond Buyer before the bids are received.

C. Each interest rate specified must be stated in a multiple of 1/8th or 1/20th of 1% per annum.

D. Only one interest rate can be stated for any maturity, i.e, all Bonds with the same maturity date must bear the same rate of interest. No zero (0) rate of interest may be bid.

E. Each Bond as initially issued will bear interest from its dated date to its stated maturity date at the interest rate stated in the bid.

It is permissible to bid different interest rates for the Bonds, but only as stated in the bid and subject to the above limitations. If any Bond is not paid upon presentation at maturity, it will draw interest at the same rate until principal is paid in full.

DISCOUNT OR PREMIUM: A bidder may not offer to purchase the Bonds at a discount not to exceed $150,000. A bidder may offer to purchase the Bonds at a premium of any amount.

PAYMENT: The principal of the Bonds shall be payable at the office of the Treasurer of the City of Las Vegas, in Las Vegas, Nevada, as Paying Agent, to the registered owner thereof (i.e., Cede & Co.) as shown on the registration records of the Treasurer of the City of Las Vegas, in Las Vegas, Nevada, as Registrar, upon maturity thereof and upon presentation and surrender of such Bonds at such Paying Agent. Payment of interest on any Bond shall be made to the registered owner thereof (i.e., Cede & Co.) 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 registered owner thereof at his or her address as it appears on the registration records of the Registrar for such Bonds as of the close of business on the 15th day of the calendar month preceding such interest payment date (or by such other arrangement as may be mutually agreed to by the Paying Agent and The Depository Trust Company). All such payments shall be made in lawful money of the United States of America.

BOOK ENTRY/TRANSFER AND EXCHANGE: The Bonds will be issued as fully registered book entry bonds, in the denomination of $5,000 or any integral multiple thereof. The Bonds will be issued in registered form and one bond certificate for each maturity of Bonds will be issued to The Depository Trust Company, New York, New York ("DTC"), registered in the name of its nominee, Cede & Co., and immobilized in its custody, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the Paying Agent by wire transfer or in same day funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to the beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. Neither the City nor the Paying Agent will be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

FORM OF BOND ORDINANCE; AUTHORIZATION OF BONDS: The form of the Bond Ordinance adopted on October 7, 2009, is on file with the City Clerk in her office at 400 Stewart Street, Las Vegas, Nevada, or may be obtained from the City Director of Finance and Business Services or NSB Public Finance, the City's financial advisor (the "Financial Advisor") at the addresses listed under "INFORMATION" herein.

The City is operating as a City pursuant to Nevada Revised Statutes ("NRS") Chapter 268 and Chapter 517, Statutes of Nevada 1983, as amended (the "Charter"). Pursuant to Section 7.020 of the Charter (the "Project Act"), NRS 350.500 through 350.720, inclusive (the "Bond Act"), and NRS 350.087 through 350.095, inclusive (the "Note Act"), the City is authorized to issue the Bonds.

SECURITY AND PAYMENT: The Bonds will, in the opinion of Swendseid & Stern, a member in Sherman & Howard L.L.C. ("Bond Counsel"), be direct general obligations of the City. The principal of and interest on the Bonds ("Bond Requirements") will be payable from all funds of the City legally available for the purpose of making such payment, and provision for the payment of the Bond Requirements will be made as provided in NRS 350.093 and 350.095. The City is obligated to levy ad valorem taxes against taxable property within the City to pay the Bond Requirements and any ad valorem taxes levied are subject to the limitations imposed by the statutes and the Constitution of the State applicable to the Bonds (see "CONSTITUTIONAL TAX LIMITATIONS," "STATUTORY TAX LIMITATION", "FORM OF APPROVING OPINION" and "ADDITIONAL STATUTORY TAX LIMITATIONS," below). The Bonds will be a debt of the City, and the City shall pledge the full faith and credit of the City for their payment.

BOND INSURANCE/ RATING LETTERS: A municipal bond insurance policy to insure payment of the principal of and interest on the Bonds, when due, may be provided at bidder's option and expense. Regardless of whether a the Bonds are insured, the City will pay for ratings on the Bonds from Moody's Investors Service, Standard and Poor's Ratings Services and Fitch Rating Services.

ADDITIONAL BONDS: The City reserves the privilege of issuing additional general obligation bonds previously or hereafter authorized at any time and from time to time for any lawful purpose, as permitted by law.

FEDERAL TAX MATTERS: In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described in the Preliminary Official Statement, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code as described in the Preliminary Official Statement.

STATE TAX EXEMPTION: In the opinion of Bond Counsel, under present laws of the State, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

CONSTITUTIONAL TAX LIMITATION: Sec. 2, art. 10, Constitution of the State, provides:

> "The total tax levy for all public purposes including levies for bonds, within the state, or any subdivision thereof, shall not exceed five cents on one dollar of assessed valuation."

STATUTORY TAX LIMITATION: NRS 361.453 provides:

> "Except as otherwise provided in this section and NRS 354.705, 354.723 and 450.760, the total ad valorem tax levy for all public purposes must not exceed $3.64 on each $100 of assessed valuation, or a lesser or greater amount fixed by the State Board of

Examiners if the State Board of Examiners is directed by law to fix a lesser or greater amount for that fiscal year."

ADDITIONAL STATUTORY TAX LIMITATIONS: The following additional statutory tax limitations apply to the Bonds:

NRS 354.59811 provides:

"1. Except as otherwise provided in NRS 244.377, 278C.260, 354.59813, 354.59815, 354.59818, 354.5982, 354.5987, 354.705, 354.723, 450.425, 450.760, 540A.265 and 543.600, for each fiscal year beginning on or after July 1, 1989, the maximum amount of money that a local government, except a school district, a district to provide a telephone number for emergencies or a redevelopment agency, may receive from taxes ad valorem, other than those attributable to the net proceeds of minerals or those levied for the payment of bonded indebtedness and interest thereon incurred as general long-term debt of the issuer, or for the payment of obligations issued to pay the cost of a water project pursuant to NRS 349.950, or for the payment of obligations under a capital lease executed before April 30, 1981, must be calculated as follows:

"(a) The rate must be set so that when applied to the current fiscal year's assessed valuation of all property which was on the preceding fiscal year's assessment roll, together with the assessed valuation of property on the central assessment roll which was allocated to the local government, but excluding any assessed valuation attributable to the net proceeds of minerals, assessed valuation attributable to a redevelopment area and assessed valuation of a fire protection district attributable to real property which is transferred from private ownership to public ownership for the purpose of conservation, it will produce 106 percent of the maximum revenue allowable from taxes ad valorem for the preceding fiscal year, except that the rate so determined must not be less than the rate allowed for the previous fiscal year, except for any decrease attributable to the imposition of a tax pursuant to NRS 354.59813 in the previous year.

"(b) This rate must then be applied to the total assessed valuation, excluding the assessed valuation attributable to the net proceeds of minerals and the assessed valuation of a fire protection district attributable to real property which is transferred from private ownership to public ownership for the purpose of conservation, but including new real property, possessory interests and mobile homes, for the current fiscal year to determine the allowed revenue from taxes ad valorem for the local government.

"2. As used in this section, "general long-term debt" does not include debt created for medium-term obligations pursuant to NRS 350.087 to 350.095, inclusive.

NRS 354.59813 provides:

"1. In addition to the allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811, if the estimate of the revenue available from the supplemental city-county relief tax to the county as determined by the Executive Director of the Department of Taxation pursuant to the provisions of subsection 11 of NRS 360.690 is less than the amount of money that would be generated by applying a tax rate of $1.15 per $100 of assessed valuation to the assessed valuation of the county, except any assessed valuation attributable to the net proceeds of minerals, the governing body of each local government may levy an additional tax ad valorem for operating purposes. The total tax levied by the governing body of a local government pursuant to this section must not exceed a rate calculated to produce revenue equal to the difference between the:

"(a) Amount of revenue from supplemental city-county relief tax estimated to be received by the county pursuant to subsection 11 of NRS 360.690; and

"(b) The tax that the county would have been estimated to receive if the estimate for the total revenue available from the tax was equal to the amount of money that would be generated by applying a tax rate of $1.15 per $100 of assessed valuation to the assessed valuation of the county, multiplied by the proportion determined for the local government pursuant to subparagraph (2) of paragraph (a) of subsection 4 of NRS 360.690, subparagraph (2) of paragraph (a) of subsection 6 of NRS 360.690 or subparagraph (2) of paragraph (a) of subsection 7 of NRS 360.690, as appropriate."

"2. Any additional taxes ad valorem levied as a result of the application of this section must not be included in the base from which the allowed revenue from taxes ad valorem for the next subsequent year is computed."

"3. As used in this section, "local government" has the meaning ascribed to it in NRS 360.640."

NRS 354.59815 provides:

"1. In addition to the allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811, the board of county commissioners may levy a tax ad valorem on all taxable property in the county at a rate not to exceed 5 cents per $100 of the assessed valuation of the county.

"2. The board of county commissioners shall direct the county treasurer to distribute quarterly the proceeds of any tax levied pursuant to the provisions of subsection 1 among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 fiscal years bears to the sum of the supplemental city-county relief tax distribution factors of all of the local governments in the county for the 1990-1991 fiscal year.

"3. The board of county commissioners shall not reduce the rate of any tax levied pursuant to the provisions of subsection 1 without the approval of each of the local governments that receives a portion of the tax, except that, if a local government declines to receive its portion of the tax in a particular year the levy may be reduced by the amount that local government would have received."

NRS 354.5982 provides:

"1. The local government may exceed the limit imposed by NRS 354.59811 upon the calculated receipts from taxes ad valorem only if its governing body proposes to its registered voters an additional property tax, and the proposal is approved by a majority of the voters voting on the question at a general election, a general city election or a special election called for that purpose. The question submitted to the voters must contain the rate of the proposed additional property tax stated in dollars and cents per $100 assessed valuation, the purpose of the proposed additional property tax, the duration of the proposed additional property tax and an estimate established by the governing body of the increase in the amount of property taxes that an owner of a new home with a fair market value of $100,000 will pay per year as a result of the passage of the question. The duration of the levy must not exceed 30 years. The governing body may discontinue the levy before it expires and may not thereafter reimpose it in whole or in part without following the procedure required for its original imposition.

"2. A special election may be held:

"(a) At any time, including, without limitation, on the date of a primary city election or a primary state election, if the governing body of the local government determines, by a unanimous vote, that an emergency exists; or "(b) On the first Tuesday after the first Monday in June of an odd-numbered year."

"3. The determination made by the governing body pursuant to subsection 2 that an emergency exists is conclusive unless it is shown that the governing body acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the governing body must be commenced within 15 days after the governing body's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the governing body of the local government to prevent or mitigate a substantial financial loss to the local government or to enable the governing body to provide an essential service to the residents of the local government.

"4. To the allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811 for a local government, the Executive Director of the Department of Taxation shall add any amount approved by the Legislature for the cost to that local government of any substantial program or expense required by legislative enactment."

STATUTORY PRIORITY FOR BONDS: NRS 361.463:

"1. In any year in which the total taxes levied by all overlapping units within the boundaries of the State exceed the limitation imposed by NRS 361.453, and it becomes necessary for that reason to reduce the levies made by any of those units, the reduction so made must be in taxes levied by those units (including the State) for purposes other than the payment of bonded indebtedness, including interest thereon.

"2. The taxes levied for the payment of bonded indebtedness and the interest thereon enjoy a priority over taxes levied by each such unit (including the State) for all other purposes where reduction is necessary to comply with the limitation imposed by NRS 361.453."

STATUTORY PROVISION FOR TAX LEVIES: NRS 350.592, provides in relevant part:

"1. There must be levied annually in due season a special tax on all property, both real and personal, subject to taxation within the boundaries of the municipality, fully sufficient together with the revenue which will result from application of the rate to the net proceeds of minerals, without regard to any statutory or charter tax limitations other than the limitation set forth in NRS 361.453, to pay the interest on the general obligation municipal securities and to pay and retire the securities as provided in the

Local Government Securities Law and in any act supplemental hereto. The amount of money to be raised by the tax must be included in the annual estimate or budget for each county within the state for each year for which the tax is hereby required to be levied. The tax must be levied and collected in the same manner and at the same time as other taxes are levied and collected.

"2. The proceeds thereof levied to pay interest on the securities must be kept by the treasurer in a special fund, separate and apart from all other funds, and the proceeds of the tax levied to pay the principal of the securities must be kept by the treasurer in a special fund, separate and apart from all other funds. The two special funds must be used for no other purpose than the payment of the interest on the securities and the principal thereof, respectively, when due; . . ."

<u>TIMES OF LEVIES</u>: NRS 350.594 provides:

"Such tax shall be levied immediately after the issuance of any general obligation securities issued in accordance with the provisions of the Local Government Securities Law, and annually thereafter, at the times and in the manner provided by law, until all of the securities, and the interest thereon, have been fully discharged. Such tax may be first levied after the municipality has contracted to sell any securities but before their issuance."

<u>USE OF GENERAL FUND</u>: NRS 350.596 provides:

"Any sums coming due on any general obligation municipal securities at any time when there are not on hand from such tax levy or levies sufficient funds to pay the same shall be promptly paid when due from the general fund of the municipality, reimbursement to be made to such general fund in the sums thus advanced when the taxes herein provided for have been collected."

<u>USE OF OTHER FUNDS</u>: NRS 350.598 provides:

"Nothing contained in the Local Government Securities Law shall be so construed as to prevent the municipality from applying any funds (other than taxes) that may be available for that purpose to the payment of the interest on or the principal of any general obligation municipal securities as the same respectively mature, and regardless of whether the payment of the general obligation municipal securities is additionally secured by a pledge of revenues, and upon such payments, the levy or levies of taxes provided in the Local Government Securities Law may thereupon to that extent be diminished."

<u>STATUTORY APPROPRIATIONS</u>: NRS 350.602 provides:

"There is by the Local Government Securities Law, and there shall be by ordinance authorizing the issuance of any indebtedness contracted in accordance with the provisions of the Local Government Securities Law, specially appropriated the proceeds of such taxes to the payment of such principal and interest; and such appropriations shall not be repealed nor the taxes postponed or diminished (except as herein otherwise expressly provided) until the principal of and interest on the municipal securities evidencing such debt have been wholly paid."

CHARTER DEBT LIMITATION: Section 7.040 of the Charter provides:

"1. The city may not issue or have outstanding at any time bonds which, when taken together with all of the notes, warrants, scrip or other evidences of indebtedness which are then outstanding, will create a total indebtedness in an amount greater than 20 percent of the total assessed valuation of the taxable property within its boundaries, as shown by the last preceding tax list or assessment roll.

"2. In determining any debt limitation under this section, the following may not be considered as indebtedness:

"(a) Revenue bonds, unless the full faith and credit of the city is also pledged to their payment;

"(b) Special assessment bonds, although a deficiency in the proceeds of the assessments is required to be paid from the general fund of the city;

"(c) Short-term securities which are issued in anticipation of and payable from the property taxes which are levied for the current fiscal year;

"(d) Interim warrants which are issued pursuant to chapter 271 of NRS; and

"(e) Securities which are described in subsection 4 of section 8.240 of this charter."

NO PLEDGE OF PROPERTY: The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the City.

IMMUNITY OF INDIVIDUALS. NRS 350.606 provides:

"No recourse shall be had for the payment of the principal of, any interest on, and any prior redemption premiums due in connection with any bonds or other municipal securities or for any claim based thereon or otherwise upon the ordinance authorizing their issuance or other instrument appertaining thereto, against any individual member of the governing body or any officer or other agent of the municipality, past, present or future, either directly or indirectly through the governing body or the municipality, 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 securities and as a part of the consideration of their issuance specially waived and released."

ACTS IRREPEALABLE: NRS 350.610 provides:

"The faith of the State is hereby pledged that the Local Government Securities Law, any law supplemental or otherwise appertaining thereto, and any other act concerning the bonds or other municipal securities, taxes or the pledged revenues or any combination of such securities, such taxes and such revenues shall not be repealed nor amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding municipal securities, until all such securities have been discharged in full or provision for their payment and redemption has been fully made, including without limitation the known minimum yield from the investment or reinvestment of moneys pledged therefor in federal securities."

TERMS OF SALE

EQUAL OPPORTUNITY: IT IS THE POLICY OF THE CITY TO PROVIDE MINORITY BUSINESS ENTERPRISES, WOMEN BUSINESS ENTERPRISES AND ALL OTHER BUSINESS ENTERPRISES AN EQUAL OPPORTUNITY TO PARTICIPATE IN THE PERFORMANCE OF ALL CITY CONTRACTS. BIDDERS ARE REQUESTED TO ASSIST THE CITY IN IMPLEMENTING THIS POLICY BY TAKING ALL REASONABLE STEPS TO ENSURE THAT ALL AVAILABLE BUSINESS ENTERPRISES, INCLUDING MINORITY AND WOMEN BUSINESS ENTERPRISES, HAVE AN EQUAL OPPORTUNITY TO PARTICIPATE IN CITY CONTRACTS.

BID PROPOSALS: Except as otherwise provided below in "PARITY," each bidder must use the printed official bid form provided by the City. Any bid in any other form may be disregarded. A bidder is required to submit an unconditional bid for all of the Bonds specifying:

(1) The lowest rate or rates of interest and any discount or premium at which the bidder will purchase all of the Bonds.

It is also requested for informational purposes only, but is not required, that each bid disclose:

(2) The True Interest Cost (i.e, actuarial yield) on the Bonds expressed as a nominal annual percentage rate. (See "Basis of Award," below).

(3) The municipal bond insurer, if any; the premium to be paid by the bidder for insuring the Bonds; and which maturities of the Bonds, if any, are being insured.

Each bid submitted on the official bid form must be enclosed in a sealed envelope marked on the outside:

"Proposal for Medium-Term Bonds"

and addressed to:

Mark Vincent
Director of Finance and Business Services
City of Las Vegas, Nevada

PARITY: Unless submitting a printed official bid form, a prospective bidder must submit a bid for the Bonds electronically via PARITY no later than 8:30 a.m., Pacific time, on Wednesday, October 14, 2009. By submitting a bid for the Bonds, a PARITY bidder represents and warrants to the City that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds. Once the bids are communicated electronically via PARITY, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. If any provisions in this Official Notice of Bond Sale conflict with information or terms provided or required by PARITY, this Official Notice of Bond Sale (and any amendments hereto) shall control. For purposes of the electronic bidding process, the time as maintained on PARITY shall constitute the official time. If the apparent successful bidder for the Bonds is a PARITY bidder, the City's acceptance of the winning bid shall be made to the successful bidder via PARITY within the time described under "PLACE AND TIME OF AWARD" below.

Each prospective PARITY bidder shall be solely responsible to make the necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Bond Sale. None of the City, the Financial Advisors, or PARITY shall have any duty or be obligated to undertake to provide or assure such access to any qualified prospective bidder, and none of the City, the Financial Advisors, or PARITY shall be responsible for a bidder's failure to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY. The City is using PARITY as a communication mechanism, and not as the City's agent, to conduct the electronic bidding for the Bonds.

Each PARITY bidder is required to transmit electronically via PARITY an unconditional bid specifying the lowest rate or rates of interest and the premium, or discount, as applicable, at which the bidder will purchase the Bonds. Each bid must be for all of the Bonds herein offered for sale.

For informational purposes only, the electronic bid will show the effective interest rate for the Bonds represented on a TIC basis, as described under "BASIS OF AWARD" below, represented by the rate or rates of interest and the bid price specified in their respective bids. No bid will be received after the time for receiving such bids specified above.

GOOD FAITH DEPOSIT: A good faith deposit (the "Deposit") in the form of a treasurer's or cashier's check drawn on a solvent commercial bank or trust company in the United States of America or a Financial Surety Bond issued by an insurance company licensed to issue such surety bond in the State of Nevada, made payable to:

City of Las Vegas, Nevada

in the amount of

$150,000

is required for each bid to be considered. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, such surety bond must be submitted to the City or its Financial Advisor prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the winning bidder is determined to be a bidder utilizing a Financial Surety Bond, then that bidder is required to submit its Deposit to the City in the form of a cashier's check (or wire transfer such amount as instructed by the City or its Financial Advisor) not later than 10:00 a.m. (City's local time) on the next business day following the bid opening. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the City to satisfy the Deposit requirement. If the apparent winning bidder on the Bonds is determined to be a bidder who has not submitted a Deposit in the form of a Financial Surety bond or check, as provided above, the Financial Advisor will request the apparent winning bidder to immediately wire the Deposit and provide the Federal wire reference number of such Deposit to the Financial Advisor within 90 minutes of such request by the Financial Advisor. The Bonds will not be officially awarded to a bidder who has not submitted a Deposit in the form of a Financial Surety Bond or check, as provided above, until such time as the bidder has provided a federal wire referenced number for the deposit to the Financial Advisor.

No interest on the Deposit will accrue to any bidder. The City will deposit the Deposit of the winning bidder of the Bonds. The Deposit (without accruing interest) of the winning bidder will be applied to the purchase price of the Bonds. In the event the winning bidder fails to honor its accepted bid, the Deposit plus any interest accrued on the Deposit will be retained by the City as liquidated damages. Deposits accompanying bids other than the bid which is accepted will be returned promptly upon the determination of the best bid.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses relating to printing the CUSIP numbers on the Bonds will be paid by the City. However, the CUSIP Service Bureau charge for the assignment of the numbers will be the responsibility of and must be paid by the purchaser.

SALES RESERVATIONS: The City reserves the privilege of:

A. waiving any irregularity or informality in any bid;

B. rejecting any and all bids; and

C. reoffering the Bonds for public sale or private sale as provided by law.

In addition, the City reserves the privilege of changing the date and/or time of sale of the Bonds. Any change in the date and/or time of sale of the Bonds will be communicated via Thomson Municipal News and/or PARITY.

<u>BASIS OF AWARD</u>: The Bonds, subject to such sale reservations, will be sold by the City to the responsible bidder making the best bid for all of the Bonds. The best bid will be determined by computing the True Interest Cost on the Bonds (i.e, using an actuarial or TIC method) for each bid received and an award will be made (if any is made) to the responsible bidder submitting the bid which results in the lowest true interest cost for the Bonds. "True Interest Cost" on the Bonds as used herein means that yield which if used to compute the present worth as of the date of the Bonds of all payments of principal and interest to be made on the Bonds from their date to their respective maturity dates using the interest rates specified in the bid and the principal amounts maturing as shown in the Maturity Schedule, produces an amount equal to the principal amount of the Bonds less any discount or plus any premium bid. Such calculation shall be based on a 360 day year and a semiannual compounding interval. If there are two or more equal bids for the Bonds and such equal bids are the best bids received, the City will determine which bid will be accepted, if any.

<u>REOFFERING PRICES</u>: The successful bidders (or managers of the purchasing account) shall notify the Financial Advisor and the City, by facsimile transmission to (702) 383-0769, within one-half hour of the bid opening, of the initial offering prices of the Bonds to the public. The information about the initial offering prices shall be based on the successful bidders' expectations as of the date of sale. The facsimile notification must be confirmed in writing in the form and substance satisfactory to Bond Counsel prior to the delivery of the Bonds, which shall be in substantially the form: "A bona fide public offering was made for all of the Bonds on this sale date at the initial public offering prices (or yields) shown on the cover page of the Official Statement. As of such sale date (i) based upon our assessment of market conditions, investor demand, sale and offering prices for comparable bonds, and the recent behavior of interest rates, we reasonably expected that the first prices (or yields) at which at least 10% of each maturity of the Bonds would be sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) would be those prices (or yields) and that none of the Bonds would be sold to the public at prices higher than or at yields less than those prices (or yields), and (ii) such initial offering prices (or yields) represented a fair market value for the Bonds."

<u>PLACE AND TIME OF AWARD</u>: Bids will be received, and in the case of sealed bids, opened on behalf of the City at the time and place stated. The City's Director of Finance and Business Services or City Manager will take action awarding the Bonds or rejecting all bids not later than 48 hours after the time stated for receiving the bids. An award may be made after the stated period if the bidder shall not have given to the City's Director of Finance and Business Services notice in writing of the withdrawal of its bid.

<u>MANNER AND TIME OF DELIVERY</u>: The Deposit will be credited to the purchaser at the time of delivery of the Bonds (without accruing interest). If the successful bidder for the Bonds fails, neglects, or refuses to complete the purchase of the Bonds on the date on which the Bonds are made ready and are tendered by the City for delivery, the amount of its Deposit and any interest thereon will be forfeited (as liquidated damages for noncompliance with

the bid) to the City. In that event, the City may reoffer such Bonds for sale, as provided by law. The purchaser of the Bonds will not be required to accept delivery of any of such Bonds if they are not made ready and are not tendered by the City for delivery within 60 days from the date for opening bids; and if such Bonds are not so tendered as a result of the inability of the City to tender the Bonds within such period of time, the Deposit will be returned to the purchaser upon request. The Bonds, registered in the name of Cede & Co., will be made available for delivery by the Council to the purchasers of the Bonds as soon as reasonably possible after the date of the sale. The Council contemplates delivering the Bonds on or about October 27, 2009. The purchaser of the Bonds will be given 72 hours' notice of the time fixed for tendering the Bonds for delivery.

PAYMENT AT AND PLACE OF DELIVERY: The successful bidders will be required to accept delivery of the Bonds at DTC in New York, New York. Payment of the balance of the purchase price due for the Bonds at the time of their delivery must be made in Federal Reserve Bank funds or other funds acceptable to the Council for immediate and unconditional credit to the account of the City as directed by the Council at a bank designated by the City Treasurer so that such Bond proceeds may be deposited or invested, as the Council may determine, simultaneously with the delivery of such Bonds. The balance of the purchase price must be paid in such funds and not by any waiver of interest, and not by any other concession as a substitution for such funds.

INFORMATION: This Official Notice of Bond Sale, and financial and other information concerning the City and the Bonds may be obtained prior to the sale from the City Director of Finance and Business Services and City Treasurer:

Mark R. Vincent
Director of Finance and Business Services
City of Las Vegas, Nevada
400 Stewart Avenue
Las Vegas, Nevada 89101
(702) 229-6321

or the City's Financial Advisor:

NSB Public Finance
230 Las Vegas Blvd. South, Suite 200
Las Vegas, Nevada 89101
(702) 796-7080

LEGAL OPINION, BONDS AND TRANSCRIPT: The validity and enforceability of the Bonds will be approved by:

Swendseid & Stern
a member in
Sherman & Howard L.L.C.
3960 Howard Hughes Parkway, Suite 500
Las Vegas, Nevada 89169
(702) 387-6073

whose final, approving opinion, together with the printed Bonds, a certified transcript of the legal proceedings, including a certificate stating that there is no litigation pending affecting the validity of such Bonds as of the date of their delivery (the "Closing Date"), and other closing documents, will be furnished to the initial purchasers of such Bonds without charge by the City. The form of the approving opinions will be substantially in the form set forth in Appendix B to the Preliminary Official Statement.

OFFICIAL STATEMENT: The City has prepared a Preliminary Official Statement relating to the Bonds which is deemed by the City to be final as of its date for purposes of allowing bidders to comply with Rule 15c2-12(b)(1) of the Securities Exchange Commission (the "Rule"), except for the omission of certain information as permitted by the Rule. The Preliminary Official Statement is subject to revision, amendment and completion in a Final Official Statement, as defined below.

The City will prepare a Final Official Statement, dated as of the date of its delivery to the winning bidders, as soon as practicable after the date of award to the winning bidders. The City will provide to each winning bidder not more than 75 copies of the Final Official Statement, on or before seven business days following the date of the award to the winning bidder. The Final Official Statements will be delivered to the winning bidder at the offices of the Financial Advisor at the address listed above. If the winning bidder fails to pick up the Final Official Statements at the offices of the Financial Advisor, the Final Official Statements will be forwarded to the winning bidder by mail or another delivery service mutually agreed to between the winning bidder and the Financial Advisor. The winning bidder may obtain additional copies of the Final Official Statement at the expense of the winning bidder.

The City authorizes the winning bidder to distribute the Final Official Statement in connection with the offering of the Bonds.

For a period beginning on the date of the Final Official Statement and ending twenty-five days following the date the winning bidder shall no longer hold for sale any of the Bonds (which date shall be the Closing Date unless the winning bidder otherwise notifies the City in writing), if any event concerning the affairs, properties or financial condition of the City shall occur as a result of which it is necessary to supplement the Final Official Statement in order to make the statements therein, in light of the circumstances existing at such time, not misleading, at the request of the winning bidder, the City shall forthwith notify the winning bidder of any such event of which it has knowledge and shall cooperate fully in the preparation and furnishing of any supplement to the Final Official Statement necessary, in the reasonable opinion of the City and the winning bidder, so that the statements therein as so supplemented will not be misleading in the light of the circumstances existing at such time.

CONSENT TO JURISDICTION: A bid submitted by sealed bid or electronic bidding, if accepted by the Director of Finance and Business Services or the City Manager on behalf of the City, forms a contract between each winning bidder and the City subject to the terms of this Official Notice of Bond Sale. By submitting a bid, the bidder consents to the exclusive jurisdiction of any court of the State of Nevada located in Clark County or the United States District Court for the State of Nevada for the purpose of any suit, action or other proceeding arising as a result of the submittal of the bid, and the bidder irrevocably agrees that all claims in respect to any such suit, action or proceeding may be heard and determined by such court. The bidder further agrees that service of process in any such action commenced in such

State or Federal court shall be effective on such bidder by deposit of the same as registered mail addressed to the bidder at the address set forth in the bid.

CONTINUING DISCLOSURE UNDERTAKING: Pursuant to the Rule, the City will undertake in a continuing disclosure certificate which is authorized in the Bond Ordinance to provide certain ongoing disclosure, including annual operating data and financial information, audited financial statements and notices of the occurrences of certain material events. A copy of the continuing disclosure certificate is included as Appendix D to the Preliminary Official Statement.

CLOSING CERTIFICATES: The closing certificates for the Bonds included in the transcript of legal proceedings will include:

A certificate, dated as of the Closing Date, and signed by the Mayor, the City Treasurer and the City Attorney, or a deputy thereof, in which each of them states, after reasonable investigation, that to the best of his or her knowledge (a) no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, is pending, or, to the best of the knowledge of each of them, threatened, in any way contesting the completeness or accuracy of the Final Official Statement, (b) the Final Official Statement as it pertains to the City and the Bonds does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (c) no event affecting the City has occurred since the date of the Final Official Statement which should be disclosed therein for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect; provided, however, that the City does not make any representation concerning the pricing information contained in the Final Official Statement.

By order of the City Council of the City of Las Vegas, Nevada, this October 5, 2009.

/s/ Mark R. Vincent
Director of Finance and Business Services

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