PRELIMINARY OFFICIAL STATEMENT

$108,340,000*
CLARK COUNTY, NEVADA
SALES AND EXCISE TAX REVENUE
(STREETS AND HIGHWAY PROJECTS)
IMPROVEMENT AND REFUNDING BONDS
SERIES 2010B

$131,475,000*
CLARK COUNTY, NEVADA
SALES AND EXCISE TAX REVENUE
(STREETS AND HIGHWAY PROJECTS)
IMPROVEMENT BONDS, SERIES 2010C
(TAXABLE DIRECT PAY BUILD AMERICA BONDS)

Selling: Thursday, July 29, 2010
2010B Bonds: 8:00 a.m. local time
2010C Bonds: 9:00 a.m. local time

* Subject to change.

PRELIMINARY OFFICIAL STATEMENT DATED JULY 21, 2010

NEW ISSUE
BOOK-ENTRY ONLY

RATING: S&P: "AA"
Moody's: "Aa2"
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 2010B 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 2010B Bonds (the "Tax Code"), and interest on the 2010B 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 - Tax-Exempt Bonds." In the opinion of Bond Counsel, interest on the 2010C Bonds is included in gross income pursuant to the Tax Code. The owners of the 2010C Bonds will not receive a tax credit as a result of holding the 2010C Bonds. See "TAX MATTERS--Federal Tax Matters - Build America Bonds."

$108,340,000*
Clark County, Nevada
Sales and Excise Tax Revenue
(Streets and Highway Projects)
Improvement and Refunding Bonds,
Series 2010B

$131,475,000*
Clark County, Nevada
Sales And Excise Tax Revenue
(Streets And Highway Projects)
Improvement Bonds, Series 2010C
(Taxable Direct Pay Build America Bonds)

Dated: Date of Delivery **Due: July 1, as shown herein**

The 2010 Bonds (defined herein) are issued as fully registered bonds in denominations of $5,000, or any integral multiple thereof. The 2010 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 2010 Bonds. Purchases of the 2010 Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the 2010 Bonds. See "THE 2010 BONDS--Book-Entry Only System." The 2010 Bonds bear interest at the rates set forth on the inside cover page of this Official Statement, payable on January 1, 2011, and semiannually thereafter on January 1 and July 1 of each year, to and including the maturity dates shown on the inside cover page of this Official Statement (unless the 2010 Bonds are redeemed earlier), to the registered owners of the 2010 Bonds (initially Cede & Co.). The principal of the 2010 Bonds will be payable upon presentation and surrender at the principal operations office of The Bank of New York Mellon Trust Company, N.A., Los Angeles, California, or its successor as the paying agent for the 2010 Bonds. See "THE 2010 BONDS."

The maturity schedule for each series of the 2010 Bonds appears on the inside cover page of this Official Statement.

Each series of the 2010 Bonds is subject to redemption prior to maturity at the option of the County as described in "THE 2010 BONDS--Redemption Provisions." At the option of the winning bidder, certain of the 2010C Bonds also may be subject to mandatory sinking fund redemption.

Proceeds of the 2010B Bonds will be used to: (i) refund certain outstanding Commercial Paper Notes, as more particularly described herein; (ii) provide funds to the Regional Transportation Commission of Southern Nevada (the "Commission") to finance a portion of the costs of constructing certain major street and highway projects in the County and/or projects for the improvement of air quality (the "Improvement Project"); (iii) fund a reserve fund; and (iv) pay the costs of issuing the 2010B Bonds. See "SOURCES AND USES OF FUNDS."

Proceeds of the 2010C Bonds will be used to: (i) finance a portion of the costs of the Improvement Project; (ii) fund a reserve fund; and (iii) pay the costs of issuing the 2010C Bonds. See "SOURCES AND USES OF FUNDS."

The 2010 Bonds constitute special, limited obligations of Clark County, Nevada (the "County"). The principal of and interest on the 2010 Bonds is payable solely from and secured by an irrevocable pledge of the Pledged Revenues (defined herein) derived primarily from specified sales taxes and certain excise taxes on jet (aviation) fuel, as more particularly described herein. See "SECURITY FOR THE BONDS." The 2010 Bonds have a prior lien on the Pledged Revenues (but not necessarily an exclusive lien) that is on a parity with the lien thereon of certain outstanding County bonds, as more particularly described herein. **The 2010 Bonds do not constitute a debt or indebtedness of the County within the meaning of any constitutional or statutory provision or limitation and shall not be considered or held to be a general obligation of the County or the Commission. Owners of the 2010 Bonds may not look to any other funds or accounts other than those specifically pledged to the payment of the 2010 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, giving particular attention to the section entitled "CERTAIN RISK FACTORS."

The 2010 Bonds are offered when, as, and if issued by the County, subject to the approval of legality of the 2010 Bonds by Swendseid & Stern, a member in Sherman & Howard L.L.C., Las Vegas, Nevada, 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 County in connection with the Official Statement. Hobbs, Ong & Associates, Inc., Las Vegas, Nevada, and Public Financial Management, Inc., San Francisco, California, have acted as Financial Advisors to the County. Certain legal matters will be passed upon for the County by the District Attorney. It is expected that the 2010 Bonds will be available for delivery through the facilities of DTC, on or about August 11, 2010.*

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*Subject to change.

MATURITY SCHEDULES*
(6-digit CUSIP© Issuer Number: ______)

$108,340,000*
CLARK COUNTY, NEVADA
SALES AND EXCISE TAX REVENUE
(STREETS AND HIGHWAY PROJECTS)
IMPROVEMENT AND REFUNDING BONDS,
SERIES 2010B

Maturing (July 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number	Maturing (July 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number
2011	$ 8,490,000				2017	$ 10,165,000			
2012	8,750,000				2018	10,500,000			
2013	9,015,000				2019	10,875,000			
2014	9,290,000				2020	11,265,000			
2015	9,575,000				2021	10,550,000			
2016	9,865,000								

$131,475,000*
CLARK COUNTY, NEVADA
SALES AND EXCISE TAX REVENUE
(STREETS AND HIGHWAY PROJECTS)
IMPROVEMENT BONDS, SERIES 2010C
(TAXABLE DIRECT PAY BUILD AMERICA BONDS)

Maturing (July 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number	Maturing (July 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number
2021	$ 1,195,000				2026	$ 14,370,000			
2022	12,260,000				2027	14,970,000			
2023	12,735,000				2028	15,610,000			
2024	13,245,000				2029	16,290,000			
2025	13,795,000				2030	17,005,000			

* Subject to change.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page, the inside cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the 2010 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 2010 Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the County or the Commission. The County and the Commission each maintain 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 2010 Bonds.

The information set forth in this Official Statement has been obtained from the County, the Commission and from the other sources referenced throughout this Official Statement, which the County believes to be reliable. No guarantee is made by the County or the Commission, however, as to the accuracy or completeness of information provided from sources other than the County or the Commission. 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 2010 Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the County, 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 2010 Bonds and may not be reproduced or used in whole or in part for any other purpose.

The 2010 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 2010 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 2010 BONDS ARE OFFERED TO THE PUBLIC BY THE INITIAL PURCHASERS (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE INITIAL PURCHASERS MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE 2010 BONDS, THE INITIAL PURCHASERS MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE 2010 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CLARK COUNTY, NEVADA

Board of County Commissioners
Rory Reid, Chairman
Susan Brager, Vice Chair
Lawrence L. Brown, III
Tom Collins
Chris Giunchigliani
Steve Sisolak
Lawrence Weekly

County Officials
Virginia Valentine, Manager
George W. Stevens, Chief Financial Officer
Laura B. Fitzpatrick, Treasurer
Edward M. Finger, Comptroller
Diana Alba, Clerk
David Roger, District Attorney

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA

Board of Commissioners
Larry Brown, Chairman
Oscar B. Goodman, Vice Chairman

David Bennett
Robert Eliason
Chris Giunchigliani
Debra March
Steve Ross
Roger Tobler

Regional Transportation Commission Officials
Jacob Snow, General Manager
Tina Quigley, Deputy General Manager
MJ Maynard, Assistant General Manager
Marc Traasdahl, Director of Finance
Zev Kaplan, Esq., Counsel to the Commission

FINANCIAL ADVISORS
Hobbs, Ong & Associates, Inc.
Las Vegas, Nevada

Public Financial Management, Inc.
San Francisco, California

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

REGISTRAR, PAYING AGENT AND ESCROW BANK
The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

TABLE OF CONTENTS

INDEX OF TABLES

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

$108,340,000*	**$131,475,000***
Clark County, Nevada	**Clark County, Nevada**
Sales and Excise Tax Revenue	**Sales And Excise Tax Revenue**
(Streets and Highway Projects)	**(Streets And Highway Projects)**
Improvement and Refunding Bonds,	**Improvement Bonds, Series 2010C**
Series 2010B	**(Taxable Direct Pay Build America Bonds)**

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover page and the appendices, is furnished by Clark County, Nevada (the "County" and the "State," respectively), to provide information about the County, the Regional Transportation Commission of Southern Nevada (the "Commission"), the County's $108,340,000* Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B (the "2010B Bonds"), and the County's $131,475,000* Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement Bonds, Series 2010C (Taxable Direct Pay Build America Bonds) (the "2010C Bonds" and collectively with the 2010B Bonds, the "2010 Bonds"). The 2010 Bonds will be issued pursuant to an ordinance (the "Bond Ordinance") adopted by the Board of Commissioners of the County (the "Board") on July 20, 2010. Capitalized terms used herein that are otherwise not defined have the meanings ascribed to them in the Bond Ordinance. See Appendix B - Summary of Certain Provisions of the Bond Ordinance.

The offering of the 2010 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 2010 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, including the section entitled "CERTAIN RISK FACTORS"and the documents summarized or described herein. Detachment or other use of this "INTRODUCTION"without the entire Official Statement, including the cover page, the inside cover page and the appendices, is unauthorized.

The Issuer

The County is a political subdivision of the State organized in 1909. The County covers an area of approximately 8,012 square miles in the southern portion of the State. The City of Las Vegas, the County seat, is the most populous city in the State. The County's estimated population (as of July 1, 2009, which is the most recent estimate available) was 1,952,040. See "CLARK COUNTY, NEVADA."

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*Subject to change.

Regional Transportation Commission

The Regional Transportation Commission of Southern Nevada, formerly the Regional Streets and Highway Commission, was established by ordinance of the Board on June 7, 1965 pursuant to enabling legislation passed by the 1965 Nevada Legislature. The Commission has all of the powers provided for in the Project Act (defined below) and in the Constitution and other laws of the State. Pursuant to the Project Act, the Commission is responsible for the administration of the funds of the County generated from motor vehicle fuel taxes and for distributing those funds to various governmental subdivisions within the County. The Commission also is responsible for the administration of other funds of the County earmarked for major street and highway projects, including the Sales Tax and the Jet Fuel Tax (each as defined below). See "REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA."

Purpose

Proceeds of the 2010B Bonds will be used to: (i) refund all of the County's outstanding Sales and Excise Tax Revenue (Streets and Highways Projects) Commercial Paper Notes, Series 2008A and Series 2008B (the "Notes" or the "Refunded Notes"), currently outstanding in the aggregate principal amount of $32,600,000 (the "Refunding Project"); (ii) to finance a portion of the costs of constructing certain major street and highway projects in the County and/or projects for the improvement of air quality (the "Improvement Project"); (iii) fund a reserve fund; and (iv) pay the costs of issuing the 2010B Bonds. See "SOURCES AND USES OF FUNDS."

Proceeds of the 2010C Bonds will be used to: (i) finance a portion of the costs of the Improvement Project; (ii) fund a reserve fund; and (iii) pay the costs of issuing the 2010C Bonds. See "SOURCES AND USES OF FUNDS."

Authority for Issuance

The 2010 Bonds are being issued pursuant to the constitution and laws of the State, including: Chapter 4.18 of the Clark County Code (the "Sales Tax Ordinance"); Chapter 4.24 of the Clark County Code (the "Jet Fuel Tax Ordinance"); Nevada Revised Statutes ("NRS") Sections 377A.010 through 377A.140, as amended (the "Project Act"); NRS 365.170 and County Ordinance No. 1266, as amended by County Ordinance No. 2929 (collectively, the "Jet Fuel Tax Ordinance"); the Local Government Securities Law, NRS Sections 350.500 through 350.720, as amended (the "Bond Act"); NRS Chapter 348 (the "Supplemental Bond Act"); and pursuant to the Bond Ordinance.

Security

Special, Limited Obligations. *The Bonds are special, limited obligations of the County.* The Bonds do not constitute a general obligation debt or indebtedness of the County, the Commission, the State or any other political subdivision of the State and no owner of any Bond may look to any source of funds other than the Pledged Revenues (defined below) for payment of debt service on the 2010 Bonds.

Pledged Revenues Generally. The Bonds are special obligations of the County, payable solely from and secured by the Pledged Revenues. "Pledged Revenues" means all income and revenue received by the County from the Sales Tax (defined below) imposed by the County and the Jet Fuel Tax (defined below) imposed by the County. The Pledged Revenues means all or a portion of the Pledged Revenues but does not include any amounts determined, pursuant to State law, to be subject to valid claims for refunds or amounts on deposit in the Rebate Fund. The designated term indicates sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification. "Pledged Revenues" includes income derived from any additional Sales Tax and the Jet Fuel Tax imposed by the County if the Board elects to include the additional tax in "Pledged Revenues" for the remaining term of the 2010 Bonds.

Pursuant to the State law, the Sales Tax and the Jet Fuel Tax are collected by the State and then remitted monthly to the Commission. For further descriptions of the Pledged Revenues, see "SECURITY FOR THE BONDS--Pledged Revenues," "REVENUES AVAILABLE FOR DEBT SERVICE" and Appendix B - Summary of Certain Provisions of the Bond Ordinance.

The Sales Tax. The Sales Tax, as more fully defined in "SECURITY FOR THE BONDS--Pledged Revenues" and in Appendix B, currently is imposed at a rate of 0.25% of the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed in the County, less: (i) a percentage paid as compensation to the State for the cost of collecting the Sales Tax (currently 1.75%), and (ii) amounts allowed to be retained by retailers as compensation for collecting the Sales Tax (currently 0.25% pursuant to State law).

The Jet Fuel Tax. The "Jet Fuel Tax" is the tax imposed pursuant to the provisions of NRS 365.170 and County Ordinance No. 1266, as amended by County Ordinance No. 2929, on fuel for jet or turbine powered aircraft sold or distributed or used in the County pursuant to the provisions of NRS 365.545. The Jet Fuel Tax currently is imposed at the rate of one cent ($0.01) per gallon.

<u>Lien Priority; Additional Bonds</u>. The 2010 Bonds constitute an irrevocable lien (but not necessarily an exclusive lien) upon the Pledged Revenues on a parity with the lien thereon of the County's Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010, currently outstanding in the aggregate principal amount of $66,920,000 (the "2010A Bonds"). The 2010A Bonds, the 2010 Bonds and any additional bonds or securities issued with a parity lien on the Pledged Revenues are referred to together as the "Parity Securities."

The County may issue additional bonds or other obligations that have a lien on the Pledged Revenues that is on a parity with the lien thereon of the 2010 Bonds ("additional Parity Securities") upon the satisfaction of certain requirements of the Bond Ordinance. See "SECURITY FOR THE BONDS--Additional Bonds." The County currently does not anticipate issuing additional Parity Securities in the foreseeable future; however, it reserves the right to do so at any time that applicable legal requirements are satisfied.

<u>Reserve Fund</u>. The 2010 Bonds also are secured by a Reserve Fund. See "SECURITY FOR THE BONDS--The Reserve Fund."

The Bonds; Redemption Provisions

The 2010 Bonds are issued in denominations of $5,000 or integral multiples thereof and initially will be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company ("DTC"), the securities depository for the 2010 Bonds. Purchases of the 2010 Bonds are to be made in book-entry form only. Purchasers will not receive certificates evidencing their beneficial ownership interest in the 2010 Bonds. See "THE 2010 BONDS--Book-Entry Only System."

The 2010 Bonds will be dated as of their date of delivery and will mature and bear interest (calculated based on a 360-day year consisting of twelve 30-day months) as set forth on the inside cover page of this Official Statement. See "THE 2010 BONDS." The payment of the principal of and interest on the 2010 Bonds is described in "THE 2010 BONDS--Payment Provisions."

Each series of the 2010 Bonds is subject to redemption prior to maturity at the option of the County. See "THE 2010 BONDS--Redemption Provisions." At the option of the winning bidder, the 2010C Bonds maturing on and after July 1, 2021, also may be subject to mandatory sinking fund redemption. See Appendix F - Official Notice of Bond Sale.

Build America Bonds

General. In February 2009, as part of the American Recovery and Reinvestment Act of 2009 (the "Recovery Act"), Congress added Sections 54AA and 6431 to the Code, which permit state or local governments to obtain certain tax advantages when issuing taxable obligations that meet certain requirements of the Code and the related Treasury regulations. Such bonds are referred to as "Build America Bonds" or "BABS." A Build America Bond is a qualified bond under Section 54AA(g) of the Code (a "Qualified Build America Bond") if it meets certain requirements of the Code and the related Treasury Regulations and the issuer has made an irrevocable election to have the special rule for qualified bonds apply. Interest on Qualified Build America Bonds is included in gross income for federal income tax purposes, and owners of Qualified Build America Bonds will not receive any tax credits as a result of ownership of such Qualified Build America Bonds when an issuer has elected to receive the BAB Credit, as defined below.

Interest Subsidy Payment. Under Section 6431 of the Tax Code, an issuer of a Qualified Build America Bond may apply to receive payments (the "BAB Credit," as more fully defined in Appendix B) directly from the Secretary of the U.S. Treasury (the "Secretary"). The amount of a BAB Credit is set in Section 6431 of the Tax Code at 35% of the corresponding interest payable on the related Qualified Build America Bond. To receive a BAB Credit, the issuer must file a tax form (now designated as Form 8038 CP) between 90 and 45 days prior to the corresponding bond interest payment date. The issuer should expect to receive the BAB Credit contemporaneously with the interest payment date with respect to the Qualified Build America Bond. However, depending on the timing of the filing and other factors, the BAB Credit may be received before or after the corresponding interest payment date.

The 2010C Bonds as Qualified Build America Bonds. The County will make an irrevocable election to treat the 2010C Bonds as Qualified Build America Bonds. As a result of this election, interest on the 2010C Bonds will be included in gross income of the holders thereof for federal income tax purposes and the holders of the 2010C Bonds will not be entitled to any tax credits as a result of either ownership of the 2010C Bonds or receipt of any interest payments on the 2010C Bonds. See "TAX MATTERS--Federal Tax Matters - Build America Bonds."

The Commission, on behalf of the County, intends to apply for BAB Credits from the Secretary under the "Build America Program" pursuant to Section 6431 of the Tax Code. Such credits, if received, will be used under the Bond Ordinance to pay interest on the 2010C Bonds (or to reimburse the County for amounts already paid). See "THE 2010 BONDS--Tax Covenants." The County will be required to pay interest on the 2010C Bonds regardless of whether BAB Credit payments are received.

Tax Matters

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2010B 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 2010B Bonds (the "Tax Code"), and interest on the 2010B 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 - Tax-Exempt Bonds."

In the opinion of Swendseid & Stern, a member in Sherman & Howard L.L.C., Bond Counsel, interest on the 2010C Bonds <u>is included</u> in gross income pursuant to the Tax Code. The owners of the 2010C Bonds will not receive a tax credit as a result of holding the 2010C Bonds. See "TAX MATTERS--Federal Tax Matters - Build America Bonds."

Under the laws of the State in effect as of the date of delivery of the 2010 Bonds, the 2010 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. 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 to the County and also has acted as Special Counsel to the County in connection with this Official Statement. The financial advisors to the County in connection with the issuance of the 2010 Bonds are Hobbs, Ong & Associates, Inc., Las Vegas, Nevada and Public Financial Management, Inc., San Francisco, California (the "Financial Advisors"). See "FINANCIAL ADVISORS." The fees of the Financial Advisors will be paid only from 2010 Bond proceeds at closing. The Commission's audited basic component unit financial statements, included as Appendix A to this Official Statement, include the report of Piercy Bowler Taylor & Kern, Las Vegas, Nevada, independent certified public accountants. See "INDEPENDENT AUDITORS." The Bank of New York Mellon Trust Company, N.A., Los Angeles, California, will act as Registrar and Paying Agent for the 2010 Bonds and also will act as the Escrow Agent in connection with the Refunding Project. Certain mathematical computations regarding the Escrow Account will be verified by Grant Thornton LLP, independent certified public accountants, Minneapolis, Minnesota. See "SOURCES AND USES OF FUNDS--The Refunding - Verification of Mathematical Computations."

Continuing Disclosure Undertaking

The Commission will execute a continuing disclosure certificate (the "Disclosure Certificate") at the time of the closing for the 2010 Bonds. The Disclosure Certificate will be executed for the benefit of the beneficial owners of the 2010 Bonds and the Commission will covenant to comply with its terms. The Disclosure Certificate will provide that so long as the 2010 Bonds remain outstanding, the Commission will annually provide the following information to the Municipal Securities Rulemaking Board: (i) certain financial information and operating data; and (ii) notice of certain material events. The form of the Disclosure Certificate is attached hereto as Appendix D. The Commission has not failed to materially comply with any prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

Additional Information

This introduction is only a brief summary of the provisions of the 2010 Bonds and the Bond Ordinance; a full review of the entire Official Statement should be made by potential investors. Brief descriptions of the County, the Commission, the Improvement Project, the Refunding Project, the 2010 Bonds, the Bond Ordinance and other documents are included in this Official Statement. All references herein to the 2010 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 referred to herein are available from the Commission and the Financial Advisors:

Regional Transportation Commission of Southern Nevada
Attention: Director of Finance
600 S. Grand Central Parkway, Suite 300
Las Vegas, NV 89106
Telephone: (702) 676-1500

Hobbs, Ong & Associates, Inc.
3900 Paradise Road, Suite 152
Las Vegas, Nevada 89169
Telephone: (702) 733-7223

Public Financial Management, Inc.
50 California Street, Suite 2300
San Francisco, CA 94111
Telephone: (415) 982-5544.

CERTAIN RISK FACTORS

The purchase of the 2010 Bonds involves special risks and the 2010 Bonds may not be appropriate investments for all types of investors. Each prospective investor should read this Official Statement in its entirety and to give particular attention to the factors described below, which, among others factors discussed herein, could affect the payment of the 2010 Bonds and could affect the market price of the 2010 Bonds to an extent that cannot be determined at this time. *The following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the 2010 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of such risks.*

Special, Limited Obligations

The 2010 Bonds are special, limited obligations of the County. The 2010 Bonds do not constitute a general obligation debt or indebtedness of the County, the Commission, the State or any other political subdivision of the State, and no owner of any 2010 Bond may look to any source of funds other than the Pledged Revenues for payment of debt service on the 2010 Bonds. The 2010 Bonds are payable solely from the Pledged Revenues. Therefore, the security for the punctual payment of the principal of and interest on the 2010 Bonds is dependent on the generation of Pledged Revenues in an amount sufficient to meet debt service requirements on the 2010 Bonds.

No Assurance That the County Will Receive BAB Credit Payments

The amount of any BAB Credit is subject to legislative changes by Congress. Further, BAB Credits will only be paid if the 2010C Bonds are Qualified Build America Bonds. For the 2010C Bonds to be and remain Qualified Build America Bonds, the County must comply with certain covenants and the County must establish certain facts and expectations with respect to the 2010C Bonds, the use and investment of proceeds thereof and the use of property financed thereby. If the County fails to file the Form 8038-CP or other necessary tax return in a timely fashion, it is possible that the County will never receive BAB Credits for that payment date. Also, BAB Credits are subject to offset against certain amounts that may, for unrelated reasons, be owed by the County to an agency of the United States of America, such as Federal withholding tax owed by the County for wages paid to its employees, if any. Also see "TAX MATTERS."

Sales Tax and Jet Fuel Tax Collection Risks

<u>General</u>. The Sales Tax and the Jet Fuel Tax are collected by the State and then remitted directly to the Commission pursuant to various agreements and statutory provisions. The County has no statutory authority to collect either tax itself and also has no control over the collection processes in place at the State. Receipt of the Pledged Revenues is dependent upon the ability and willingness of the State to collect the Sales Taxes and Jet Fuel Taxes and forward them to the County (or the Commission on its behalf). If the State fails to perform its collection duties in a timely fashion, the County or the Commission may not receive Pledged Revenues in time to meet scheduled debt service payments. If the State fails to collect, remit or transfer the Sales Tax revenues, the County's only remedy is to file suit against the nonperforming party, including an action in mandamus to compel performance. Further, the County has no control over the auditing procedures in place at the State. The County must depend upon the State to

ensure that retailers are collecting and remitting the required Pledged Revenues. If the State fails to do so, the County may not receive all of the moneys to which it is entitled.

Sales Tax Collections Subject to Fluctuation; Declines in Taxable Sales. Sales Tax collections are subject to fluctuations in spending which is affected by, among other things, general economic cycles. Sales Tax revenues may increase along with the increasing prices brought about by inflation, but collections also are vulnerable to adverse economic conditions and reduced spending and may decrease as a result. Consequently, the rate of Sales Tax collections may be expected to correspond generally to economic cycles. The County has no control over general economic cycles and is unable to predict what economic factors or cycles will occur while the 2010 Bonds remain Outstanding.

Over the last ten fiscal years, the County's total taxable sales, as reported by the State Department of Taxation ("Taxation"), increased in each year until 2007; however, taxable sales declined by 0.9% from 2007 to 2008 and by 12.7% from 2008 to 2009. Final taxable sale information for fiscal year 2010 will not be available until August 2010; however, it is expected that at year end, taxable sales will have declined again in fiscal year 2010 and will remain flat in fiscal year 2011 due to the effects of the recession and high unemployment on the County's economy. Taxation recently reported that taxable sales in the County for the first ten months of fiscal year 2010 (through April 30, 2010) had decreased 12.6% from the same period in fiscal year 2009. Statewide taxable sales for that same period had decreased by 11.9% as compared to the same period in the prior fiscal year.

The historical growth rate in taxable sales was due, in part, to population growth (and corresponding building growth) occurring within the County. However, rate of growth in the County has slowed considerably. It is not possible for the County to predict whether growth in population, building activity and/or taxable sales within the County will occur while the 2010 Bonds are outstanding and if growth in those sectors does occur, at what rate.

Delays in Receipt of Sales Tax Revenues May Negatively Impact Payment of the 2010 Bonds. As described in "REVENUES AVAILABLE FOR DEBT SERVICE--Collection and Enforcement of the Sales Tax," retailers within the County remit Sales Tax and Jet Fuel Tax payments to the State, which then distributes the monies to the Commission (less the statutorily defined collection fee) for credit to the appropriate fund. There generally is a two-month delay between a taxable sale and the receipt of Sales Tax revenue by the Commission and a two-month delay between a sale of Jet Fuel and the receipt of Jet Fuel Tax revenue by the Commission. Should there be significant delays between the transfer of tax revenues to the Commission by the State, the payment of the 2010 Bonds may be negatively impacted.

Certain Factors That Could Impact Pledged Revenues

Dependence on Gaming, Tourism and Other Factors. The economy of the County (and the State) is heavily dependent on the tourism industry, which is largely based on legalized gambling. Gaming competition from California has increased in recent years, adding competitive pressure to the region. See "ECONOMIC AND DEMOGRAPHIC INFORMATION--Gaming." Decreases in tourist activity (including convention activity) have been and will continue to be impacted by many factors, some of which are described below. The generation of Pledged Revenues relies to a certain extent on tourism or gaming and may be sensitive to general economic conditions in the region and the nation.

Reductions in air service or sharp increases in the price of such service may result in reduced visitors to the County. In the past, the area has experienced declines in the frequency of air service (and resulting increases in ticket prices) as a result of airline mergers and/or decisions by major carriers to cease operations to the County. It is not possible to predict whether such events will occur in the future. These factors may negatively impact both Sales Tax revenues and Jet Fuel Tax revenues.

In addition, other circumstances (over which the County has no control) may adversely affect tourist activity or general spending. Such circumstances may include, among others, unwillingness to travel to the area due to terrorist attacks or other hostile acts occurring in the United States or other parts of the world, adverse changes in national and local economic and financial conditions generally, adverse environmental changes resulting in less attractive outdoor activities in the area, reductions in the rates of employment and economic growth in the County, the State or the region, a decrease in rates of population growth in the County, the State and the region and various other factors. Other factors that may reduce Sales Tax revenues are the existence of shopping opportunities within driving range that might be viewed as superior to the offerings in the County, increased consumer shopping via catalogs and increased purchasing on the internet. It is not possible to quantify the impact these activities may have on future Sales Tax revenues.

Jet Fuel Tax Collections Subject to Fluctuation

Jet Fuel Tax revenues are subject to fluctuations in spending which are affected by, among other things, general economic cycles, and changes in business and personal travel needs. Jet Fuel Tax receipts are vulnerable to decrease in availability of fuel, increases in fuel prices generally and the increasing prices brought about by inflation. Collections also are vulnerable to adverse economic conditions and reduced spending and may decrease as a result. The County has no control over general economic cycles and is unable to predict what economic factors or cycles will occur while the 2010 Bonds remain Outstanding.

Bankruptcy and Foreclosure

The ability and willingness of a business owner or operator to remit Sales Tax or Jet Fuel Tax revenues collected may be adversely affected by the filing of a bankruptcy proceeding by the business owner or operator. The ability to collect delinquent Sales Taxes or Jet Fuel Taxes using State law remedies for non-payment of taxes may be forestalled or delayed by bankruptcy, reorganization, insolvency, or other similar proceedings of the owner or operator of a retail business or a jet fuel seller, or by the holder of any liens on the business. The federal bankruptcy laws provide for an automatic stay of foreclosure and sale proceedings, thereby delaying such proceedings, perhaps for an extended period. Delays in the exercise of remedies could result in Pledged Revenue collections that may be insufficient to pay debt service on the 2010 Bonds when due.

County Cannot Increase Rates of Taxes

The rates at which the taxes comprising the Pledged Revenues are imposed were established by the Nevada State Legislature (the “Legislature”) and the rates can be increased only by action of the Legislature. Even if the Legislature were to raise the rate of one or more of the taxes in the future, there is no guarantee that the County or the Commission would be authorized by the Legislature to use the increased revenues to pay debt service on the 2010

Bonds. In addition, even if the Legislature authorizes an increase in the rate of the Sales Tax or the Jet Fuel Tax, the County is not obligated to adopt an ordinance implementing the increase or pledging any increase to the repayment of the 2010 Bonds.

No Pledge of Property

The payment of the 2010 Bonds is not secured by any encumbrance, mortgage or other pledge of property of the County, except for the Pledged Revenues and other security specifically pledged in the Bond Ordinance for the payment of the 2010 Bonds. No property of the County or the Commission (except as described in the preceding sentence) shall be liable to be forfeited or taken in payment of the 2010 Bonds.

Limitations on Remedies Available to Owners of 2010 Bonds

No Acceleration. There is no provision for acceleration of maturity of the principal of the 2010 Bonds in the event of a default in the payment of principal of or interest on the 2010 Bonds. Consequently, remedies available to the owners of the 2010 Bonds may have to be enforced from year to year.

Judicial Remedies. Upon the occurrence of an Event of Default under the Bond Ordinance, each owner of the 2010 Bonds is entitled to enforce the covenants and agreements of the County by mandamus, suit or other proceeding at law or in equity. Any judgment will, however, only be enforceable against the Pledged Revenues and other moneys held under the Bond Ordinance and not against any other County funds or properties.

Due to the delays in obtaining judicial remedies, it should not be assumed that these remedies could be accomplished rapidly. Any delays in obtaining judicial remedies to enforce the covenants and agreements of the County under the Bond Ordinance, to the extent enforceable, could result in delays in any payment of principal of and interest on the 2010 Bonds.

Bankruptcy; Federal Lien Power and Police Power. The enforceability of the rights and remedies of the owners of the 2010 Bonds and the obligations incurred by the County in issuing the 2010 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; the power of the federal government to impose liens in certain situations; 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, if initiated, could subject the owners of the 2010 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.

Changes in Law

Various State laws apply to the imposition, collection, and expenditure of the Sales Tax and the Jet Fuel Tax as well as the operation and finances of the County and the Commission. For example, from time to time, proposals are made (or adopted) by the

Legislature to add or remove certain types of transactions from the Sales Tax. The Legislature also has increased the administrative fee retained by the State for collecting Sales Taxes from time to time; that increase results in a decrease in Pledged Revenues. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws, provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the County or the Commission and the imposition, collection, and expenditure of revenues, including Sales Taxes and Jet Fuel Taxes.

Forward-Looking Statements

This Official Statement, particularly (but not limited to) the information contained under the headings "CERTAIN RISK FACTORS," "SOURCES AND USES OF FUNDS," "SECURITY FOR THE BONDS--History of Pledged Revenues and Pro-Forma Debt Service Coverage," and any other statements referring to unaudited, interim or budgeted amounts for fiscal years 2009, 2010 or later 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 material and could impact the availability of Pledged Revenues to pay debt service on the 2010 Bonds.

Secondary Market

No guarantee can be made that a secondary market for the 2010 Bonds will develop or be maintained by the Initial Purchasers or others. Thus, prospective investors should be prepared to hold their 2010 Bonds to maturity.

SOURCES AND USES OF FUNDS

Sources and Uses of Funds

The proceeds from the sale of the 2010 Bonds are expected to be applied in the following manner:

Sources and Uses of Funds

	2010B Bonds	2010C Bonds
SOURCE:		
Principal amount		
Plus/less original issue premium/(discount)		
Total		
USES:		
Improvement Project		
Refunding Project		
Reserve Fund		
Costs of issuance (including underwriting discount)		
Total		

The Improvement Project

The Commission has identified approximately $192 million in major street and highway projects and transit projects throughout the County that are expected to be funded with the net proceeds of the 2010 Bonds (the "Improvement Project"). The Improvement Project includes design, construction and maintenance of major street, highway and interchange projects as well as rapid transit related projects such as bus turnouts and park and ride lots. Also see "REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA--Regional Transportation Plan."

The Refunding Project

General. Simultaneously with the delivery of the 2010B Bonds, the County will deposit a portion of the proceeds of the 2010B Bonds into an escrow account (the "Escrow Account") created pursuant to an escrow agreement (the "Escrow Agreement") between the County and the Escrow Agent in order to provide for the defeasance of the Refunded Notes. Amounts on deposit in the Escrow Account will be applied solely to the payment of the Refunded Notes upon maturity. Upon receipt of such proceeds, the Escrow Agent will invest such proceeds in direct obligations of the United States of America or obligations guaranteed by the United States of America (the "Federal Securities") and an initial cash deposit, which will be sufficient to pay the principal of and interest on the Refunded Notes as it becomes due on or after August 11, 2010.*

Verification of Mathematical Computations. The accuracy of the arithmetical computations of adequacy of the maturing principal amounts of and interest on the Federal Securities (as defined herein) and any other monies deposited in the Escrow Account to pay,

* Subject to change.

when due, the principal of and interest on the Refunded Notes will be verified by Grant Thornton LLP, independent certified public accountants.

Notwithstanding the foregoing, if the Refunded Notes are paid in full on the closing date for the 2010 Bonds (August 11, 2010*), no Escrow Account will be created and no escrow verification report will be required.

* Subject to change.

THE 2010 BONDS

General

The 2010 Bonds will be issued as fully registered bonds in denominations of $5,000 or integral multiples thereof and initially will be registered in the name of "Cede & Co.," as nominee of DTC, pursuant to DTC's book-entry only system. The 2010 Bonds will be dated as of the date of delivery and will bear interest and mature at the rates and on the dates set forth on the inside cover page of this Official Statement.

Designation of the 2010C Bonds as "Build America Bonds"

The 2010C Bonds will be issued as Build America Bonds. The County intends to elect to treat the 2010C Bonds as Build America Bonds under the Recovery Act and to receive a cash subsidy from the United States Treasury in connection therewith. Pursuant to the Recovery Act and subject to certain procedural provisions, the County will receive cash subsidy payments from the United States Treasury equal to 35% of the interest payable on the 2010C Bonds. See "INTRODUCTION--Build America Bonds." Notwithstanding the foregoing, the County will be required to pay all of the principal and interest due on the 2010C Bonds regardless of whether it receives BAB Credits. See "CERTAIN RISK FACTORS--No Assurance that the County will Receive BAB Credit Payments."

Payment Provisions

Payment of interest on any 2010 Bond shall be made to the registered 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 registered owner thereof at his address as shown on the registration records kept by the Registrar at the close of business on the 15th day of the calendar month next preceding such interest payment date (the "Regular Record Date"); but any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner thereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof at the close of business on a special record date for the payment of any such defaulted interest (a "Special Record Date"). Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the 2010 Bonds not less than ten days prior thereto by first-class mail to each such registered owner as shown on the Registrar's registration records on 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 2010 Bond by such alternative means as may be mutually agreed to between the owner of such 2010 Bond and the Paying Agent. The principal of any 2010 Bond shall be payable to the registered owner thereof as shown on the registration records kept by the Registrar upon maturity thereof and upon presentation and surrender at the office of the Paying Agent or at such other office as designated by the Paying Agent. If any 2010 Bond shall not be paid upon presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by said 2010 Bond until the principal thereof is paid in full. All such payments shall be made in lawful money of the United States of America.

Notwithstanding the foregoing, payments of the principal and interest on the 2010 Bonds will be made by the Paying Agent directly to DTC or its nominee, Cede & Co., so long as

DTC or Cede & Co. is the sole registered owner of the 2010 Bonds. Disbursement of such payments to DTC's Participants is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's Participants and the Indirect Participants, as more fully described herein. See "Book-Entry Only System" below.

Redemption Provisions*

2010B Bonds.* The 2010B Bonds are subject to redemption as described below.

Optional Redemption.* The 2010B Bonds, or portions thereof ($5,000 or any integral multiple), maturing on and after July 1, 2021, will be subject to redemption prior to their respective maturities at the option of the County on and after July 1, 2020, in whole or in part at any time, from such maturities as are selected by the County and, if less than all the 2010B Bonds of a maturity are to be redeemed, by lot (giving proportionate weight to 2010B Bonds in denominations larger than $5,000) within a maturity, at a price equal to the principal amount of each 2010B Bond or portion thereof so redeemed plus accrued interest thereon to the redemption date.

2010C Bonds.* The 2010C Bonds are subject to redemption as described below.

Optional Redemption.* The 2010C Bonds, or portions thereof ($5,000 or any integral multiple), maturing on and after July 1, 2021, will be subject to redemption prior to their respective maturities at the option of the County on and after July 1, 2020, in whole or in part at any time, from such maturities as are selected by the County and if less than all the 2010C Bonds of a maturity are to be redeemed, the 2010C Bonds of such maturity are to be selected on a pro rata basis as described in "Partial Redemption of 2010C Bonds" below, at a price equal to the principal amount of each 2010C Bond or portion thereof so redeemed plus accrued interest thereon to the redemption date.

*Optional Make Whole Redemption.** Prior to July 1, 2020, the 2010C Bonds, or portions thereof ($5,000 or any integral multiple), are subject to redemption prior to their respective maturities at the option of the County, in whole or in part at any time, from such maturities as are selected by the County, and if less than all the 2010C Bonds of a maturity are to be redeemed, the 2010C Bonds of such maturity are to be selected on a pro rata basis as described in "Partial Redemption of 2010C Bonds" below (unless otherwise specified by DTC) and in the Bond Ordinance, at a price equal to the "Make Whole Redemption Price" defined below, plus accrued interest on the 2010C Bonds to be redeemed to the redemption date.

"Make Whole Redemption Price" means a price equal to the greatest of:

(1) 100% of the principal amount of the 2010C Bonds to be redeemed; or

(2) the issue price of the 2010C Bonds to be redeemed as set forth on the inside cover page of this Official Statement; or

(3) the sum of the present value of the remaining scheduled payments of principal and interest on the 2010C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2010C Bonds are to be

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* Subject to change.

redeemed, discounted to the date on which the 2010C Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (defined below), plus 40 basis points.

Notwithstanding the foregoing, if at any time the Make Whole Redemption Price is a price greater than the price the County can legally agree to pay to redeem the 2010C Bonds under the provisions of State law (currently 109%), the County shall not have an option to redeem the 2010C Bonds at that time.

"Treasury Rate" means, with respect to any redemption date for a particular 2010C Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (excluding inflation-indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2010C Bonds to be redeemed; provided, however that if the period from the redemption date to the maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

*Extraordinary Optional Redemption.** Prior to July 1, 2020, the 2010C Bonds are subject to extraordinary redemption prior to their respective maturities, at the option of the County, upon the occurrence of an Extraordinary Event (defined below), in whole or in part at any time from any maturities selected by the County and on a pro rata basis as described in "Partial Redemption of 2010C Bonds" below, at the "Extraordinary Redemption Price" as defined below, plus accrued interest on the 2010C Bonds to be redeemed to the redemption date.

"Extraordinary Event" means: (1) a material adverse change has occurred to Sections 54AA or 6431 of the Tax Code, (2) there is any guidance published by the Internal Revenue Service or the United States Treasury with respect to such Sections, or (3) any other determination by the Internal Revenue Service or the United States Treasury, which determination is not the result of a failure of the County to satisfy the requirements with respect to the 2010C Bonds described in "Tax Covenants" below; and as a result thereof, the BAB Credit expected to be received with respect to the 2010C Bonds is eliminated or reduced, as reasonably determined by the Chief Financial Officer, which determination shall be conclusive.

"Extraordinary Redemption Price" means: a price equal to the greatest of:

(1) 100% of the principal amount of the 2010C Bonds to be redeemed; or

(2) the issue price of the 2010C Bonds to be redeemed as set forth on the inside cover page of this Official Statement; or

(3) the sum of the present value of the remaining scheduled payments of principal and interest on the 2010C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2010C Bonds are to be redeemed, discounted to the date on which the 2010C Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate

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* Subject to change.

(defined above), plus 100 basis points, plus, in each case, accrued and unpaid interest on the 2010C Bonds to be redeemed on the redemption date.

Notwithstanding the foregoing, if at any time the Extraordinary Redemption Price is a price greater than the price the County can legally agree to pay to redeem the 2010C Bonds under the provisions of State law (currently 109%), the County shall not have an option to redeem the 2010C Bonds at that time.

*Partial Redemption of 2010C Bonds.** If a portion of a maturity of the 2010C Bonds (including any 2010C Term Bond) is being redeemed, the portion of a maturity of 2010C Bonds to be redeemed will be selected on a pro rata basis to each Holder of the 2010C Bonds in whose name such 2010C Bonds are registered on the Regular Record Date immediately preceding the redemption date. "Pro rata" for a Holder is determined, in part, by multiplying the principal amount of the 2010C Bonds of a maturity to be redeemed in part on the applicable redemption date by a fraction, the numerator of which is equal to the principal amount of the 2010C Bonds of that maturity owned by the Holder, and the denominator of which is equal to the total amount of the 2010C Bonds of that maturity then Outstanding immediately prior to such redemption date, and then rounding the product down to the next lower integral multiple of $5,000, provided that the portion of any 2010C Bond to be redeemed shall be in $5,000 denominations and all 2010C Bonds to remain Outstanding following any redemption shall be in $5,000 denominations. Adjustments to the foregoing pro rata redemption may be made in the amount of $5,000 for any Holder, selected by lot, so that the aggregate amount of 2010C Bonds of a maturity being redeemed in part owned by all Holders is equal to the aggregate amount of 2010C Bonds of that maturity to be redeemed.

Notwithstanding the foregoing, while Cede & Co., as nominee for DTC, is the registered owner of the 2010C Bonds, partial redemptions of the 2010C Bonds will be determined in accordance with DTC's procedures.

Accordingly, the County expects that the Paying Agent will direct DTC to make partial principal payments according to the terms of its governing operational agreement. To the extent feasible, the Paying Agent will direct DTC to make a pro rata pass-through distribution of such principal for all partial redemptions (including mandatory sinking fund payments). If the Paying Agent determines that a pro rata pass-through distribution of principal is not feasible, the Paying Agent will work with DTC to make payments to bondholders using any method it deems fair and appropriate, including by lot, in accordance with DTC's governing procedures.

<u>Notice of Redemption</u>. Notice of prior redemption shall be given by the Registrar in the name and on behalf of the County by registered or certified mail as long as Cede & Co., or a nominee of a successor depository is the registered owner of the 2010 Bonds and otherwise by first class, postage prepaid mail, at least 30 days but not more than 60 days prior to the Redemption Date, to the Municipal Securities Rulemaking Board ("MSRB") and the registered owner of any 2010 Bond all or a part of which is called for prior redemption at his address as it last appears on the registration records kept by the Registrar. Failure to give such notice to the MSRB or the registered owner of any 2010 Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other 2010 Bonds.

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* Subject to change.

The notice shall identify the 2010 Bonds or portions thereof to be redeemed, specify the Redemption Date, and state that on such date the principal amount thereof will become due and payable at the Paying Agent (accrued interest to the Redemption Date being payable by mail or as otherwise provided in the Bond Ordinance), and that after such Redemption Date interest will cease to accrue. The notice of prior redemption shall further state that on such date there will become and will be due and payable upon each 2010 Bond so to be redeemed at the office of the Paying Agent (designated by name) or at such other office as is designated by the Paying Agent, the principal amount thereof, accrued interest thereon to the Redemption Date, and that from and after such date interest will cease to accrue. Notice having been given in the manner hereinabove provided, the 2010 Bond or 2010 Bonds so called for redemption shall become due and payable on the redemption date so designated; and upon presentation thereof at the Paying Agent or at such other office as is designated by the Paying Agent, the County will pay the 2010 Bond or 2010 Bonds so called for redemption.

Notwithstanding the foregoing, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the 2010 Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the 2010 Bonds called for redemption in the same manner as the original redemption notice was mailed.

Tax Covenants

In the Bond Ordinance, the County covenants for the benefit of the owners of the 2010B Bonds that it will not take any action or omit to take any action with respect to the 2010B Bonds, the proceeds thereof, any other funds of the County or any facilities financed or refinanced with the proceeds of the 2010B Bonds if such action or omission (i) would cause the interest on the 2010B Bonds to lose its exclusion from gross income for federal income tax purposes under the Tax Code or (ii) would cause interest on the 2010B Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2010B Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

In the Bond Ordinance, the County also makes an irrevocable election that Section 54AA of the Tax Code shall apply to the 2010C Bonds and that subsection (g) of Sections 54AA will also apply to the 2010C Bonds so that the County will directly receive the credit provided in Section 6431 of the Tax Code in lieu of any credit otherwise available to the bond holders under section 54AA(a) of the Tax Code (the credit described in Section 6431 is referred to herein as the "BAB Credit"). None of the bond holders of the 2010C Bonds shall be entitled to any credit under Section 54AA(a) of the Tax Code. The County covenants that it will not take any action or omit to take any action with respect to the 2010C Bonds, the proceeds thereof, any other funds of the County or any project financed with the proceeds of the 2010C Bonds if such action or omission would cause the County to not be entitled to the BAB Credit with respect to the 2010C Bonds. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2010C Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met. The County shall timely file any document required by the Service to be filed in order to claim the BAB Credit. Any BAB Credit received by the County under Section 6431 of the Tax Code with respect to the 2010C Bonds shall be deposited into the Bond Fund when received and applied as described in the Bond Ordinance to the extent needed to provide for the next succeeding interest payment due on the 2010C Bonds; but if taking into account the amount already deposited into the Bond Fund all or any portion of the BAB Credit is not needed to pay the next succeeding interest payment on the 2010C Bonds, the portion not so needed shall be used to reimburse the County for the amount already deposited into the Bond Fund, and shall be applied as otherwise provided in the Bond Ordinance. See "SECURITY FOR THE BONDS--Flow of Funds."

Defeasance

When all Bond Requirements of any 2010 Bond have been duly paid, the pledge and lien and all obligations under the Bond Ordinance as to that 2010 Bond shall thereby be discharged and the 2010 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 County 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 Federal Securities in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the 2010 Bond, as the same become due to the final maturity of the 2010 Bond or upon any prior redemption date as of which the County shall have exercised or shall have obligated itself to exercise its prior redemption option. The Federal Securities shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and such 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 such availability as so needed to meet such schedule. In the case of taxable bonds, such as the 2010C Bonds, the County is obligated to contribute additional securities or monies to the escrow or trust if necessary to provide sufficient amounts to satisfy the payment obligations on the taxable bonds.

Book-Entry Only System

The 2010 Bonds will be available in book-entry form only. DTC will act as the initial securities depository for the 2010 Bonds. The ownership of one fully registered 2010 Bond for each maturity of each series as set forth on the inside 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 C - Book-Entry Only System.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 2010 BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE 2010 BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

Neither the County nor the Paying Agent will have any responsibility or obligation to DTC's Participants or Indirect Participants (defined in Appendix C), 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 2010 Bonds as further described in Appendix C to this Official Statement.

DEBT SERVICE REQUIREMENTS

The following sets forth the estimated debt service requirements for each series of the 2010 Bonds in each fiscal year, the total debt service payable on the 2010A Bonds in each fiscal year, and the combined debt service payable from Pledged Revenues.

Debt Service Requirements(1)*

Fiscal Year Ending June 30(2)	The 2010B Bonds Principal	The 2010B Bonds Interest(3)	The 2010C Bonds Principal	The 2010C Bonds Interest(3)	Total Debt Service on 2010 Bonds	Debt Service on 2010A Bonds(4)	Combined Debt Bonds
2011(5)	--	$ 1,419,557	--	$ 3,246,221	$ 4,665,778	$ 5,263,441	$ 9,929,219
2012	$ 8,490,000	3,497,050	--	8,288,224	20,275,274	5,263,850	25,539,124
2013	8,750,000	3,238,450	--	8,288,224	20,276,674	5,264,350	25,541,024
2014	9,015,000	2,971,975	--	8,288,224	20,275,199	5,264,850	25,540,049
2015	9,290,000	2,697,400	--	8,288,224	20,275,624	5,267,150	25,542,774
2016	9,575,000	2,414,425	--	8,288,224	20,277,649	5,264,325	25,541,974
2017	9,865,000	2,122,825	--	8,288,224	20,276,049	5,264,075	25,540,124
2018	10,165,000	1,822,375	--	8,288,224	20,275,599	5,266,575	25,542,174
2019	10,500,000	1,486,150	--	8,288,224	20,274,374	5,262,750	25,537,124
2020	10,875,000	1,112,088	--	8,288,224	20,275,312	5,263,750	25,539,062
2021	11,265,000	724,638	--	8,288,224	20,277,862	5,264,450	25,542,312
2022	10,550,000	263,750	$ 1,195,000	8,255,003	20,263,753	5,264,650	25,528,403
2023	--	--	12,260,000	7,868,694	20,128,694	5,264,150	25,392,844
2024	--	--	12,735,000	7,136,103	19,871,103	5,262,750	25,133,853
2025	--	--	13,245,000	6,351,965	19,596,965	5,265,150	24,862,115
2026	--	--	13,795,000	5,512,098	19,307,098	5,264,625	24,571,723
2027	--	--	14,370,000	4,625,648	18,995,648	5,264,000	24,259,648
2028	--	--	14,970,000	3,696,887	18,666,887	5,267,250	23,934,137
2029	--	--	15,610,000	2,713,580	18,323,580	5,263,875	23,587,455
2030	--	--	16,290,000	1,671,875	17,961,875	5,263,375	23,225,250
2031	--	--	17,005,000	567,967	17,572,967	--	17,572,967
Total	$108,340,000	$23,770,682	$131,475,000	$134,528,282	$398,113,963	$105,289,391	$503,403,354

(1) Totals may not add due to rounding.
(2) The fiscal year runs from July 1 through June 30. The figures in this table represent interest payable on January 1 in the calendar year shown and principal and interest payable on the prior July 1.
(3) Assumes interest at rates estimated by the Financial Advisors. With respect to the 2010C Bonds, the amounts shown reflect total interest due on the 2010C Bonds; the amounts are not net of the BAB Credit. If the BAB Credit is received, the interest payable by the County on the 2010C Bonds from the Pledged Revenues will be lower.
(4) Total principal and interest due on the 2010A Bonds in each fiscal year.
(5) Includes debt service ($2,675,000 in principal and $1,092,391 in interest) already paid on the 2010A Bonds on July 1, 2010.

Source: The Financial Advisors.

* Subject to change.

SECURITY FOR THE BONDS

Special, Limited Obligations

The 2010 Bonds are special, limited obligations of the County payable only from the Pledged Revenues. Neither the 2010 Bonds nor the interest thereon constitute a general obligation debt or indebtedness of the County, the Commission, the State, nor any political subdivision thereof within the meaning of any constitutional or statutory provision or limitation; and the 2010 Bonds shall not be considered or held to be general obligations of the County. The owners of 2010 Bonds do not have the right to require or compel the exercise of the taxing power of the County or of any other taxing entity for payment of the principal of or interest on the 2010 Bonds. The owners of the 2010 Bonds may not look to the County's General Fund (the "General Fund") or any other funds of the County or the Commission (other than those pledged) for payment of the 2010 Bonds. Therefore, the security for the punctual payment of the principal of and interest on the 2010 Bonds is dependent on the generation of Pledged Revenues in an amount sufficient to meet debt service requirements on the 2010 Bonds.

Pledged Revenues

The Bonds are payable solely from and secured by an irrevocable lien on the Pledged Revenues on a parity with the lien thereon of any additional Parity Securities issued in the future. The Pledged Revenues are comprised of the Sales Tax and the Jet Fuel Tax, each as defined below.

The Bond Ordinance defines "Sales Tax" to mean the tax imposed pursuant to the Project Act and the Sales Tax Ordinance, upon retailers at the rate of 0.25 of one percent (0.25%) of the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed in the County less a percentage (calculated on the same basis as the percentage calculated pursuant NRS 374.785(3)(a)) of all fees, taxes, interest and penalties as compensation to the State for the cost of collecting the Sales Tax. In addition, pursuant to the Sales Tax Ordinance, the taxpayer shall deduct and withhold from the Sales Tax otherwise due the amount permitted by law to reimburse himself for the cost of collecting the Sales Tax. Exempted from the Sales Tax are the gross receipts from the sale of, and the storage, use of or other consumption in the County of, (i) tangible personal property the gross receipts from the sale of which, or the storage, use or other consumption of which, the County is prohibited from taxing under the Constitution or laws of the United States or under the constitution or laws of the State; and (ii) tangible personal property used for the performance of a written contract: (a) entered into on or before the effective date of the Sales Tax and if, under the terms of the contract or bid the contract price or bid amount cannot be adjusted to reflect the imposition of the Sales Tax or increase in the Sales Tax; or (b) for the construction of an improvement to real property for which a binding bid was submitted prior to the effective date of the tax or the increase in the Sales Tax if the bid was afterward accepted and if, under the terms of the contract or bid the contract price or bid amount cannot be adjusted to reflect the imposition of the Sales Tax or increase in the Sales Tax.

The Bond Ordinance defines "Jet Fuel Tax" to mean the tax imposed pursuant to the provisions of NRS 365.170 and County Ordinance No. 1266, as amended by County Ordinance No. 2929, on fuel for jet or turbine powered aircraft sold or distributed or used in the County pursuant to the provisions of NRS 365.545.

No Repeal of Sales Tax and Jet Fuel Tax

Pursuant to the Bond Act, the State has pledged that the Pledged 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.

History of Pledged Revenues and Pro-Forma Debt Service Coverage*

The following table sets forth a history of Pledged Revenues in each fiscal year, the estimated combined maximum annual debt service requirements on the 2010 Bonds and the 2010A Bonds ($25,542,774* in fiscal year 2015;* see "DEBT SERVICE REQUIREMENTS"), and the pro-forma debt service coverage, calculated by dividing the Pledged Revenues by the estimated combined maximum annual debt service requirements. The estimated combined maximum debt service set forth below is *not* net of the BAB Credit. The 2010 estimated information represents the current expectation of the Commission based upon collections of the Pledged Revenues through April 30, 2010. However, final Pledged Revenue information for fiscal year 2010 will not be available until August 2010; the Pledged Revenue estimates reflected below likely will differ from the actual amount of Pledged Revenues collected in fiscal year 2010. *There is no assurance that the Pledged Revenues will continue to be realized in the amounts illustrated below.*

Historical Pledged Revenues and Pro-Forma Debt Service Coverage*

	2006	2007	2008	2009	Estimated 2010(1)
Sales Tax	$88,318,781	$89,358,278	$86,261,568	$74,961,155	$66,600,000
Jet Fuel Tax	4,689,417	4,679,959	4,749,177	4,193,978	3,900,000
Total	93,008,198	94,038,237	91,010,745	79,155,133	70,500,000
Estimated Maximum Annual Debt Service on the 2010A Bonds and the 2010 Bonds (2)*	$25,542,774	$25,542,774	$25,542,774	$25,542,774	$25,542,774
Coverage*	3.64x	3.68x	3.56x	3.10x	2.76x

(1) Pledged Revenues for 2010 as estimated by the Commission based upon Sales Tax and Jet Fuel Tax receipts through April 30, 2010. Actual Pledged Revenues for 2010 will not be available until August 2010.
(2) Represents estimated combined maximum annual debt service on the 2010A Bonds and the 2010 Bonds of $25,542,774* in fiscal year 2015.* See "DEBT SERVICE REQUIREMENTS." This amount is not net of the BAB Credit. Does not include debt service on the Notes.

Source: The Commission.

Through April 30, 2010, Sales Tax receipts were $56,222,404 (down approximately 11.1% as compared to the same ten-month period in the prior fiscal year).

* Subject to change.

Through April 30, 2010, Jet Fuel Tax revenues were $3,258,301 (down approximately 6.6% as compared to the same ten-month period in the prior fiscal year).

For fiscal year 2010, the Commission originally budgeted Pledged Revenues of $83,035,761, consisting of $78,500,000 in Sales Tax revenues and $4,535,761 in Jet Fuel Tax revenues. In the process of preparing its fiscal year 2011 budget, the Commission revised its Pledged Revenue expectations to $65,216,204 in Sales Tax revenue and $4,360,964 in Jet Fuel tax revenues for fiscal year 2010. The Commission will not receive its final installments of Sales Tax revenues and Jet Fuel Tax revenues for fiscal year 2010 until late August 2010. However, based upon revenues received through April 30, 2010, the Commission currently expects to receive approximately $66.6 million in Sales Tax revenues for fiscal year 2010 and $3.9 million in Jet Fuel Tax revenues for fiscal year 2010. The Commission has further reduced its expectation for Jet Fuel Tax revenues in fiscal year 2010 due to lower amounts of jet fuel being sold at McCarran International Airport. See "ECONOMIC AND DEMOGRAPHIC INFORMATION--Transportation."

For fiscal year 2011, the Commission budgeted Sales Tax revenues of $65,216,204 and Jet Fuel Tax revenues of $4,360,964, resulting in Pledged Revenues of $69,577,168, and estimated (pro-forma) debt service coverage of 2.72x.*

The Reserve Fund

General. The 2010 Bonds also are secured by the Reserve Fund. The Reserve Fund is required to be maintained as a continuing reserve in an amount equal to the Minimum Bond Reserve. The Bond Ordinance defines "Minimum Bond Reserve" to mean the least of: (a) 125% of the combined average annual principal and interest requirements; (b) 100% of the Combined Maximum Annual Principal and Interest Requirements; or (c) an amount determined by adding the amount of the Minimum Bond Reserve in effect immediately prior to the issuance of additional Parity Securities to an amount equal to 10% of the proceeds of the proposed Parity Securities, and is required to be deposited, accumulated and maintained as provided in the Bond Ordinance. See Appendix B - Summary of Certain Provisions of the Bond Ordinance--Reserve Fund. As further described in Appendix B, the Minimum Bond Reserve (and the Combined Maximum Annual Principal and Interest Requirements) are calculated net of the BAB Credits expected to be received with respect to the 2010C Bonds.

Upon issuance of the 2010 Bonds, the Minimum Bond Reserve will be $22,642,489.* A portion of that amount ($5,267,250) was funded with the proceeds of the 2010A Bonds; the remainder ($17,375,239*) will be funded with 2010 Bond proceeds.

The moneys in the Reserve Fund shall continue to be accumulated and maintained as a continuing reserve to be used, except as provided herein, only to prevent deficiencies in the payment of the principal of and the interest on the Outstanding 2010 Bonds and any Outstanding Parity Securities resulting from the failure to deposit in the Bond Fund sufficient funds to pay such principal and interest as the same accrue. No payment need be made into the Reserve Fund at any time so long as the moneys therein equal not less than the Minimum Bond Reserve.

See Appendix B - Summary of Certain Provisions of the Bond Ordinance--Reserve Fund for additional information regarding the Reserve Fund, including the definitions of

* Subject to change.

"Minimum Bond Reserve" and "Combined Maximum Annual Principal and Interest Requirements."

Flow of Funds

Administration of Revenue Fund. So long as any of the 2010 Bonds are Outstanding, as to any Bond Requirements (defined in Appendix B), the entire Pledged Revenues shall be set aside upon the receipt of such revenues by the County and credited to the separate account created in the 2010A Bond Ordinance (as defined in Appendix B) and continued in the Bond Ordinance and designated as the "Clark County, Nevada, Sales and Excise Tax Streets and Highways Revenue Fund" (the "Revenue Fund"). Payments from the Revenue Fund must be made as described below.

Bond Fund Payments. The following transfers shall be made from moneys in the Revenue Fund, i.e., from the Pledged Revenues:

Parity Securities. First, and concurrently with the payments for any Parity Securities, there shall be credited to the Bond Fund, the following:

(1) Monthly, commencing on the first day of the month immediately succeeding the delivery of any of the 2010 Bonds and any Parity Securities, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of interest on the Outstanding 2010 Bonds and any Outstanding Parity Securities, and monthly thereafter, commencing on each interest payment date, one-sixth of the amount necessary to pay the next maturing installment of interest on the Outstanding 2010 Bonds and any Outstanding Parity Securities, except to the extent any other moneys are available therefor.

(2) Monthly, commencing on the first day of the month immediately succeeding the delivery of any of the 2010 Bonds and any Parity Securities, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of principal of the Outstanding 2010 Bonds and any Outstanding Parity Securities, and monthly thereafter, commencing on each principal payment date, one-twelfth of the amount necessary to pay the next maturing installment of principal of the Outstanding 2010 Bonds and any Outstanding Parity Securities, except to the extent any other moneys are available therefor.

The moneys credited to the Bond Fund shall be used to pay the Bond Requirements of the 2010 Bonds and any Outstanding Parity Securities, as the same become due.

Reserve Fund Payments. Second, but concurrently with the transfers required to be made to the Bond Fund, except as described below, there shall be credited monthly from the remaining Pledged Revenues to the Reserve Fund, commencing on the first day of the month next succeeding the date on which the 2010 Bonds or any Parity Securities hereafter authorized are delivered (or the date on which the moneys accounted for in the Reserve Fund for any other reason are less than the Minimum Bond Reserve as hereinafter defined) such sums in substantially equal monthly amounts as shall be necessary, together with the moneys credited thereto, to accumulate (and reaccumulate if necessary) in not more than 60 such installments, in the Reserve Fund a continuing reserve in an amount not less than the Minimum Bond Reserve. No transfer need be made to the Reserve Fund so long as the moneys therein equal an amount not less than the Minimum Bond Reserve. See "Reserve Fund" above and Appendix B - Summary of Certain Provisions of the Bond Ordinance--Reserve Fund.

Termination of Deposits. No payment need be made into the Bond Fund, the Reserve Fund, or both, if the amount in the Bond Fund and the amount in the Reserve Fund total a sum at least equal to the entire amount of the Outstanding 2010 Bonds and any Outstanding Parity Securities as to all Bond Requirements to their respective maturities or to any redemption date on which the County shall have exercised or shall have obligated itself to exercise its option to redeem prior to their respective maturities the Outstanding 2010 Bonds or any such Outstanding Parity Securities thereafter maturing, and both accrued and not accrued, in which case moneys in those two accounts in an amount, except for any interest or other gain to accrue from any investment of moneys in Federal Securities from the time of any such deposit to the time or respective times the proceeds of any such investment shall be needed for such payment, at least equal to such Bond Requirements, shall be used together with any such gain from investments solely to pay such Bond Requirements as the same become due; and any moneys in excess thereof in those two accounts and any other moneys derived from the Pledged Revenues may be used in any lawful manner determined by the Board.

Defraying Delinquencies. If in any month the County shall for any reason fail to pay into the Bond Fund the full amount above stipulated from the Pledged Revenues, then an amount shall be paid into the Bond Fund in such month from the Reserve Fund equal to the difference between that paid from the Pledged Revenues and the full amount so stipulated. The money so used shall be replaced in the Reserve Fund from the first Pledged Revenues thereafter received and not required to be otherwise applied as described in "Bond Fund Payments" above. The moneys in the Bond Fund and in the Reserve Fund shall be used solely and only for the purpose of paying the Bond Requirements of the 2010 Bonds and any Outstanding Parity Securities; but any moneys at any time in excess of the Minimum Bond Reserve in the Reserve Fund, including, without limitation, any such excess resulting from investment gain as provided in the Bond Ordinance, may be withdrawn therefrom, and transferred from time to time to the Bond Fund, and used as herein provided for the redemption of the Outstanding 2010 Bonds and any such Outstanding Parity Securities as they become due at maturity, on any Redemption Date, or as they otherwise are made available for payment by purchase in the open market or otherwise; and also any moneys in the Bond Fund and in the Reserve Fund in excess of the Bond Requirements, both accrued and not accrued, to the respective maturities or designated Redemption Date of the Outstanding 2010 Bonds and any such Outstanding Parity Securities may be used as provided in the Bond Ordinance.

Rebate Account. Third, after the required payments described above are made, and concurrently with the payments required to be made to rebate accounts for any Outstanding Parity Securities, the County shall deposit Pledged Revenues into the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010BC, Rebate Account" (the "Rebate Account") as required under Section 148 of the Tax Code and regulations promulgated thereunder and shall apply such funds to make payments to the United States to the extent required to comply with the covenants described in "THE 2010 BONDS--Tax Covenants." Any moneys in such account not needed for such purpose shall be transferred to the Revenue Fund. Payments into similar rebate accounts for additional Parity Securities shall be made concurrently with payments into the Rebate Account.

Payment of Additional Subordinate Securities. Fourth, and subject to the provisions described above, any moneys remaining in the Revenue Fund may be used by the County for the payment of Bond Requirements of additional Subordinate Securities payable from the Pledged Revenues and authorized to be issued in accordance with the Bond Ordinance and any other provisions supplemental thereto, including reasonable reserves for such securities, as the same accrue.

Use of Remaining Revenues. After the transfers described above are made, any remaining Pledged Revenues in the Revenue Fund may be used at the end of any Fiscal Year or whenever in any Fiscal Year there shall have been credited to the Bond Fund, to the Reserve Fund and to each other bond fund and reserve fund, if any, for the payment of any additional Subordinate Securities, all amounts required to be credited to those special accounts for all of that Fiscal Year, both accrued and thereafter becoming due in the balance of the Fiscal Year, as described above, for any one or any combination of lawful purposes, as the Board may from time to time determine.

Additional Bonds

Additional Parity Securities. The Bond Ordinance allows the County to issue additional Parity Securities payable from the Pledged Revenues and constituting a lien thereon on a parity with the lien thereon of the 2010 Bonds upon the satisfaction of the conditions described below. Additional bonds or other securities issued to refund all or a part of the 2010 Bonds also may be issued on the terms described in Appendix B - Summary of Certain Provisions of the Bond Ordinance--Refunding Bonds and Subordinate Bonds. Before such additional Parity Securities are authorized or actually issued (excluding any refunding Parity Securities), the following requirements must be met:

Absence of Default. At the time of the adoption of the supplemental instrument authorizing the issuance of the additional Parity Securities, the County shall not be in default in making any payments required by Article V of the Bond Ordinance (described in "Flow of Funds" above).

Historic Earnings Test. The Pledged Revenues derived in the Fiscal Year immediately preceding the date of the issuance of such additional Parity Securities shall have been at least sufficient to pay an amount equal to 150% of the Combined Maximum Annual Principal and Interest Requirements of the Outstanding 2010 Bonds and any other Outstanding Parity Securities of the County and the Parity Securities proposed to be issued (excluding any reserves therefor), except as hereinafter otherwise expressly provided.

Adjustment of Pledged Revenues. If any Sales Tax or Jet Fuel Tax constituting supplemental Pledged Revenues had not accrued and been payable for the full Fiscal Year immediately preceding the date of the issuance of any such additional Parity Securities, any amount of Pledged Revenues which was actually collected for the designated Fiscal Year may be increased to an amount which it is estimated would have been collected if such Sales Tax or Jet Fuel Tax had accrued and been payable for the full Fiscal Year designated based upon the known collections of Pledged Revenues preceding such adjustment.

In any computation of such earnings test as to whether or not Parity Securities may be issued as described in "Historic Earnings Test," above, the amount of the Pledged Revenues for the immediately preceding Fiscal Year shall be decreased by, and may be increased by, the amount of any loss or gain conservatively estimated by the Chief Financial Officer making the computations described in that paragraph, which loss or gain results from any change in the rate of the levy of that part of the Sales Tax constituting a part of the Pledged Revenues which change took effect during the immediately preceding Fiscal Year or shall take effect during any succeeding Fiscal Year prior to or following the issuance of such Parity Securities, as if such modified rate shall have been in effect during the entire immediately preceding Fiscal Year and as if such change shall have been made before the computation of the designated earnings test.

Reduction of Annual Requirements. The respective annual Bond Requirements (including as such a requirement for the purposes of this section the amount of any prior redemption premiums due on any prior redemption date as of which the County shall have exercised or shall have obligated itself to exercise its prior redemption option) shall be reduced to the extent such Bond Requirements are scheduled to be paid in each of the respective Bond Years with moneys held in trust or in escrow for that purpose by any trust bank within or without the State, including the known minimum yield from any investment in Federal Securities.

Certification of Revenues. A written certification or written opinion by the Chief Financial Officer or an Independent Accountant, based upon estimates thereby as described in "Adjustment of Pledged Revenues" above, that such Pledged Revenues, when adjusted as described above, are sufficient to pay the amounts described in "Historic Earnings Test," shall be conclusively presumed to be accurate in determining the right of the County to authorize, issue, sell and deliver additional Parity Securities.

Use of Proceeds. The proceeds of any additional bonds or other additional securities (other than any funding or refunding securities) payable from the Pledged Revenues shall be used only for bettering, enlarging, extending and otherwise improving the facilities (or any combination thereof).

Superior Securities Prohibited; Subordinate Securities Permitted

The Bond Ordinance prohibits the County from issuing additional bonds or securities that have a lien on the Pledged Revenues that is superior to the lien thereon of the 2010 Bonds.

The Bond Ordinance allows the County to issue additional bonds or other securities payable from the Pledged Revenues and having a lien thereon subordinate, inferior and junior to the lien thereon of the 2010 Bonds.

REVENUES AVAILABLE FOR DEBT SERVICE

Imposition of the Sales Tax

To address increasing transportation demands associated with a rapidly growing population in Southern Nevada, a comprehensive Master Transportation Plan ("MTP") was established by the County. The first financing plan for the MTP ("Question 10 - Part 1") was approved in 1990 and included the imposition of a one-quarter cent sales and use tax, a governmental services tax, a motor vehicle fuel tax, a jet aviation fuel tax, a room tax and a development tax.

In 2002, County voters approved another funding plan for the MTP (also sometimes referred to as "Question 10 - Part 2") that increased the sales and use tax by one-quarter cent, increased the development tax, the jet aviation fuel tax and reallocated the proceeds of an existing 2 cent property tax. Question 10 - Part 2 was to fund the construction, maintenance and repair of public roads and for the improvement of air quality. The Sales Tax Ordinance requires the Commission to pay 8% of the proceeds of the Quarter Cent Tax (up to a specified amount) to the local pollution control agency to support the improvement of air quality. The Commission currently pays that amount from the street and highway fund; however, the payment of the 2010 Bonds has priority over that payment. The increased portion of the sales tax imposed pursuant to Question 10 - Part 2 comprises the Quarter Cent Tax; the proceeds of the Quarter Cent Tax are divided equally between the Commission's Transit Fund and streets and highways.

The proceeds of the Quarter Cent Tax constitute the Sales Tax; the increased jet aviation fuel tax revenues approved by Question 10 - Part 2 constitute the Jet Fuel Tax. The Sales Tax and the Jet Fuel Tax imposed pursuant to Question 10 - Part 2 are imposed in the entire County.

Collection and Enforcement of the Sales Tax

General. The Sales Tax is imposed upon all retailers located within the County at the rate of 0.25% of the gross receipts of any retailer from (i) the sale of all tangible personal property sold at retail in the County and (ii) the storage, use or other consumption in the County of tangible personal property. The Sales Tax Ordinance exempts taxes on the gross receipts from the sale, storage or use of property that the County is prohibited from taxing under the constitution or laws of the State. Included in this category (this list is not intended to be exhaustive) are: personal property sold to the United States, the State or any political subdivision; personal property sold by or to religious, charitable or educational nonprofit corporations; sales to common carriers; the proceeds of mines; motor vehicle fuel; food for human consumption; certain feeds and fertilizers; prosthetic devices and other medical appliances; medicines; gas, electricity and water delivered to consumers through mains, lines or pipes; newspapers; aircraft and major components of aircraft; and 40% of the sales, storage or other consumption of new manufactured homes and new mobile homes. The Sales Tax Ordinance also exempts sales, storage, use or consumption of tangible property to be used for the performance of certain construction contracts entered into prior to the effective date of the Sales Tax Ordinance.

Collection and Enforcement. Taxation administers the Sales Tax for the County pursuant to State law and County ordinance. Pursuant to State statute, Taxation retains a collection fee of 1.75% of all amounts remitted by retailers.

Every person desiring to conduct business as a retailer within the County must obtain a permit from Taxation. According to Taxation reports, in fiscal year 2009, there were 24,159 sales tax filers (based on filing location counts). Each licensed retailer is required to remit all Sales Tax directly to Taxation. Any retailer that fails to comply with the provision of the Sales Tax Ordinance may have its license revoked by Taxation after a hearing held upon 10 days' written notice.

Sales Taxes generally are due and payable to Taxation monthly on or before the last day of the month next succeeding the month in which such taxes are collected (i.e., the Sales Taxes collected by retailers in September 2009 were due to Taxation no later than October 31, 2009). However, taxpayers whose taxable sales do not exceed $10,000 per month may remit taxes each calendar quarter. Retailers currently are allowed to deduct 0.25% of the amount due to reimburse themselves for the cost of collecting the tax. (Taxation also may implement regulations that allow deduction of amounts required to carry out the multistate Streamlined Sales and Use Tax Agreement, to which the State is a party). Sales Tax remittances to Taxation must be accompanied by a return form prescribed by Taxation. Taxation transfers all sales tax revenues received (including the Sales Tax revenues) to the County to the Commission monthly.

Interest on deficient Sales Tax payments, exclusive of penalties, accrues at the rate of 1.5% per month from the date the remittance was due to the date of payment. If any deficiency is due to negligence or intentional disregard of the Sales Tax Ordinance, a penalty of 10% of the amount of the deficiency is added. If any deficiency is due to fraud or intent to evade the Sales Tax Ordinance, a penalty of 25% will be added in addition to the 10% penalty described in the prior sentence. The State has instituted a temporary waiver of penalties and interest on sales tax collections if certain conditions are met by the taxpayers.

Deficiency notices must be delivered to taxpayers within three years of any deficiency. Failure to pay Sales Taxes as required by the Sales Tax Ordinance results in a lien against the property of the retailer failing to pay. The lien is enforced by Taxation's filing of a certificate and request for judgment with the County Clerk. Immediately upon filing of the certificate, the County Clerk is required to enter a judgment for the County in the amount owed, including penalties and interest. The lien may be enforced through a warrant executed by the County sheriff. In addition, Taxation may seize and sell property of the delinquent payor as provided by law and the Sales Tax Ordinance.

Sales Tax Collection Data

Historical Sales Tax Collections. The following table sets forth a history of taxable sales within the County and actual Sales Tax revenues received by the Commission beginning in fiscal year 2005.

Historical Taxable Sales and Historical Sales Tax Collections

Fiscal Year	Taxable Sales in County(1)	Actual Sales Tax Collections(2)	% Change - Sales Tax Collections
2005	$32,606,312,337	$ 80,615,822	--
2006	35,745,051,299	88,318,781	9.6%
2007	36,262,388,158	89,358,278	1.2
2008	35,930,373,796	86,261,568	(3.5)
2009	31,378,241,926	74,961,155	(13.1)
2010(3)	23,206,362,773	56,222,404	--

(1) Taxable sales within the County as reported by Taxation.
(2) Represents Sales Tax revenues received by the Commission (net of all applicable fees and allowances).
(3) Represents Sales Tax collections and taxable sales for the ten-month period from July 1, 2009 through April 30, 2010 (accrual basis). The taxable sale figure represents a 12.6% decrease from the same period in the prior fiscal year. Sales Tax collections represent an 11.1% decrease from Sales Tax collections in the same period in fiscal year 2009.

Source: Department of Taxation reports for historic taxable sales in the County and the Commission Finance Department for actual Sales Tax Collections.

Monthly Comparison of Sales Tax Receipts. The following table presents a comparison of monthly sales tax revenues for the twelve-month periods ending April 30, 2010 and April 30, 2009. This table includes all sales tax revenues received by the Commission, not just the Quarter Cent Tax revenues that constitute Pledged Revenues. *The table is intended to illustrate collection trends, not actual Pledged Revenues.*

These tables are presented on an accrual basis; accordingly, revenues are accounted for in the month of the original taxable sale rather than the month of actual receipt by the Commission. For example, revenues recorded for January 2010 in the following table represent sales made by retailers in January 2010 and are recorded in that month even though retailers remitted those revenues to the State in February 2010 and such revenues were received by the Commission in March 2010. As of April 30, 2010, the Commission had experienced a 12.5% decline in Sales Tax revenues as compared to the same twelve-month period for the previous year.

Comparison of Monthly Sales Tax Revenues

	Twelve-Month Period Ending April 30, 2010		Twelve-Month Period Ending April 30, 2009		Percent Change	
Month	Current Month	Cumulative	Current Month	Cumulative	Current Month	Cumulative
May	$ 11,577,279	$ 11,577,279	$14,335,279	$ 14,335,279	(19.2)%	(19.2)%
June	11,886,966	23,464,245	14,500,478	28,835,757	(18.0)	(18.6)
July	10,814,862	34,279,107	13,416,205	42,251,962	(19.4)	(18.9)
August	10,867,114	45,146,222	14,310,993	56,562,955	(24.1)	(20.2)
September	11,259,667	56,405,889	13,228,165	69,791,120	(14.9)	(19.2)
October	10,930,666	67,336,555	13,220,062	83,011,182	(17.3)	(18.9)
November	10,843,329	78,179,884	12,113,350	95,124,532	(10.5)	(17.8)
December	13,177,184	91,357,068	13,817,465	108,941,997	(4.6)	(16.1)
January	10,213,283	101,570,351	10,884,220	119,826,217	(6.2)	(15.2)
February	10,210,061	111,780,413	10,646,652	130,472,869	(4.1)	(14.3)
March	12,135,920	123,916,333	13,174,752	143,647,622	(7.9)	(13.7)
April	11,992,720	135,909,053	11,646,200	155,293,822	3.0	(12.5)

Source: Commission Finance Department (Unaudited).

Top Ten Generators of Taxable Sales by Business Type. The following table sets forth the ten largest generators of taxable sales, aggregated by business type, within the County for the Fiscal Year ended June 30, 2009 (latest full year figures available). Each category represents an aggregate of all the businesses remitting sales taxes within that category. State law prohibits the reporting of information in any manner that could reveal the identity of an individual taxpayer. Accordingly, only the types of businesses (presented by Taxation-assigned categories) are shown.

Top 10 Generators of Taxable Sales by Business Type - Fiscal Year 2009

Type of Business	Taxable Sales	% of Total(1)
Food Services and Drinking Places	$ 5,454,575,196	17.38%
General Merchandise Stores	2,783,661,491	8.87
Motor Vehicle and Parts Dealers	2,539,709,381	8.09
Clothing and Clothing Accessories Stores	2,500,964,342	7.97
Merchant Wholesalers, Durable Goods	2,252,834,680	7.18
Accommodation	1,562,566,821	4.98
Rental and Leasing Services	1,322,224,806	4.21
Health and Personal Care Stores	1,304,606,952	4.16
Specialty Trade Contractors	1,203,073,155	3.83
Building Materials and Garden Equipment and Supplies	1,197,104,045	3.82
	$22,121,320,869	70.50%

(1) Based upon total taxable sales of $31,378,241,926 for the Fiscal Year ended June 30, 2009.

Source: State Department of Taxation.

All of the categories shown above, except accommodations (which increased by 3.0% over fiscal year 2008), realized declines in taxable sales over fiscal year 2008. The smallest year-over-year decline was in the remaining categories was 6.7% (general merchandise stores); the largest was 29.6% (motor vehicle and parts dealers).

According to published Taxation reports, eight of these types of businesses remained the top 10 generators of taxable sales through April 2010; the exceptions were the Specialty Trade Contractors category and the Building Materials and Garden Equipment and Supplies categories, which dropped from the top 10 generators list. Food and Beverage Stores and Electronics and Appliance Stores were added to the list. With the exception of Clothing and Accessories Stores and Accommodations, which posted 0.6% and 4.0% gains, respectively, over sales in the same ten-month period in fiscal year 2009, each of the categories reflected decreases in taxable sales as compared to the same period in fiscal year 2009. General Merchandise Stores showed the smallest decline (1.7%); Merchant Wholesalers, Durable Goods showed the largest decline, dropping 40.7% from the same ten-month period in fiscal year 2009.

Imposition of the Jet Fuel Tax

Pursuant to the Jet Fuel Tax Ordinance and NRS 365.170, the Jet Fuel Tax is imposed at the rate of one cent per gallon on all fuel for jet or turbine powered aircraft sold, distributed or used in the County as well as all such fuel sold, distributed or used in this State by a purchaser thereof upon which sale, distribution or use the dealer has assumed liability for the tax thereon pursuant. The Jet Fuel Tax does not apply to fuel exported from the State by a dealer.

"Dealer" is defined by State law to mean every person who: (a) refines, manufactures, compounds or otherwise produces jet or turbine-powered aircraft and sells or distributes the same in the State; (b) imports fuel for jet or turbine-powered aircraft into the State and sells or distributes it in the State, whether in the original package or container in which it is imported or otherwise, or who uses the fuel for jet or turbine-powered aircraft in the State after having imported the fuel; (c) having acquired fuel for jet or turbine-powered aircraft in the State in the original package or container, distributes or sells it in the original package or container or otherwise, or in any manner uses the fuel; (d) otherwise acquires in the State for sale, use or distribution in the State fuel for jet or turbine-powered aircraft with respect to which there has been no prior taxable sale, use or distribution. A Dealer does not include any person who imports into the State fuel for jet or turbine-powered aircraft in quantities of 500 gallons or less purchased from another dealer who is licensed under NRS Chapter 365 and who assumes liability for the collection and remittance of the applicable excise tax to the State.

The Jet Fuel Tax may be used by the County to pay the costs of: (i) transportation projects described in a regional plan for transportation established by the Commission; (ii) payment of principal and interests on notes, bonds, or other obligations incurred to fund projects described in (i) above; or (iii) any combination of those purposes. If no such projects exist, the Jet Fuel Tax shall be allocated to transportation projects related to airports as provided in the Jet Fuel Tax Ordinance.

Collection and Enforcement of Jet Fuel Tax

<u>Collection</u>. The Jet Fuel Tax are due on or before the last day of the first month following the month to which they relate. A dealer may retain an amount equal to 2% of the amount of the tax collected to cover the dealer's costs of collection of the tax and of compliance with State law and the dealer's handling losses occasioned by evaporation, spillage or other similar causes. However, a dealer who fails to submit a tax return when due or fails to pay the tax when due is not entitled to retain any of the amount described above for any month for which

a tax return is not filed when due or a payment is not made when due. A dealer has 90 days after the last day prescribed for payment of the Jet Fuel Taxes to bring an action against the State Treasurer for recovery of an alleged overpayment of such taxes. Failure to bring suit within the 90 days constitutes a waiver of all demands against the State for alleged overpayment of excise taxes.

If the Department of Motor Vehicles (the "DMV") determines that a dealer, or any unlicensed person who collects an excise tax, has failed to submit a tax return when due or failed to pay the tax when due, the DMV may order the dealer, supplier or unlicensed person to hold the amount of all taxes collected pursuant to this chapter in a separate account in trust for the State. The dealer, supplier or unlicensed person shall comply with the order immediately upon receiving notification of the order from the DMV.

Remedies for Delinquent Taxes. If the Jet Fuel Taxes are not paid on or before the last day of the month after due, they become delinquent. A dealer is permitted up to 15 additional days to make such payment if he makes an application to the DMV and the DMV finds good cause for extension. Proceeds from any penalty assessments are allocated proportionately to the State highway fund, the County gas tax funds, the account for taxes on aviation fuel and the account for taxes on fuel for jet or turbine-powered aircraft by the DMV.

Jet Fuel Tax Collection Data

Historical Jet Fuel Tax Collections. The following table sets forth a history of Jet Fuel Tax revenues received by the Commission beginning in fiscal year 2005.

Historical Jet Fuel Tax Collections

Fiscal Year	Actual Jet Fuel Tax Collections(1)	% Change
2005	$4,329,933	--
2006	4,689,417	8.3%
2007	4,679,959	(0.2)
2008	4,749,177	1.5
2009	4,193,978	(11.7)
2010(2)	3,258,301	--

(1) Represents Jet Fuel Tax revenues received by the Commission (net of all applicable fees and allowances).
(2) Represents Jet Fuel Tax collections for the ten-month period from July 1, 2009 through April 30, 2010 (accrual basis). Jet Fuel Tax collections represent a 6.6% decrease from collections in the same period in fiscal year 2009.

Source: The Commission.

History of Taxable Gallons Sold. The following table sets forth a history of taxable gallons of Jet Fuel sold.

History of Taxable Gallons of Jet Fuel Sold(1)

Fiscal Year	State	Percent Change	County	Percent Change	County as a Percentage of State Total
2005	479,668,199	--	436,048,905	--	90.9%
2006	516,513,513	7.7%	472,563,412	8.4%	91.5
2007	511,556,414	(1.0)	467,941,395	(1.0)	91.5
2008	526,692,208	3.0	490,272,926	4.8	93.1
2009	453,803,272	(13.8)	421,990,429	(13.9)	93.0
2010(2)	350,246,851	--	324,213,645	--	92.6

(1) Total taxable Jet Fuel gallons sold, less aviation fuel gallons sold.

(2) Represents year-to-date sales for the ten-month period from July 1, 2009 through April 30, 2010. For the State, that amount represents a 7.1% decline in gallons sold from the same period in the prior fiscal year. For the County, that amount represents a 6.6% decline in gallons sold from the same period in the prior fiscal year.

Source: The State Department of Transportation.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA

General

The Commission was established by ordinance of the Board on June 7, 1965 pursuant to enabling legislation passed by the 1965 Nevada Legislature. The Commission has all of the powers provided for in the Project Act and in the Constitution and other laws of the State of Nevada. Pursuant to the Project Act, the Commission is responsible for the administration of the funds of the County generated from motor vehicle fuel taxes and for distributing those funds to various governmental subdivisions within the County. Pursuant to the Project Act, the Commission is also empowered to: (i) receive and disburse federal funds: (ii) enter into formal agreements concerning projects with federal agencies; (iii) acquire and own both real and personal property; (iv) exercise the power of eminent domain, if the city or county which has jurisdiction over the property approves, for the acquisition, construction, repair or maintenance of public roads, or for any other purpose related to public mass transportation; (v) sell, lease or conveyor otherwise dispose of rights, interests or properties; (vi) sue or be sued; (vii) prepare and approve budgets for the regional street and highway fund, the public transit fund and money it receives from any source; and (viii) enter into contracts, leases and agreements with and accept grants and loans from federal and state agencies, counties, cities, towns, other political subdivisions, public or private corporations and other persons, and may perform all acts necessary for the full exercise of the powers vested in the Commission.

In addition, the Commission has been designated by the Governor as the Metropolitan Planning Organization (“MPO”) pursuant to Title 23 of the United States Code and also is the designated public transit provider for the County. In its role as MPO, the Commission is responsible for the review and approval of a Regional Street and Highway Plan. In its role as the public transit provider, the Commission established the Citizens Area Transit (CAT) fixed route bus system, which began operations on December 5, 1992. In 2009, the Commission renamed the fixed route bus system “RTC Transit.” Under provisions of the Americans with Disabilities Act of 1990, the Commission is also responsible for providing a complementary Paratransit system for the disabled community. The CAT Paratransit Service began operations on December 5, 1994. The Paratransit Service has also been renamed the RTC Paratransit Service.

The Commission does not currently enter into road (streets and highways) construction projects for its own account, except for street modifications related to Bus Rapid Transit routes. However, the policy of the Commission has been to expend all motor vehicle fuel tax receipts (after payment of debt service on the bonds secured by those revenues) to finance road construction projects for political subdivisions within the County.

Governing Body and Administration

Governing Body. The Commission is composed of two members selected by the Board of County Commissioners, who are members of the Board, two members selected by the City of Las Vegas, and one member each selected by the Cities of Henderson, North Las Vegas, Boulder City and Mesquite, who must be members of such city’s respective board or council. Any new incorporated municipality in the County is entitled to appoint a member. The Commission board members serve for terms of two years, ending on December 31 of even-numbered years and any vacancies are filled for the unexpired terms.

The current members of the Commission are:

Name and Position	Entity Represented
Larry Brown, Chairman	Clark County
Oscar B. Goodman, Vice Chairman	Las Vegas
David Bennett	Mesquite
Robert Eliason	North Las Vegas
Chris Giunchigliani	Clark County
Debra March	Henderson
Steve Ross	Las Vegas
Roger Tobler	Boulder City

Administration. *Jacob L. Snow, General Manager* - Jacob Snow is a native southern Nevadan from Boulder City, Nevada. He was a community planner for the City of Provo, Utah from 1987 to 1989. He then came back to Nevada as an Assistant Director of Aviation for the Clark County, Nevada Department of Aviation until July 1999, at which time he was promoted to his current position of General Manager of the Regional Transportation Commission of Southern Nevada.

Mr. Snow holds a Masters Degree in Urban Planning from Brigham Young University and a Bachelor of Science in Geography with a minor in Asian Studies from Brigham Young University. He graduated Summa Cum Laude, and was a finalist for the State for the Harry S. Truman Scholarship which is given only to those who plan a career in public service. Some of his accomplishments include being elected to the American Public Transportation Association (APTA) Board of Directors; coordinated public/private partnership culminating in construction of Las Vegas monorail project; spearheaded the effort to bring the first bus rapid transit system to the United States; and coordinated the Regional Transportation Commission Community Coalition (RTC3), a citizen committee examining the transportation picture for Southern Nevada and developing a set of recommendations for policy makers and elected leaders that led to the 2002 Fair Share Funding Program and Question 10 on the November 2002 General Election ballot which was approved by the voters. He was also honored by the Association of Metropolitan Planning Organizations (AMPO) with a national Leadership Award.

Regional Transportation Plan

The tremendous growth that has occurred during the past two decades in the Las Vegas Valley has resulted in dramatically increased demands on the transportation system in the County. In order to address these increasing demands and to provide for the County's continued growth, the Commission has been proactive in its planning to address demands upon the infrastructure.

The Regional Transportation Plan (the "RTP") is a long-range transportation plan covering a 20+ year timespan. The RTP is updated at least every four years in accordance with federal law. The most recent RTP was approved by the Commission on November 13, 2008 and approved by the Federal Highway Administration on March 3, 2009.

The RTP is comprised of a number of transportation elements. The highway and transit elements include descriptions of proposed improvements and costs. The Travel Demand Measures ("TDM") element includes information on the activities to support the Commission's TDM strategies, such as carpooling support activities. TDM strategies help reduce demand on the existing roadway infrastructure by reducing single occupant vehicle ("SOV") use. Reducing SOV use is accomplished by encouraging commuters to use transit, carpool, vanpool, biking or walking. The Bicycle and Pedestrian Element ("BPE") includes plans for bicycle and pedestrian facilities. The BPE addresses a broad range of improvements to encourage bicycling and walking as viable alternatives to the automobile. Improved air quality is possible by reducing vehicle miles traveled and traffic congestion. The regional bicycle plan includes those bicycle facilities within urbanized areas of the County and the cities of Las Vegas, Henderson, Boulder City and North Las Vegas and in the outlying area for the city of Mesquite. There are approximately 260 miles of adopted bicycle facilities (routes and lanes) included in the regional bicycle plan.

The highway element considers the activities related to infrastructure development in the Las Vegas Valley. The highway element includes the construction and improvement of roads, highways and bridges located within the County.

The transit element of the RTP relates to the provision of public transportation in the County. The Commission is developing a full multimodal transit system. The RTP incorporates bus rapid transit routes, the Las Vegas Monorail (including both the public and private elements), and other transit support improvements. *Although the Las Vegas Monorail is included in the transit element of the RTP for planning purposes, the Las Vegas Monorail is not owned or operated by the Commission and the Commission has no control over its operations or finances.* The improvement and expansion of the fixed route system is expected to continue indefinitely. It is projected that local funding sources and Federal Transportation Administration grants will adequately sustain the transit system for the foreseeable future. This includes system operations, the scheduled replacement of buses and all aspects of ongoing maintenance.

Employees; Benefits and Pension Matters

Employees. The Commission budgeted 276.5 full-time equivalent employees for fiscal years 2009, 2010 and 2011. The Commission instituted a "no new positions" policy for these fiscal years. The General Manager states that employee relations are satisfactory.

The Commission contracts with two private companies to provide fixed route bus service and paratransit service (including, in each case, bus drivers and maintenance). The fixed route service contract expires in September 2011 and the paratransit contract expires in December 2011. Each contractor provides salaries and benefits to its own employees.

Benefits. Benefits offered by the Commission include a deferred compensation plan, as well as long term disability and life insurance, health insurance, paid vacation, sick leave and holidays, and reimbursement for certain educational expenses. The Commission participates in the County's employee health insurance plan.

Pension Matters. All of the Commission's full-time employees participate in the State's Public Employee Retirement System ("PERS"). PERS covers substantially all public employees of the State, its agencies and its political subdivisions, including the Commission. PERS, established by the Nevada legislature effective July 1, 1948, is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. Retirement Board members serve for a term of four years.

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. During its 2009 session, the Legislature made various changes to PERS, including reducing post-retirement benefit increases and changing the age/years of service calculations, changing the benefit calculation for members hired after January 1, 2010.

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 Legislature. The most recent independent actuarial valuation report of PERS was completed as of June 30, 2009. At that time, PERS reported an unfunded actuarial accrued liability ("UAAL") of approximately $9.10 billion (an increase of approximately 25.4% from the prior year UAAL). A portion of this increase is due to a change to the asset valuation method adopted since the 2008 valuation; the actuarial value of assets was previously limited to not less than 80% or greater than 120% of market value, that limitation has changed to not less than 70% or greater than 130% of the market value of assets. The amortization method used for the UAAL is the year to year closed method, with each amortization period set at 30 years. The funded ratio for all members is 72.6% in fiscal year 2009, a decrease from 76.2% in fiscal year 2008.

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 County is obligated to contribute all amounts due under PERS. For fiscal years 2007 and 2008, the contribution rate for regular members was 20.50% and for police and firefighters it was 33.50%. Effective July 1, 2009, the contribution rate increased to 21.50% for regular members and 37.0% for police and firefighters. The Commission's contributions to PERS for fiscal years 2008 and 2009 were $3,298,490 and $3,341,119, respectively.

<u>Other Post-Employment Benefits</u>. In addition to the pension benefits described in Note 10, the Commission participates in the County's "other post-employment benefits" ("OPEB") plan. A general description of the County's OPEB plan, including funding policies, annual OPEB costs for the Commission, actuarial methods and assumptions, and other information can be found in Note 11 of the audited financial statements attached hereto as Appendix A.

Budget Process

Prior to April 15 of each year, the General Manager is required to submit to Taxation the tentative budget for the next fiscal year which commences on July 1. The tentative budget contains the proposed expenditures and means of financing them. After reviewing the tentative budget, Taxation is required to notify the Commission upon its acceptance of the budget. Following acceptance of the proposed budget by Taxation, the Commission is required to conduct public hearings on the third Monday in May. The Commission normally is required to adopt the final budget on or before June 1.

During the year, it may become necessary to modify the adopted budget. Formal adjustments to the budget during the year are accomplished through an "augmentation" process prescribed by State statute. The augmentation process requires the Commission to adopt a "resolution of augmentation" to increase appropriations above the levels originally approved. It is then filed with Taxation. This process is revenue driven; therefore, total appropriations cannot be exceeded without additional resources being clearly identified. In the absence of a "resolution of augmentation," the total appropriations may not be increased.

Annual Reports

The Commission is a component unit of the County for accounting purposes. The Commission prepares separate component unit audited financial statements setting forth the financial condition of the Commission as of June 30 of each fiscal year. The latest audited report is for the year ended June 30, 2009. The audited basic financial statements (including the management discussion and notes), which are attached hereto as Appendix A, come from the component unit financial statements. The basic financial statements were prepared following generally accepted accounting principles. See Note 1 in the audited basic financial statements attached hereto as Appendix A for a summary of the Commission's significant accounting policies.

History of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

The following table presents a four-year history of combined revenues, expenditures and changes in fund balance in the Commission's governmental funds for the fiscal years ended June 30, 2006 through 2009. The table also presents fiscal year 2010 estimates, and final budget information for the fiscal year ended June 30, 2011. The 2010 estimated results were prepared by the Commission in connection with the preparation of the fiscal year 2011 budget and reflect its current expectations for fiscal year 2010. *However, those figures are estimates only, are not necessarily predictive of the final results for fiscal year 2010 and are not to be relied upon as a representation of actual results for fiscal year 2010.* The information in this table has been derived from the Commission's audited financial statements for the years ended June 30, 2006 through 2009. The 2010 estimated information and the 2011 budget information was derived from the Commission's 2010-11 Final Budget. The information in this table should be read together with the Commission's audited basic financial statements for the year ended June 30, 2009, 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."

Combined History of Revenues, Expenditures and Changes in Fund Balance-Governmental Fund Types(1)

	2006	2007	2008	2009	2010 Estimated	2011 Budgeted
Revenues						
Intergovernmental Revenues						
Motor Vehicle Fuel Tax	$69,495,040	$71,484,444	$70,250,327	$67,282,816	$65,264,331	$65,300,000
Development Tax	5,000,000	5,000,000	5,000,000	--	--	--
Sales and Use Tax (2)	44,145,701	45,087,057	43,130,784	37,480,578	32,608,102	32,608,102
Jet Aviation Fuel Tax	4,689,418	4,679,952	4,749,177	4,193,978	4,360,964	4,360,964
Federal and State Grants	3,307,016	1,289,640	3,284,589	5,128,163	3,635,201	26,078,481
Charges for Services	910,433	367,909	139,039	--	--	--
Petroleum Cleanup	--	--	--	--	--	2,500,000
BAB Credit payments	--	--	--	--	253,207	723,448
Interest	5,513,513	6,284,533	14,302,530	8,863,283	3,838,860	1,532,800
Other	2,346,232	5,302,584	5,717,402	29,918,429(3)	2,228,004	1,900,000
Total Revenues	135,407,353	139,496,119	146,573,848	152,867,247	112,188,669	135,003,795
Expenditures						
Current:						
Salaries and Wages	7,336,178	8,468,442	9,788,031	10,134,907	10,790,252	11,210,168
Employee Benefits	2,400,648	2,665,945	3,086,315	3,547,157	3,681,273	3,861,799
Services and Supplies	22,850,365	29,182,846	29,600,078	30,529,645	24,299,542	28,017,463
Debt Service:						
Principal	14,475,000	15,150,000	15,870,000	15,875,000	17,355,000	20,860,000
Interest	13,199,438	11,345,241	17,128,865	23,406,289	21,737,762	32,914,743
Bond issuance costs	--	1,587,791	99,574	--	600,716	1,900,000
Capital Outlay	184,842,045	189,853,615	103,209,794	171,713,916	175,767,577	239,964,936
Total Expenditures	245,103,674	258,253,880	178,782,657	255,206,914	254,232,122	338,729,109
Excess (deficiency) of revenues over (under) expenditures	(109,696,321)	(118,757,762)	(32,208,809)	(102,339,667)	(142,043,453)	(203,725,314)
Other Financing Sources (Uses)						
Proceeds from bonds/loans/commercial paper	70,000,000	370,000,000	100,000,000	80,000,000	153,370,000	245,000,000
Premium on bonds issued	--	3,847,803	--	--	5,880,561	
Payment to refunded bond escrow agent	--	(211,355,248)	--	--	(120,400,000)	(43,600,000)
Repayment of excess escrow deposit	--	--	264,980	--	--	
Transfers in (4)	60,050,486	99,290,477	101,427,603	89,935,569	89,518,393	108,938,063
Transfers out (4)	(65,213,251)	(103,648,049)	(92,627,603)	(80,185,569)	(81,661,484)	(101,138,063)
Total other financing sources (uses)	64,837,235	158,134,983	109,064,980	89,750,000	46,707,470	209,200,000
Net Changes in Fund Balances	(44,859,086)	39,377,221	76,856,171	(12,589,667)	(95,335,983)	5,474,686
Fund Balances-beginning of year	168,323,744	123,464,647	162,841,868	238,891,812	214,574,931	119,238,948,
Prior Period Adjustment (5)	--	--	(806,227)	(11,727,214)	--	--
Fund Balances-End of Year	$123,464,658	$162,841,868	$238,891,812	$214,574,931	$119,238,948	$124,713,634

Footnotes on following page.

(1) Combined activity for the Commission's governmental funds including: the Commission's General Fund, the Regional Transportation Fund (a special revenue fund); two debt service funds (RTC Debt Service Fund and RTC Debt Service Reserve Fund); and two capital projects funds (the Highway Improvement Acquisition Fund and the RTC Highway Improvement Fund).
(2) Represents Sales Tax collections at a rate of 0.125% only. The remaining 0.125% of the sales tax that constitutes Pledged Revenues is deposited into the Commission's Public Transit Fund, which is an enterprise fund used to account for transit operations. Revenues derived from the 0.25% Sales Tax comprise the Pledged Revenues, regardless of what fund such revenues are deposited into.
(3) The increase in other general revenues is primarily due to the Commission's collection of approximately $28 million in ad valorem taxes from the County; that amount was being held by the County for Commission-related streets and highways improvement projects.
(4) Includes transfers between the governmental funds.
(5) In 2008, it was determined that accounts payable in the Highway Improvement Fund were understated in 2007. See Note 15 for a description of the prior period adjustments made in fiscal year 2009.

Source: Derived from the Commission's audited component unit financial statements for the years ended June 30, 2006 through 2009 and the Commission's 2010-11 Final Budget.

Fiscal Year 2009 Actions; Fiscal Year 2010 Estimates and 2011 Budget. In fiscal year 2009, County Motor Vehicle Fuel Tax revenues decreased by 4.2%, Jet Fuel Tax revenues decreased by 11.7%, and Sales Tax revenues decreased by 13.1%. These declines in tax revenues were due to the recession that started in December 2007 and continued throughout fiscal year 2009. During fiscal year 2009, the Commission took action to reduce expenditures, including obtaining a negotiated decrease in cost-of-living adjustments (from 3% to 1%) from the SEIU bargaining unit; limiting employee raises; reducing amounts paid under the fixed route and paratransit contracts; instituting a hiring freeze for fiscal year 2009; changed several positions to Fair Labor Standards Act-exempt positions (saving approximately $179,000) and closely monitoring and restricting the use of overtime; and conducting two rounds of mid-year budget trimming that resulted in approximately $1.5 million of operating expense savings. In addition, for fiscal year 2009, the Commission reduced its planned capital improvement program ("CIP") spending. The portion of the five-year CIP funded with motor vehicle fuel tax revenues was reduced from $447.5 million to $243.4 million from fiscal year 2008 to 2009; the portion of the five-year CIP funded with Sales Tax and other Question 10 - Part 2 revenues was reduced from $530.7 million to $212.4 million from fiscal year 2008 to 2009.

In fiscal year 2010, tax revenues continue to decrease. For the first ten months of fiscal year 2010, ended April 30, 2010, County Motor Vehicle Fuel Tax revenues decreased by 2.8%, Jet Fuel Tax revenues decreased by 6.6%, and Sales Tax revenues decreased by 11.1%. These continuing declines in tax revenues were due to the recession that started in December 2007 and are expected to continue throughout fiscal year 2010. During fiscal year 2010, the Commission continued with actions to reduce expenditures, including 0% cost-of-living adjustments for employees subject to the SEIU bargaining unit; eliminated management raises and bonuses; adjusted fixed route service, resulting in savings of approximately $8.8 million; instituted operational efficiencies in paratransit services, saving approximately $1.7 million; continuing the hiring freeze instituted in 2009; and restricting the use of overtime.

In formulating the fiscal year 2011 budget, the Commission anticipated that the recession has hit the bottom, and County Motor Vehicle Fuel Tax revenues and Sales Tax revenues will be flat from fiscal year 2010 to fiscal year 2011.

Additional reductions in the components of the CIP also were in place for fiscal year 2010 for both programs, and currently are expected to continue into 2011 for the motor vehicle fuel tax program. The portion of the five-year CIP to be funded with motor vehicle fuel tax revenues is $34.3 million for fiscal year 2011 and currently is expected to be reduced to $18.5 million in fiscal year 2012. The portion of the five-year CIP funded with sales tax bond proceeds, Sales Tax revenue and other Question 10 - Part 2 revenues is $191.7 million for fiscal year 2011 and currently is expected to be reduced to approximately $1.4 million for fiscal year 2012. Capital funds that are not expended in a fiscal year will roll over to the next fiscal year.

Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Commission, through various interlocal agreements, uses the County for risk management administration. See Note 12 in the audited financial statements attached hereto as Appendix A for further information as to the Commission's risk management activities as of June 30, 2009. Effective January 1, 2010, the Commission separated from the County's liability and property insurance plans and now has policies in place with Travelers to cover all operations and property. In the opinion of the Chief Financial Officer, such coverage is adequate and customary for similar entities insuring similar operations and assets.

Outstanding Debt and Other Obligations

Outstanding Bonds. The following table illustrates the outstanding bonds and other obligations of the Commission as of July 1, 2010, after taking the issuance of the 2010 Bonds and the Refunding Project into account.

Commission's Proposed and Outstanding Indebtedness(1)*

	Dated Date	Maturity Date	Original Amount	Amount Outstanding
OBLIGATIONS PAID FROM PLEDGED REVENUES				
Bonds Payable from Pledged Revenues				
The 2010A Bonds	02/23/10	07/01/29	$ 69,595,000	$ 66,920,000
The 2010B Bonds (this issue)	08/10/10	07/01/21	108,340,000*	108,340,000*
The 2010C Bonds (this issue)	08/10/10	07/01/30	131,475,000*	131,475,000*
				306,375,000*
Other Obligations - Subordinate				
The Notes (2)(3)	Varies	Varies	200,000,000	0*
Total Obligations Payable from Pledged Revenues				306,375,000*
OBLIGATIONS PAID FROM OTHER REVENUES				
Bond Payable from Motor Vehicle Fuel Tax				
Improvement & Refunding Bonds, Series 2003	09/01/03	07/01/23	$200,000,000	$150,880,000
Improvement & Refunding Bonds, Series 2007	06/12/07	07/01/27	300,000,000	271,895,000
Improvement Bonds, Series 2010A1	02/25/10	07/01/29	32,595,000	32,595,000
Improvement & Refunding Bonds, Series 2010B	02/25/10	07/01/28	51,180,000	51,180,000
Total				506,550,000
Other Obligations - Subordinate				
MVFT Notes (3)(4)	Varies	Varies	200,000,000	27,000,000
Total Obligations Payable from Other Revenues				533,550,000
GRAND TOTAL				$840,285,000*

(1) After taking the issuance of the 2010 Bonds and the Refunding Project into account.
(2) Payable from the Pledged Revenues; the lien of the Notes on the Pledged Revenues is subordinate to the lien thereon of the 2010 Bonds. The Notes will be refunded with the proceeds of the 2010 Bonds.
(3) See "Commercial Paper Notes" below for a general description of the Notes and the MVFT Notes.
(4) Payable from certain Motor Vehicle Fuel Taxes. See the following paragraph.

Source: The Commission.

Commercial Paper Notes. In January 2008, the County established a commercial paper program allowing for the issuance of $200 million in tax-exempt commercial paper notes to be paid with sales and excise tax revenue (i.e., the Notes) to fund certain street and highways improvements projects incorporated in the RTP; $100 million in commercial paper notes have been issued pursuant to this program. Payment of the Notes is supported by direct-pay letters of credit issued by State Street Bank and Trust Company and The California State Teachers' Retirement System (collectively, the "credit facility providers"). The letters of credit provide for the payment of up to $200 million in principal amount of Notes, plus up to 270 days interest at a rate of 12% per annum. Each of the credit facility providers is severally liable for one-half of that amount. The letters of credit expire on January 23, 2015, unless terminated earlier or extended in accordance with their terms. Interest rates on the Notes are variable and averaged 0.51% as of June 30, 2009. The County reimburses the banks from Pledged Revenues; the Notes have a lien on the Pledged Revenues that is subordinate to the lien thereon of the 2010 Bonds.

After the Refunding Project, no Notes will remain outstanding and the County intends to terminate the commercial paper program and the associated letters of credit as of the date of the closing for the 2010 Bonds.

* Subject to change.

In February 2008, the County established a commercial paper program allowing for the issuance of $200 million in tax-exempt commercial paper notes (the "MVFT Notes") for the streets and highways improvements projects incorporated in the RTP. Of that amount, $80 million has been issued under the program; $27 million in MVFT Notes currently remain outstanding. Payment of the MVFT Notes is supported by a direct-pay letter of credit issued by BNP Paribas, acting through its San Francisco Branch. The letter of credit expires on March 4, 2013, unless terminated earlier or extended in accordance with its terms. Interest rates on the MVFT Notes are variable and averaged 0.57% as of June 30, 2009. During 2010, the County expects to begin the process of reducing the available amount of the letter of credit to provide for the payment of up to $100 million in principal amount of MVFT Notes, plus applicable interest. That action, when taken, will effectively limit the amount of MVFT Notes that may be issued in the future under this commercial paper program.

Other Obligations. The Commission has several other types of outstanding obligations, including liabilities for compensated absences (described in Notes 1 and 7 to the audited financial statements) and operating leases (described in Note 8 to the audited financial statements).

In 2007, the Commission entered into a 40-year land lease with LiveWork, LLC. The base rent under this lease is $1.25 million per year, with a 3% escalation in the 5th year and every five years thereafter, as well as annual cost of living increases. This lease is cancelable by the Commission if funds become unavailable. The Commission uses funds in its proprietary fund (not its governmental funds) to pay this lease. As a condition of this lease, the Commission provided the lessor with a $5 million letter of credit as a security deposit. The letter of credit has not been drawn upon. See Note 8 in the audited financial statements attached hereto as Appendix A for further information.

Commodity Swap. The Commission actively engages in commodity swap agreements for the purpose of reducing the effects of the volatility of diesel fuel prices and to provide for future operations at a known and budgeted cost. See Note 14 in the audited financial statements attached hereto as Appendix A for a description of the Commission's commodity swaps as of June 30, 2009. The Commission has entered into a new two-year fuel swap agreement effective July 1, 2010.

CLARK COUNTY, NEVADA

General

Clark County, a political subdivision of the State, was organized in 1909. The County has been and is now operating under the provisions of the general laws of the State. The County covers an area of 8,012 square miles in the southern portion of the State. Approximately 92% of the land in the County is owned by the United States or agencies thereof. The County is the most populous of the State's 17 counties and holds approximately 71.8% of the State's total population. The County seat and most populous city in the State is the City of Las Vegas. The economy of the County is dependent largely on tourism (which is based on legalized gaming and related forms of entertainment), federal government activities, industry, finance and retail merchandising.

The County provides a variety of governmental services, such as those of the County recorder, assessor and treasurer, and a criminal justice system, which includes the courts, district attorney, and public defender. In addition, the County provides local social and welfare services and local institutional youth services. The County also operates local public airports and hospitals from revenues provided from operations. The County supervises water and sewage systems through the Las Vegas Valley Water District, the Clark County Water Reclamation District, the Big Bend Water District, the Kyle Canyon Water District and the Coyote Springs Water Resources General Improvement District. The County provides road maintenance and construction, animal control, parks and recreation, fire protection, building inspection, and other local services to its unincorporated areas.

Board of County Commissioners

The Board of County Commissioners is the governing body of the County. The seven members are elected from County commission election districts for four-year staggered terms. The County Board members also serve as the directors of the Las Vegas Valley Water District, as trustees of the University Medical Center of Southern Nevada, the Clark County Water Reclamation District, the Big Bend Water District, the Kyle Canyon Water District, the Coyote Springs Water Resources General Improvement District, and as members of the Clark County Redevelopment Agency, the Clark County Liquor and Gaming Licensing Board, and the Mount Charleston Fire Protection District.

The County Board is also represented on: the Regional Transportation Commission of Southern Nevada, Clark County Regional Flood Control District, Debt Management Commission, Las Vegas Metropolitan Police Committee on Fiscal Affairs, Nevada Development Authority, Family and Juvenile Justice Services Policy and Fiscal Affairs Board, Nevada Association of Counties Executive Committee, National Association of Counties Board of Directors, Southern Nevada District Board of Health, Criminal Justice Advisory Commission (formerly known as the Regional Jail Commission), Southern Nevada Regional Planning Coalition (formerly known as the Government Efficiency Committee), Las Vegas Convention and Visitors Authority, Clark County School District Oversight Panel, Southern Nevada Workforce Investment Board, Southern Nevada Water Authority, Clean Water Coalition, Airport Hazard Areas Board of Adjustments, Air Pollution Control Hearing Board, Boulder City Library District Board of Trustees, Clark County Advisory Board to Manage Wildlife, Clark County Animal Advisory Committee, Clark County Board of Equalization, Clark County Boat Facilities and Safety Committee, Clark County Business Development Advisory Council, Southern Nevada Regional Planning Commission A-95 Clearinghouse Subcommittee (formerly known as the Clark County Clearinghouse Council), Clark County Parks and Recreation Advisory Council, Clark County Planning Commission, Clark County Senior Advisory Council, Clark County Shooting Park, Combined Board of Building Appeals, Community Development Advisory Committee, Family Services Citizens Advisory Committee, Henderson Library District Board of Trustees, Jaycee Mobile Home Park Committee, Juvenile Justice/Family Services Citizens Advisory Committee, Las Vegas-Clark County Library District Board of Trustees, Local Emergency Planning Committee, Local law Enforcement Advisory Board (Justice Assistance Grant), Moapa Valley TV Maintenance District, Nuclear Waste (Yucca Mountain) Advisory Committee, Southern Nevada Enterprise Committee (SNEC), Southern Nevada Area Communications Council, Ryan White Title I Planning Council, Nevada Test Site Development Corporation, Economic Opportunity Board (EOB), and Nevada Business Service.

The current members of the County Board and their terms of office are as follows:

Commission Member	Years of Service	Expiration of Current Term
Rory Reid, Chairman	7 years	2011
Susan Brager, Vice Chair	3 years	2011
Lawrence L. Brown, III	1 year	2013
Tom Collins	5 years	2013
Chris Giunchigliani	3 years	2011
Steve Sisolak	1 year	2013
Lawrence Weekly	3 years	2013

County Commissioners are subject to term limitations (12 years) pursuant to a constitutional amendment approved by State voters in 1996.

Administration

The County Manager is the County's chief executive officer and serves at the pleasure of the Board. Virginia Valentine is the County Manager. A brief biography follows.

Virginia Valentine was appointed as County Manager of the County effective August 11, 2006. Previously, she was Assistant County Manager for the County since November 2002. As Assistant County Manager she oversaw numerous County departments including Air Quality & Environment Management, Comprehensive Planning, Development Services, Fire, Public Works, Real Property Management, Redevelopment Agency, Assessor, Recorder and the Clark County Water Reclamation District. Prior to her service to the County, Ms. Valentine served as City Manager for the City of Las Vegas, Nevada. Her appointment at Las Vegas in 1998 was preceded by her position as Senior Vice President of Post, Buckley, Schuh & Jernigan (PBSJ), a national consulting engineering firm. At PBSJ, Ms. Valentine was principal in charge of the Public Works and Environmental projects. Ms. Valentine was the first Chief Engineer and General Manager of the Clark County Regional Flood Control District, which was created in 1986. As general manager of the newly formed agency, she developed all the district's programs including master planning, capital improvement, regulatory, flood warning and stormwater quality programs. Ms. Valentine has a Master of Public Administration degree from the University of Nevada, Las Vegas and a Bachelor of Science degree in engineering from the University of Idaho.

Financial Statements

The Pledged Revenues are accounted for by the Commission. Accordingly, no financial information is provided for the County. The County's CAFR for the year ended June 30, 2009, currently can be found at the following internet address: www.accessclarkcounty.com/depts/Comptroller/pages/cafr.aspx.

ECONOMIC AND DEMOGRAPHIC INFORMATION

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

Population and Age Distribution

Population. The table below sets forth the population growth of the County and the State since 1970. Between 2000 and 2009, the County's population increased 41.9% and the State's population increased 35.7%.

Population

Year	Clark County	Percent Change	State of Nevada	Percent Change
1970	273,288	--	488,738	--
1980	463,087	69.6%	800,493	63.8%
1990	741,459	60.1	1,201,833	50.1
2000	1,375,765	85.5	1,998,257	66.3
2005	1,796,380	--	2,518,869	--
2006	1,874,837	4.4	2,623,050	4.1
2007	1,954,319	4.2	2,718,337	3.6
2008	1,967,716	0.7	2,738,733	0.8
2009	1,952,040	(0.8)	2,711,205	(1.0)

Sources: 1970, 1980, 1990 and 2000 are U.S. census figures as of April 1st. Figures for 2005 - 2009 are estimates by the Nevada State Demographer as of July 1st, and are subject to periodic revision.

Age Distribution. The following table sets forth a comparative age distribution profile for the County, the State and the United States as of January 1, 2010.

Age Distribution

	Percent of Population		
Age	Clark County	State of Nevada	United States
0-17	26.4%	25.7%	24.3%
18-24	8.2	8.4	9.7
25-34	14.8	14.3	13.3
35-44	15.1	14.5	13.6
45-54	13.6	13.8	14.4
55-64	10.9	11.4	11.5
65-74	6.6	7.0	7.0
75 and Older	4.4	4.9	6.2

Source: © 2010 The Nielsen Company, *SiteReports*.

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
2006	$43,682	$43,676	$40,529
2007	45,135	45,041	41,255
2008	48,012	47,381	41,792
2009	48,555	48,138	42,513
2010	49,096	48,659	43,252

Source: © The Nielsen Company, *SiteReports*, 2009-2010. (Prior years provided by Nielsen Claritas-informed publication: Trade Dimensions International Inc. – Demographics USA – County Edition, 2006-2008.)

Percent of Households by Effective Buying Income Groups - 2010

Effective Buying Income Group	Clark County Households	State of Nevada Households	United States Households
Under $24,999	19.6%	20.0%	26.2%
$25,000 - $49,999	31.6	31.7	32.1
$50,000 - $74,999	22.5	22.6	20.1
$75,000 - $99,999	14.3	14.2	11.1
$100,000 - $149,999	7.7	7.3	6.5
$150,000 or more	4.3	4.2	4.0

Source: © 2010 The Nielsen Company, *SiteReports*.

The following table sets forth the annual per capita personal income levels for the residents of the County, the State and the nation.

Per Capita Personal Income[1]

Year	Clark County	State of Nevada	United States
2004	$34,285	$35,277	$33,881
2005	37,555	38,117	35,424
2006	38,730	39,231	37,698
2007	39,945	40,930	39,392
2008	39,920	40,936	40,166
2009[2]	n/a	38,578	39,138

(1) County figures revised April 2010; state and national figures revised March 2010. All figures are subject to periodic revisions.
(2) Preliminary.

Source: United States Department of Commerce, Bureau of Economic Analysis.

Employment

Beginning with the release of January 2005 data, the State of Nevada's Department of Employment, Training and Rehabilitation began publishing labor force and industrial employment data using a new Bureau of Labor Statistics 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." The average annual labor force summary for the Las Vegas-Paradise MSA is as follows:

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

Calendar Year[1]	2005	2006	2007	2008	2009	2010[2]
TOTAL LABOR FORCE	873.4	917.4	953.6	999.3	982.5	986.6
Unemployment	36.4	38.4	45.9	67.1	117.4	137.4
Unemployment Rate[3]	4.2%	4.2%	4.8%	6.7%	12.0%	13.9%
Total Employment[4]	837.0	879.0	907.7	932.2	865.1	849.2

(1) Revised 2005 numbers as of May 2007; revised 2006 and 2007 numbers as of April 2008; revised 2008 number as of January 2009; and revised 2009 numbers as of February 2010.
(2) Averaged figures through May 2010.
(3) The annual average U.S. unemployment rates for the years 2005 through 2009 are 5.1%, 4.6%, 4.6%, 5.8% and 9.3%, respectively.
(4) Adjusted by census relationships to reflect number of persons by place of residence.

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and 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	2005	2006	2007	2008	2009	2010[2]
Natural Resources and Mining	0.4	0.5	0.5	0.4	0.3	0.2
Construction	101.5	108.6	102.7	92.4	64.4	49.4
Manufacturing	25.0	27.1	26.7	25.4	21.1	20.1
Trade (Wholesale and Retail)	116.0	121.3	124.2	123.5	113.0	108.1
Transportation, Warehousing & Utilities	32.4	34.8	36.9	37.4	35.2	33.3
Information	10.4	11.0	11.3	11.0	9.6	9.0
Financial Activities	48.8	50.2	50.0	47.4	42.5	40.4
Professional and Business Services	106.1	115.2	116.2	111.6	99.9	100.7
Education and Health Services	57.6	60.1	63.4	66.4	67.6	69.0
Leisure and Hospitality (casinos excluded)	87.4	93.3	98.6	101.8	93.6	92.5
Casino Hotels and Gaming	174.9	178.4	174.5	167.7	157.0	153.1
Other Services	23.5	24.8	25.6	25.7	23.6	23.7
Government	87.5	92.1	97.5	101.7	98.6	97.9
TOTAL ALL INDUSTRIES	871.6	917.3	928.0	912.3	826.3	797.5

(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. All numbers are subject to periodic revision.
(2) Averaged figures through May 2010.

Source: Research and Analysis Bureau, Nevada Dept. 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
4th Quarter 2009

Employer	Employment Range	Industry
Clark County School District	30,000 - 39,999	Public education
Clark County	8,500 - 8,999	Local government
Aria Resort & Casino LLC	7,500 - 7,999	Casino hotel
MGM Grand Hotel/Casino	7,500 - 7,999	Casino hotel
Bellagio LLC	7,000 - 7,499	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	5,000 - 5,499	University
Caesars Palace	4,500 - 4,999	Casino hotel
The Venetian Casino Resort	4,000 - 4,499	Casino hotel

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and 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	4th Qtr 2009	4th Qtr 2008	Percent Change 2009/2008	Employment Totals 4th Qtr 2009
TOTAL NUMBER OF WORKSITES	48,967	50,633	(2.0)%	713,954
Less Than 10 Employees	37,544	38,473	(2.4)	88,792
10-19 Employees	5,620	5,850	(3.9)	76,539
20-49 Employees	3,586	3,884	(7.7)	107,009
50-99 Employees	1,273	1,375	(7.4)	87,525
100-249 Employees	649	730	(11.1)	95,469
250-499 Employees	150	154	(2.6)	52,183
500-999 Employees	86	101	(14.9)	59,524
1000+ Employees	59	66	(10.6)	146,913

(1) Subject to revisions.

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and 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)
July 08-Apr 09	$26,558,845,554	--	$35,551,949,644	--
July 09-Apr 10	23,206,362,773	(12.6)%	31,307,419,731	(11.9)%

(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[1]
(Values in Thousands)

	2006		2007		2008		2009		2010[3]	
	Permits	Value	Permits	Value	Permits	Value	Permits	Value	Permits	Value
Las Vegas	2,998	$ 386,419	2,406	$ 319,664	1,152	$262,902	758	$110,310	584	$87,369
North Las Vegas	3,990	633,934	2,346	336,718	907	215,858	529	71,285	405	51,061
Henderson	4,326	621,443	2,463	345,828	1,098	146,907	527	64,992	422	50,891
Mesquite	337	50,433	479	66,124	378	60,870	105	15,485	104	15,881
Unincorporated Clark County	10,022	2,270,947	6,102	2,818,856	2,676	619,447	2,019	225,503	1,425	145,078
Boulder City[1][2]	16	7,979	19	4,430	88	15,388	--	--	2	654
TOTAL	21,689	$3,971,155	13,815	$3,891,620	6,299	$1,309,428	3,938	$487,575	2,942	$350,934

(1) Boulder City imposed a strict growth control ordinance effective July 1, 1979.
(2) Due to problems with a new computer program, Boulder City did not generate 2009 reports.
(3) Permits issued through June 2010, with the exception of Boulder City data which reflects issuances through March 2010.

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	2010[2]
Las Vegas	$1,517,709,030	$1,662,736,850	$1,085,621,651	$ 715,859,589	$ 891,031,421	$ 165,368,009
North Las Vegas	1,311,961,499	881,272,586	906,339,931	468,943,518	212,624,500	135,947,839
Henderson	1,104,540,539	946,162,801	808,502,032	446,490,205	182,468,813	90,479,067
Mesquite	148,668,272	95,349,631	117,115,672	102,527,883	27,030,053	19,296,792
Unincorporated Clark County	4,221,262,482	4,877,842,956	6,840,305,524	4,219,999,765	1,093,816,982	394,821,217
Boulder City	20,067,637	29,721,714	14,317,325	36,862,942	--(1)	7,280,799
TOTAL	$8,324,209,459	$8,493,086,538	$9,772,202,135	$5,990,683,902	$2,406,971,769	$1,000,929,546
Percent Change	12.07%	2.03%	15.06%	(38.70)%	(59.82)%	--

(1) Boulder City 2009 numbers are not available due to computer program malfunction.
(2) Permits issued through June 2010, excepting Boulder City data which reflects issuances through March 2010.

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

Gaming

General. The economy of County (and the State) is substantially dependent upon the tourist industry, which is based on legalized casino gambling and related forms of entertainment. Prior to 2002, gross taxable gaming revenues in the State and the County had never declined on a year-to-year basis, notwithstanding the changing economic condition of the United States, although the rate of growth had fluctuated over time. The following table shows a history of the gross taxable gaming revenue and total gaming taxes collected in the County and the State. Over the last five years, an average of 83% of the State's total gross taxable gaming revenue has been generated from Clark 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
2005	$10,609,819,932	$ 8,742,377,274	--	$ 904,122,239	$754,652,285	--
2006	11,802,532,867	9,835,182,641	12.50%	1,002,447,124	848,204,810	12.40%
2007	12,220,635,559	10,234,740,450	4.06	1,036,688,550	880,339,709	3.79
2008	11,925,274,493	10,022,684,089	(2.07)	980,052,427	831,333,768	(5.57)
2009	10,244,586,809	8,571,914,664	(14.47)	858,007,713	730,603,021	(12.12)
July 08 – May 09	$9,446,633,991	$7,904,812,347	--	$734,223,075	$619,482,395	--
July 09 – May 10	8,876,217,304	7,484,754,536	(5.31)%	698,840,342	592,559,700	(4.35)%

(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 County 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. It is not possible to predict at this time whether tribal casinos will negatively impact County 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 the 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.

One 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 2005. Las Vegas, as did most of the tourism industry, saw declines in tourism indicators in 2008 and 2009 as the combined economic factors of the housing crisis, frozen credit markets, volatile gas prices and increased unemployment translated to reduced consumer confidence and travel spending in much of the country.

Visitor Volume and Room Occupancy Rate
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]
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
2009	36,351,469	148,941	81.5	55.1
2010[3]	15,421,241	148,542	80.0	--

(1) The sample size for this survey represents approximately 75% of the hotel/motel rooms available.
(2) Smith Travel Research, Lodging Outlook.
(3) Data through May 2010. The total visitor volume represents a 1.5% increase over the same five-month period in 2009.

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.

Room Tax Revenue[1]
Las Vegas Convention & Visitors Authority, Nevada

Calendar Year	Revenue	Percent Change
2005	$193,136,789	--
2006	207,289,931	7.33%
2007	219,713,911	5.99
2008	207,117,817	(5.73)
2009	153,150,310	(26.06)
2010[2]	55,182,556	--

(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 April 2010.

Source: Las Vegas Convention and Visitors Authority.

Transportation

The 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 the County.

McCarran was the seventh 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 in 2008 and 2009. 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
2005	40,948,538	4,951,161	45,899,699	--
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	42,297,497	1,777,145	44,074,642	(7.7)
2009	39,095,919	1,373,093	40,469,012	(8.2)
Jan-May 2009	16,309,547	477,604	16,787,151	--
Jan-May 2010	15,467,800	745,478	16,213,278	(3.4)%

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 Air Force Base) 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.

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.

CenturyLink (formerly 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.

Water

The major water purveyors in the County are: The Big Bend Water District, Boulder City, Henderson, the Las Vegas Valley Water District (the "LVVWD"), Nellis Air Force Base, and North Las Vegas. The LVVWD provides water service to the City of Las Vegas, the unincorporated urban areas of the County, Jean, Mt. Charleston, Blue Diamond, and Searchlight. The Big Bend Water District serves the Town of Laughlin. In addition, the Virgin Valley Water District serves the City of Mesquite and surrounding area, and the Moapa Valley Water District serves Logandale, Overton, Moapa and Glendale.

In July 1991, a regional water entity was created for southern Nevada. This new entity, the Southern Nevada Water Authority (the "SNWA"), was established in recognition of the need to address water on a regional basis rather than an individual purveyor basis. The members of the SNWA include the cities of Boulder City, Henderson, Las Vegas and North Las Vegas, the Big Bend Water District, the County Water Reclamation District (formerly Clark County Sanitation District), and the LVVWD. Among other things, this agency is addressing water resource management and water conservation on a regional basis; planning, managing and developing additional supplies of water for southern Nevada; and expanding and enhancing regional treatment and delivery capabilities. The LVVWD provides the management and staff for the SNWA.

The Southern Nevada Water System (the "SNWS") is a water supply system comprised of two water treatment plants and pumping and transmission facilities with an annual delivery capacity of approximately 750 million gallons per day (mgd). Water is treated after diversion from Lake Mead and the potable product is delivered to the SNWA water purveyors. As a result of legislative action in 1995, the SNWS was transferred from the Colorado River Commission (the "CRC") to the SNWA. The LVVWD, under a facilities and operations agreement with the SNWA, operates the SNWS for the benefit of all SNWA water purveyor member agencies.

The State's annual consumptive use right to Colorado River water is 300,000 acre-feet. This right was established pursuant to the Colorado River Compact, various federal laws and contracts and various court decrees. Consumptive use is the amount of water withdrawn, less water that is returned to the river. The SNWA and its purveyor members' share of the State's annual Colorado River consumptive use right is about 272,000 acre-feet annually. The SNWA also has a contract right to unused and surplus Colorado River water when available as determined by the Secretary of the Interior.

As part of its mission, the SNWA maintains several key planning documents, including a Water Resource Plan and a Drought Plan. These documents summarize existing resources and options that reflect current conditions. The SNWA is engaged in the development of additional in-state water resources. The development of these in-state resources will be a significant focus of the SNWA over the next decade.

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 the County as a Subpart 1 ozone nonattainment area. The classification requires the 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, the 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. The 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.

TAX MATTERS

Federal Tax Matters

Tax-Exempt Bonds. In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the 2010B Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Tax Code, and interest on the 2010B Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code.

The Tax Code imposes several requirements which must be met with respect to the 2010B 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 2010B Bonds. These requirements include: (a) limitations as to the use of proceeds of the 2010B Bonds; (b) limitations on the extent to which proceeds of the 2010B 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 2010B Bonds above the yield on the 2010B Bonds to be paid to the United States Treasury. The County 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 2010B Bonds from gross income and alternative minimum taxable income under such federal income tax laws in effect when the 2010B Bonds are delivered. Bond Counsel's opinion as to the exclusion of interest on the 2010B 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 County to comply with these requirements could cause the interest on the 2010B 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 County and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the 2010B Bonds. Owners of the 2010B 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 2010B 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 2010B Bonds were sold at a premium, representing a difference between the original offering price of those 2010B 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 on the 2010B

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 2010B Bonds. Owners of the 2010B 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 2010B 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 2010B Bonds, the exclusion of interest on the 2010B Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the 2010B 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 2010B Bonds. Owners of the 2010B Bonds are advised to consult with their own tax advisors with respect to such matters.

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 2010B Bonds. If an audit is commenced, the market value of the 2010B Bonds may be adversely affected. Under current audit procedures the Service will treat the County as the taxpayer and the 2010B Bond owners may have no right to participate in such procedures. The County has covenanted in the Bond Ordinance not to take any action that would cause the interest on the 2010B Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income for the owners thereof for federal income tax purposes. None of the County, the County, the Financial Advisors, the Initial Purchasers, Bond Counsel or Special Counsel is responsible for paying or reimbursing any 2010B Bond holder with respect to any audit or litigation costs relating to the 2010B Bonds.

Build America Bonds. In the opinion of Bond Counsel, interest on the 2010C Bonds *is included* in gross income pursuant to the Tax Code. The County has designated the 2010C Bonds as “Build America Bonds” pursuant to Section 54AA(d)(1) of the Tax Code. Pursuant to Section 54AA(g)(2) of the Tax Code, the County has elected to receive a credit under Section 6431 of the Tax Code in connection with the 2010C Bonds, in lieu of any credit otherwise available to the Owners under Section 54AA(a) of the Tax Code. The owners of the 2010C Bonds will not receive a tax credit as a result of holding the 2010C Bonds.

The Tax Code contains numerous provisions which may affect an investor’s decision to purchase the 2010C Bonds. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the 2010C 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.

The opinions expressed by Bond Counsel are based on existing law as of the delivery date of the 2010C 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 2010C Bonds. In addition, future court actions or regulatory decisions could affect the market value of the 2010C Bonds. Owners of the 2010C Bonds are advised to consult with their own tax advisors with respect to such matters.

The Service routinely examines municipal bond issues for compliance with the applicable tax laws and regulations. Like other municipal bonds, Build America Bonds, and the application of the proceeds thereof to expenditures, are subject to numerous requirements set forth in the Tax Code and regulations promulgated thereunder, and are subject to scrutiny by the Service. The Service's scrutiny of such bonds is likely to include an inquiry into the requirement that proceeds of such bonds, net of any proceeds used for issuance costs and funding of a reserve fund, must be used for "capital expenditures", as that term is used in Section 54AA of the Tax Code. Further, the Service may determine to examine a greater percentage of Build America Bonds than the percentage of other municipal bonds it examines under its current practices. If, as a result of such an examination of the 2010C Bonds, the Service makes an initial determination that the County did not comply with the applicable rules, the Service could suspend paying BAB Credits to the County even before it makes a final determination that the applicable tax rules were violated. In addition, the Service could seek to recover BAB Credits previously paid to the County.

Any tax advice concerning the 2010C Bonds, interest on the 2010C Bonds or any other federal income tax issues associated with the 2010C Bonds, express or implicit in the provisions of this Official Statement, is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on any taxpayer by the Service. This document supports the promotion or marketing of the transactions or matters addressed herein. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

State Tax Exemption

The 2010 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.

LEGAL MATTERS

Litigation

The County. There are various suits pending in courts within the State to which the County is a party. In the opinion of the District Attorney, there is no litigation or controversy of any nature now pending, or to the knowledge of the District Attorney, threatened, (i) restraining or enjoining the issuance, sale, execution or delivery of the 2010 Bonds or (ii) in any way contesting or affecting the validity of the 2010 Bonds or any proceedings of the County 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 2010 Bonds (including the Pledged Revenues), or the corporate existence or the powers of the County.

The Commission. The Commission is subject to certain pending and threatened litigation regarding various matters arising in the ordinary course of the Commission's operations. However, it is the opinion of Counsel to the Commission that the pending or threatened litigation will not result in final judgments against the Commission which would, individually or in the aggregate, adversely affect the Commission's financial position or its ability to apply the Pledged Revenues to pay debt service on the 2010 Bonds.

Sovereign Immunity

Pursuant to State statute (NRS Section 41.035), an award for damages in an action sounding in tort against the County 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 County and the Commission. 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.

Approval of Certain Legal Proceedings

The approving opinions of Swendseid & Stern, a member in Sherman & Howard L.L.C., as Bond Counsel, will be delivered with each series of the 2010 Bonds. A form of each bond counsel opinion is attached to this Official Statement as Appendix E. Each opinion will include a statement that the obligations of the County are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the federal constitution, including bankruptcy. Swendseid & Stern, a member in Sherman & Howard L.L.C. has also acted as Special Counsel to the County in connection with this Official Statement. Certain matters will be passed upon for the County by the District Attorney.

Police Power

The obligations of the County 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.

FINANCIAL ADVISORS

Hobbs, Ong & Associates, Inc. and Public Financial Management, Inc. are serving as Financial Advisors to the Commission in connection with the 2010 Bonds. See "INTRODUCTION--Additional Information" for contact information for the Financial Advisors. The Financial Advisors have not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the County or the Commission, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Financial Advisors respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement.

INDEPENDENT AUDITORS

The Commission's audited basic component unit financial statements as of and for the year ended June 30, 2009, and the report rendered thereon by Piercy Bowler Taylor & Kern, Las Vegas, Nevada, independent certified public accountants, Las Vegas, Nevada have been included in this Official Statement as Appendix A.

The audited basic financial statements of the Commission, including the auditor's 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 basic financial statements in this Official Statement. The Commission has not requested that its auditors provide consent for inclusion of its audited financial statements in this Official Statement and Piercy Bowler Taylor & Kern has not participated in any way in the preparation of this Official Statement. Further, since the date of its report, Piercy Bowler Taylor & Kern 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

Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies ("S&P") have assigned the 2010 Bonds the ratings shown on the cover page of this Official Statement. 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, NY 10007.

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 Commission's obligations under the Disclosure Certificate, none of the Commission, the County or the Financial Advisors has undertaken any responsibility either to bring to the attention of the owners of the 2010 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 2010 Bonds.

PUBLIC SALE

The County intends to offer each series of the 2010 Bonds at public sale on July 29, 2010. See Appendix F - Official Notice of Bond Sale.

OFFICIAL STATEMENT CERTIFICATION

The undersigned official hereby confirms and certifies that the execution and delivery of this Official Statement and its use in connection with the offering and sale of the 2010 Bonds has been duly authorized by the Board.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA (ON BEHALF OF CLARK COUNTY, NEVADA)

By:____

Director of Finance

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APPENDIX A

AUDITED COMPONENT UNIT FINANCIAL STATEMENTS OF THE REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE: The audited basic financial statements of the Commission included in this Appendix A have been excerpted from the Commission's component unit audited financial statements for the fiscal year ended June 30, 2009. The combining and individual fund financial statements for the fiscal year ended June 30, 2009, were purposely excluded from this Appendix A. Such statements provide supporting details and are not necessary for a fair presentation of the general purpose financial statement of the Commission. *Prospective investors are cautioned that the 2010 Bonds are payable solely from Pledged Revenues. Inclusion of the basic financial statements of the Commission is for informational purposes only and does not imply that the 2010 Bonds constitute a general obligation of the Commission or a lien on any revenues other than the Pledged Revenues.*

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REGIONAL TRANSPORTATION
COMMISSION OF SOUTHERN NEVADA

COMPONENT UNIT
FINANCIAL STATEMENTS

JUNE 30, 2009

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PBTK PIERCY BOWLER TAYLOR & KERN
Certified Public Accountants • Business Advisors

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Board of Commissioners
Regional Transportation Commission of Southern Nevada
Las Vegas, Nevada

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Regional Transportation Commission of Southern Nevada (the RTC) as of and for the year ended June 30, 2009, which collectively comprise the RTC's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the RTC's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States, and *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 RTC'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 basic 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 opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the RTC, as of June 30, 2009, and the respective changes in its financial position and cash flows, where applicable, thereof for the years then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2009, on our consideration of the RTC'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 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 audits.

The management's discussion and analysis on pages 4 through 10 and the schedule of funding progress, other postemployment benefit plans, and schedules of revenues, expenditures and changes in fund balances-budget to actual on pages 46 through 50 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States. 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 an opinion on the financial statements that collectively comprise the RTC's basic financial statements. The individual fund financial statements and schedules 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.

Piercy Bowler Taylor & Kern

December 9, 2009

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MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

The Management Discussion and Analysis (MD&A) of the Regional Transportation Commission of Southern Nevada's (RTC) financial performance provides an introduction and overview to the financial statements of the RTC for the fiscal year ended June 30, 2009. The information contained in this MD&A should be considered in conjunction with the information contained in the financial statements and accompanying notes in this report.

FINANCIAL STATEMENTS

The RTC's financial statements are prepared in accordance with accounting principles generally accepted in the United States as promulgated by the Governmental Accounting Standards Board (GASB). The RTC is structured with several governmental funds for administration, debt service and street and highway construction, and one proprietary fund for public transit operations. In the proprietary fund and government-wide financial statements, revenues are recognized when earned, not when received and expenses are recognized when incurred, not when they are paid. Capital assets, except land, are depreciated over their useful lives. A portion of net assets is restricted for debt service and for street and highway projects. See the financial statement notes for a summary of the RTC's significant accounting policies. The following is a brief discussion of the structure of the basic financial statements:

Government-wide Financial Statements

The government-wide financial statements are designed to provide a broad overview of the RTC's finances. These statements are structured around the primary government. They are further divided into governmental activities and business-type activities. Governmental activities being those generally financed through taxes and intergovernmental revenues, while business-type activities are those financed primarily by charging external parties for goods or services received.

The statement of net assets presents information on all of the RTC's assets and liabilities, with the difference between the two reported as net assets. Net assets are segregated into three components: invested in capital assets, net of related debt, restricted, and unrestricted net assets.

The statement of activities presents information showing how the RTC's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, there are some revenues and expenses reported in this statement that will result in cash flows in future fiscal periods.

Fund Financial Statements

Fund financial statements provide detailed information about the RTC's funds. The RTC has two categories of funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements described above. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting, which focuses on near-term inflows and outflows of available resources, as well as on balances of available resources at the end of the fiscal year. To provide a better understanding of the relationship between the governmental fund financial statements and government-wide financial statements, reconciliations are provided detailing the differences between the two financial statements' balances and results.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows are reported as proprietary funds. The RTC reports one type of proprietary fund, an enterprise fund. Enterprise funds are used to report an activity where fees are charged to external users. The RTC's sole enterprise fund, the Public Transit Fund, is used to account for transit operations.

FINANCIAL HIGHLIGHTS

The governmental activities of the RTC consist of two highway improvement funds, two debt service funds, and two funds utilized to account for administration of the RTC and distribution of a portion of the sales and use tax revenue. The RTC funds a portion of street and highway projects for Clark County, the City of Las Vegas, City of Henderson, City of North Las Vegas, City of Boulder City, City of Mesquite, Bunkerville, Indian Springs, Laughlin, Moapa, Moapa Valley, Mt. Charleston, and Searchlight, (collectively referred to as the Jurisdictions) through the nine cent motor vehicle fuel tax and a portion of the sales and use tax revenue allocated to the RTC Highway Improvement Fund. The business-type activities consist solely of the RTC Public Transit System, accounted for in an enterprise fund. The continued construction of streets and highways, public transit facilities, and the acquisition of public transit equipment account for the majority of the changes in the balances reported in the statement of net assets.

Condensed Statements of Net Assets

	Governmental Activities		Business Type Activities		Total	
	FY 2009	FY 2008	FY 2009	FY 2008	FY 2009	FY 2008
ASSETS:		(Restated)		(Restated)		(Restated)
Current and other assets	$ 308,569,184	$ 303,147,762	$ 131,159,732	$ 129,239,222	$ 439,728,916	$ 432,386,984
Net capital assets	16,245,708	16,818,288	424,520,870	325,464,807	440,766,578	342,283,095
Total assets	324,814,892	319,966,050	555,680,602	454,704,029	880,495,494	774,670,079
LIABILITIES:						
Long-term debt outstanding	651,394,861	587,731,483	1,606,500	1,318,288	653,001,361	589,049,771
Other liabilities	102,050,842	83,305,279	59,399,968	61,014,928	161,450,810	144,320,207
Total liabilities	753,445,703	671,036,762	61,006,468	62,333,216	814,452,171	733,369,978
NET ASSETS:						
Invested in capital assets, net of related debt	16,245,708	16,818,289	424,520,870	325,464,807	440,766,578	342,283,096
Restricted	197,429,688				197,429,688	
Unrestricted (deficit)	(642,306,207)	(367,889,001)	70,153,264	66,906,006	(572,152,943)	(300,982,995)
TOTAL NET ASSETS	$(428,630,811)	$(351,070,712)	$ 494,674,134	$ 392,370,813	$ 66,043,323	$ 41,300,101

The increase in long-term debt outstanding and the unrestricted deficit is due to the RTC expending $185,288,338 on streets and highway projects for the Jurisdictions, and issuing out an additional $80,000,000 of commercial paper to help fund these projects. The RTC reimburses the Jurisdictions for approved expenditures on street and highway projects, and the Jurisdictions retain and maintain the improved assets. RTC's borrowing to help fund jurisdictional street and highway improvement projects contributes to the accumulated deficit in the RTC governmental funds as the resulting debt is retained and serviced by the RTC.

The increase in the business-type activities net capital assets is due to the continued construction of public transit facilities, the acquisition of 51 new ACE rapid transit vehicles that will be deployed to serve several new premium routes, and the acquisition of 77 new forty-foot, low-floor transit vehicles that will serve the general market. A major facility under construction at June 30, 2009 is the Sunset Maintenance Facility. When completed the Sunset Maintenance Facility will service double-deck Deuce vehicles, the new ACE rapid transit vehicles and the paratransit fleet. The building sits on 36.6 acres and will replace a rented bus maintenance yard that the RTC has outgrown. Also, under construction at June 30, 2009, are the ACE Gold Line street improvements that will provide dedicated bus lanes for the ACE rapid transit vehicles to use in transporting passengers to and from downtown Las Vegas and the Las Vegas strip.

A portion of the RTC's net assets ($71,533,729 as of June 30, 2009) represents bond debt service and reserve funds that are subject to external restrictions on how they can be used under bond covenants. The balance of restricted net assets is comprised of resources restricted for street and highway projects.

Condensed Statements of Activities

	Governmental Activities		Business Type Activities		Total	
	FY 2009	FY 2008	FY 2009	FY 2008	FY 2009	FY 2008
PROGRAM REVENUES		(Restated)		(Restated)		(Restated)
Charges for services		$ 327,689	$ 61,085,195	$ 56,315,808	$ 61,085,195	$ 56,643,497
Operating grants and contributions	$ 4,769,506	3,329,277	8,363	1,081,337	4,777,869	4,410,614
Capital grants and contributions	358,656	-	129,318,636	25,376,346	129,677,292	25,376,346
GENERAL REVENUES						
Motor vehicle fuel tax	67,282,816	70,205,639	-	-	67,282,816	70,205,639
Jet-aviation fuel tax	4,193,978	4,749,177	-	-	4,193,978	4,749,177
Sales and use tax	37,480,578	43,130,784	112,441,733	129,392,351	149,922,311	172,523,135
Development tax	-	5,000,000	-	-	-	5,000,000
Interest income	8,863,283	14,302,529	3,459,322	10,037,471	12,322,605	24,340,000
Other	29,189,739	5,837,528	3,353,242	-	32,542,981	5,837,528
Total Revenues	152,138,556	146,882,623	309,666,491	222,203,313	461,805,047	369,085,936
EXPENSES						
Public works	216,754,501	157,702,596	-	-	216,754,501	157,702,596
Interest on long-term debt	22,694,154	23,704,269	-	493,304	22,694,154	24,197,573
Public transit	-	-	197,613,170	176,598,133	197,613,170	176,598,133
Total Expenses	239,448,655	181,406,865	197,613,170	177,091,437	437,061,825	358,498,302
Change in net assets before transfers	(87,310,099)	(34,524,242)	112,053,321	45,111,876	24,743,222	10,587,634
Transfers	9,750,000	8,800,000	(9,750,000)	(8,800,000)	-	-
Change in net assets	(77,560,099)	(25,724,242)	102,303,321	36,311,876	24,743,222	10,587,634
Net Assets - beginning as reported	(339,343,498)	(325,346,470)	391,007,451	356,058,937	51,663,953	30,712,467
Prior period adjustment	(11,727,214)		1,363,362		(10,363,852)	-
Net Assets - beginning as restated	(351,070,712)	(325,346,470)	392,370,813	356,058,937	41,300,101	30,712,467
Net Assets - ending	$(428,630,811)	$(351,070,712)	$ 494,674,134	$ 392,370,813	$ 66,043,323	$ 41,300,101

Fluctuations in revenues and expenses for fiscal year 2009 compared to fiscal year 2008 are explained below.

- Charges for services increased by $4.7 million due to a transit fare increase in January 2009. Ridership overall decreased due to the transit fare increase and the state of the economy; however, Deuce ridership on the Las Vegas strip increased by 7.9% offset by a general market decrease in ridership of 4.6%. The RTC charges premium fares on the Las Vegas strip of $3.00 for a one-ride pass and $7.00 for a one-day pass compared to general market fares of $1.75 for a one-ride pass and $4.00 for a one-day pass.

- Operating and capital grants increased by $104.6 million due to a relatively large amount of grant funded construction and transit vehicle acquisitions that occurred during and prior to fiscal year 2009. Timing of grant awards impacts the period the grant revenue is recognized.

- Motor vehicle fuel tax decreased by 4.2%, Jet-aviation fuel tax decreased by 11.7%, and sales and use tax decreased by 13.1%. These declines in tax revenues are due to the recession that started in December 2007, and continued throughout fiscal year 2009.

- Interest income decreased by $12.0 million in fiscal year 2009 due to declining short-term interest rates on cash and investments.

- The increase in other general revenues is primarily due to the RTC collecting approximately $28 million in from Clark County, Nevada that was being held by the County for RTC related streets and highways improvement projects.

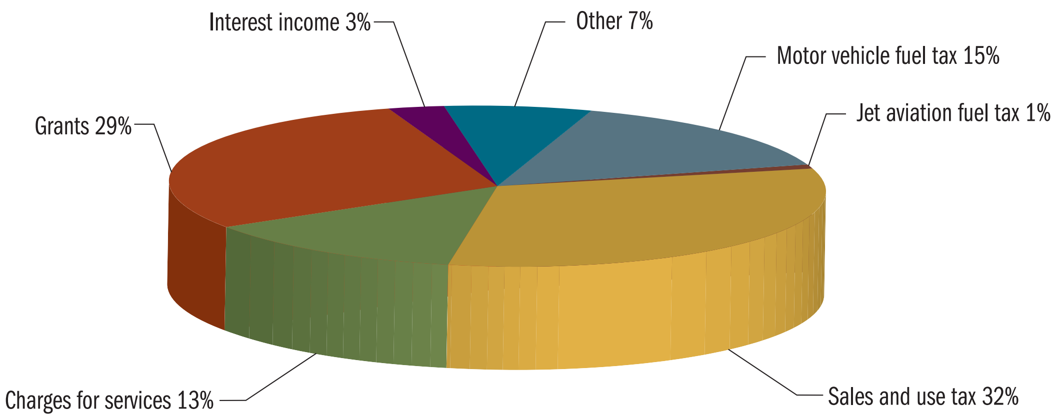
- Public works expenses increased by $59.0 million due to increased street and highway construction activity by the Jurisdictions.

- Interest on long-term debt decreased by $1 million due to the scheduled payment of principal and lower interest rates on outstanding commercial paper.

- Public transit expenses increased $21 million due mainly to higher fuel prices and increased depreciation expense. In addition to higher fuel prices, the RTC entered into a commodity swap agreement, effective in fiscal year 2009, for diesel fuel at $3.65 per gallon for approximately 75% of the RTC's diesel fuel usage. The commodity swap agreement settlements for the diesel fuel hedge are recorded in the fuel expense. Depreciation expense increased due to placing 51 new double-deck transit vehicles into service during the first quarter of fiscal year 2009, and placing 77 new forty-foot, low-floor transit vehicles into service during the fourth quarter of fiscal year 2009.

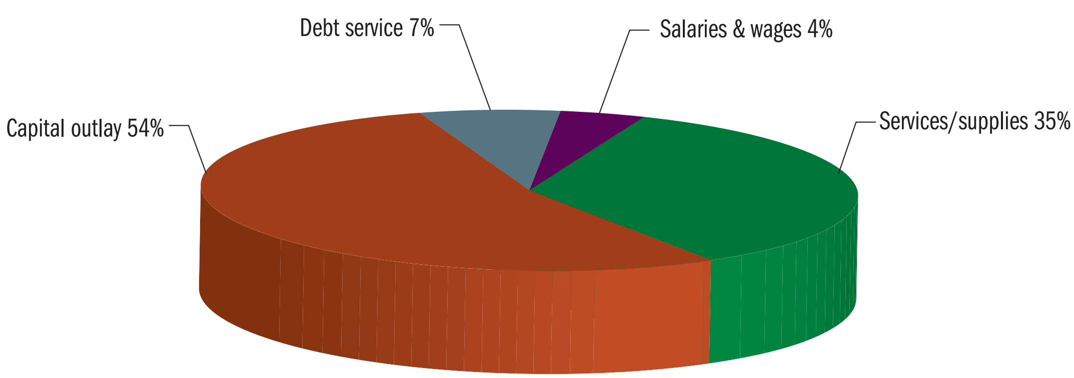
REVENUES

The following chart shows the complement of revenues for the year ended June 30, 2009:



EXPENDITURES

The following chart shows the complement of expenditures for the year ended June 30, 2009:



CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

During fiscal year 2009, the RTC expended $296.8 million on capital asset, which included street and highway improvement projects, and transit projects, such as vehicle procurements and facilities construction. The following identifies the capital expenditures and intergovernmental capital grants:

Intergovernmental capital grants	$ 171,319,652
Equipment, buildings, land, and improvements	125,537,201

All capital asset acquisitions and improvements exceeding $5,000 are capitalized at cost. Acquisitions are funded from a variety of sources, including federal grants, state grants, debt issuance and local funds. Expenditures for street and highway capital improvement projects are not reported as assets on the RTC's financial statements, but on the financial statements of the Jurisdictions responsible for maintenance and repair of the asset. Additional information on the RTC's capital assets and commitments can be found within the notes to the financial statements.

LONG-TERM DEBT ADMINISTRATION

A comprehensive debt management policy is an important foundation of sound financial management. This policy sets forth the parameters for issuing debt, managing outstanding debt, defining RTC responsibilities, deliniating the purposes for which debt may be issued, defining debt objectives, identifying the type and amount of permissible debt, defining the method of sale that may be used, and defining other structural features. The policy also includes a debt capacity analysis.

On July 9, 2009, an updated Debt Management Policy was adopted by the Commission. Nevada Revised Statutes 350.013 requires the Debt Management Policy be updated on an annual basis and transmitted to the State of Nevada, Department of Taxation and the Clark County Debt Management Commission.

The following is a summary of bond transactions and balances for the year ended June 30, 2009:

	Beginning Balance	Additions and Premiums	Deletions	Ending Balance
Revenue bonds	$ 486,028,358	$ -	$ (16,612,920)	$ 469,415,438

Bonds payable at June 30, 2009, are comprised of the following individual issues:

	Original Amount	Interest Rate	Balance June 30, 2009
Highway Improvement Motor Vehicle Fuel Tax Revenue Bonds:			
Series 2003	$ 200,000,000	4.50-6.00%	$ 166,760,000
Series 2007	300,000,000	3.00-5.00%	291,555,000
Plus unamortized premium			11,100,438
Total			$ 469,415,438

The highway improvement bond series, issued September 9, 2003, and June 12, 2007, allowed the RTC to fund the construction of street and highway projects within Clark County for the benefit of the Jurisdictions. The RTC is precluded by statute from issuing bonds, therefore, Clark County is the issuer of RTC bonds. Repayment of the highway improvement bonds is pledged from the motor vehicle fuel tax, which is currently nine cents per gallon of fuel sold within Clark County.

The RTC debt management policy stipulates that the debt service coverage ratio must be greater than or equal to 150%, which is calculated by dividing net pledged revenue by the maximum annual debt service, with which we believe that the RTC is in compliance.

The RTC utilizes commercial paper notes as an interim financing tool to meet the needs of the streets and highways programs funded by motor vehicle fuel tax and a portion of the sales and excise tax. During the year ended June 30, 2009 the RTC drew an additional $30,000,000 in commercial paper to fund streets and highways projects in the motor vehicle fuel tax program and $50,000,000 to fund streets and highways projects in the sales and excise tax program. At June 30, 2009 the outstanding commercial paper consisted of $100,000,000 due from the sales and excise tax program and $80,000,000 due from the motor vehicle fuel tax program. It is the RTC's intention to take out a portion of the commercial paper in permanent bonds and pay the remainder over the next 3 to 5 years from the related tax revenues.

Commercial paper notes provide the RTC with several benefits. Amounts can be drawn and spent as needed instead of issuing a large bond all at once and having the concerns of spending a large amount on projects within the arbitrage time limits. Commercial paper interest rates are generally lower than bonds, decreasing the cost of borrowing. There is flexibility in rolling commercial paper principal, paying down the principal with tax revenue proceeds or taking out permanent bonds upon commercial paper maturity. Commercial paper has a maturity of no more than 270 days.

PUBLIC TRANSIT STATISTICS

The RTC coordinates transportation programs and services for the safe, convenient, and effective movement of people and goods within southern Nevada. As part of this mission, the RTC operates a fixed route bus service and a paratransit service in southern Nevada. The Americans with Disabilities Act of 1990 requires all fixed route bus service operators to provide a comparable paratransit service for the elderly and disabled.

	2009	2008	2007
Ridership - fixed route	63,424,642	64,765,634	62,321,216
% increase	-2.1%	3.9%	4.90%
Ridership - paratransit	1,023,470	967,829	890,125
% increase	5.7%	8.7%	9.2%

CREDIT RATINGS

NRS 373.130 mandates that Clark County must issue all revenue bonds on behalf of the RTC. The bond rating at June 30, 2009 for the Clark County Regional Transportation Commission highway improvement motor vehicle fuel tax revenue bonds from Moody’s Investors Service, Inc. was Aa3, and the rating from Standard & Poor’s Rating Service was AA-.

Both the Sales Tax Revenue Commercial Paper Notes and the Highway Revenue (Motor Vehicle Fuel Tax) Commercial Paper Notes were rated “P-1” by Moody’s and “A-1+” by Standard’s & Poor’s.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the RTC’s finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to Marc Traasdahl, Director of Finance, Regional Transportation Commission of Southern Nevada, 600 South Grand Central Parkway, Suite 350, Las Vegas, NV 89106-4512 or by e-mail to Traasdahlm@rtcsnv.com.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments:			
In custody of the County Treasurer	$ 195,389,181	$ 92,416,637	$ 287,805,818
Cash on hand	216	60,000	60,216
In custody of the fiscal agent	42,965,038		42,965,038
Loaned securities	30,091,317	11,300,300	41,391,617
Accounts receivable, net	167,810	955,014	1,122,824
Interest receivable	1,645,492	617,938	2,263,430
Due from other funds *	8,427,492		
Due from other governmental units	26,491,176	25,643,591	52,134,767
Prepaid expenses	356,186	166,252	522,438
Deferred charges	3,035,276		3,035,276
Capital assets, not being depreciated	57,324	216,973,728	217,031,052
Capital assets, net of accumulated depreciation	16,188,384	207,547,142	223,735,526
TOTAL ASSETS	324,814,892	555,680,602	872,068,002
LIABILITIES			
Accounts payable	52,048,192	44,925,649	96,973,841
Accrued payroll	599,441	413,045	1,012,486
Accrued interest	11,111,865		11,111,865
Loaned securities	31,613,853	11,872,063	43,485,916
Due to other funds *	6,677,491	1,750,000	
Other current liabilities		439,211	439,211
Long-term liabilities:			
Portion due or payable within one year:			
Bonds and notes payable	17,355,000		17,355,000
Compensated absences payable	803,444	592,750	1,396,194
Portion due or payable after one year:			
Bonds and notes payable	632,060,438		632,060,438
Compensated absences payable	453,139	234,818	687,957
Other post employment benefits	722,840	778,932	1,501,772
TOTAL LIABILITIES	753,445,703	61,006,468	806,024,680
NET ASSETS			
Invested in capital assets, net of related debt	16,245,708	424,520,870	440,766,578
Restricted for:			
Capital projects and intergovernmental capital grants	137,007,825		137,007,825
Debt service	60,421,863		60,421,863
Unrestricted (deficit)	(642,306,207)	70,153,264	(572,152,943)
TOTAL NET ASSETS	$ (428,630,811)	$ 494,674,134	$ 66,043,323

* All interfund balances are eliminated in the total column. Accordingly, total balances will not foot.

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

		Program Revenue			Net (Expense) Revenues and Change in Net Assets		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
GOVERNMENTAL ACTIVITIES:							
Public works	$ 216,754,501		$ 4,769,506	$ 358,656	$ (211,626,339)		$ (211,626,339)
Interest on long-term debt	22,694,154				(22,694,154)		(22,694,154)
TOTAL GOVERNMENTAL ACTIVITIES	239,448,655		4,769,506	358,656	(234,320,493)		(234,320,493)
BUSINESS-TYPE ACTIVITIES:							
Public transit	197,613,170	$ 61,085,195	8,363	129,318,636		$ (7,200,976)	(7,200,976)
TOTAL BUSINESS-TYPE ACTIVITIES	197,613,170	61,085,195	8,363	129,318,636		(7,200,976)	(7,200,976)
Total	$ 437,061,825	$ 61,085,195	$ 4,777,869	$ 129,677,292	(234,320,493)	(7,200,976)	(241,521,469)
General Revenues:							
Fuel taxes					71,476,794		71,476,794
Sales and use tax					37,480,578	112,441,733	149,922,311
Interest income					8,863,283	3,459,322	12,322,605
Reimbursement from Clark County					28,194,759		28,194,759
Other					994,980	3,353,242	4,348,222
Transfers					9,750,000	(9,750,000)	
Total general revenues and transfers					156,760,394	109,504,297	266,264,691
Change in net assets					(77,560,099)	102,303,321	24,743,222
Net assets - beginning as originally reported					(339,343,498)	391,007,451	51,663,953
Prior period adjustment					(11,727,214)	1,363,362	(10,363,852)
Net assets - beginning as restated					(351,070,712)	392,370,813	41,300,101
Net assets - ending					$ (428,630,811)	$ 494,674,134	$ 66,043,323

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	Special Revenue Fund	Debt Service Funds		Capital Project Funds		
	Regional Transportation Commision	Regional Transportation	RTC Bonds	RTC Reserve	Highway Improvement Acquisition	RTC Highway Improvement	Total Governmental Funds
ASSETS							
Cash and investments:							
In custody of the County Treasurer	$ 2,185,400	$ 943,261	$ 28,535,331	$ 16,554	$ 81,772,497	$ 81,936,138	$ 195,389,181
Cash on hand	216						216
In custody of the fiscal agent				42,965,038			42,965,038
Loaned securities	330,214	1,234,413	4,110,323	2,384	11,848,500	12,565,483	30,091,317
Accounts receivable, net	32,734				135,076		167,810
Interest receivable	18,057	67,501	224,766	130	647,916	687,122	1,645,492
Due from other funds	4,200,302					4,227,190	8,427,492
Due from other governmental units	1,463,861	5,866,061			11,255,064	7,906,190	26,491,176
Prepaid expenses	352,773				3,413		356,186
TOTAL ASSETS	$ 8,583,557	$ 8,111,236	$ 32,870,420	$ 42,984,106	$ 105,662,466	$ 107,322,123	$ 305,533,908
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable	$ 2,066,272	$ 1,404,418			$ 28,675,475	$ 19,902,027	$ 52,048,192
Accrued payroll	599,441						599,441
Due to other funds		4,927,491			1,750,000		6,677,491
Loaned securities	346,922	1,296,871	$ 4,318,293	$ 2,505	12,448,001	13,201,261	31,613,853
Deferred revenues	20,000						20,000
Total liabilities	3,032,635	7,628,780	4,318,293	2,505	42,873,476	33,103,288	90,958,977
FUND BALANCES:							
Reserved for:							
Capital projects and intergovermental capital grants					62,788,990	74,218,835	137,007,825
Debt service			28,552,127	42,981,601			71,533,728
Unreserved:							
Undesignated	5,550,922	482,456					6,033,378
Total fund balances	5,550,922	482,456	28,552,127	42,981,601	62,788,990	74,218,835	214,574,931
TOTAL LIABILITIES AND FUND BALANCES	$ 8,583,557	$ 8,111,236	$ 32,870,420	$ 42,984,106	$ 105,662,466	$ 107,322,123	$ 305,533,908

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

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

Total fund balance - governmental funds		$ 214,574,931
Capital assets used in governmental activities are not current financial resources; and therefore, are not reported in the fund financial statements, but are reported in the statement of net assets.		
Capital assets	$ 21,249,265	
Less accumulated depreciation	(5,003,557)	16,245,708
Other long-term assets are not available to pay current period expenditures; and therefore, are deferred in the fund financial statements.		20,000
Long-term liabilities, including bonds and loans payable, are not due and payable in the current period; and therefore, are not reported in the fund financial statements.		
Bonds and notes payable	(638,315,000)	
Plus unamortized issuance premiums	(11,100,438)	
Less unamortized deferred charges	3,035,276	
Accrued interest payable	(11,111,865)	
Compensated absences	(1,256,583)	
Other post employment benefits	(722,840)	(659,471,450)
Total net assets (deficit) - governmental activities		$ (428,630,811)

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	General Fund	Special Revenue Fund	Debt Service Funds		Capital Project Funds		
	Regional Transportation Commision	Regional Transportation	RTC Bonds	RTC Reserve	Highway Improvement Acquisition	RTC Highway Improvement	Total Governmental Funds
REVENUES							
Intergovermental revenue:							
Federal and state grants	$ 4,675,267				$ 151,036	$ 301,860	$ 5,128,163
Fuel taxes					67,282,816	4,193,978	71,476,794
Sales and use tax		$ 37,480,578					37,480,578
Interest	156,860	574,067	$ 206,219	$ 1,193,918	3,896,478	2,835,741	8,863,283
Other	1,173,909				549,761	28,194,759	29,918,429
Total revenues	6,006,036	38,054,645	206,219	1,193,918	71,880,091	35,526,338	152,867,247
EXPENDITURES							
Current:							
Salaries and wages	10,134,907						10,134,907
Employee benefits	3,547,157						3,547,157
Services and supplies	12,452,774	6,013,017	6,262	3,880	764,558	11,289,154	30,529,645
Debt service:							
Principal			15,875,000				15,875,000
Interest			22,151,206		518,218	736,865	23,406,289
Capital outlay and intergovernmental capital grants	394,265				91,518,999	79,800,652	171,713,916
Total expenditures	26,529,102	6,013,017	38,032,468	3,880	92,801,775	91,826,671	255,206,914
Excess (deficiency) of revenues over (under) expenditures	(20,523,067)	32,041,628	(37,826,249)	1,190,038	(20,921,684)	(56,300,333)	(102,339,667)
OTHER FINANCING SOURCES (USES)							
Transfers in	24,266,495		38,847,828			26,821,246	89,935,569
Transfers out		(31,587,741)		(10,485,382)	(33,389,273)	(4,723,173)	(80,185,569)
Commercial paper issued					30,000,000	50,000,000	80,000,000
Total other financing sources and uses	24,266,495	(31,587,741)	38,847,828	(10,485,382)	(3,389,273)	72,098,073	89,750,000
CHANGE IN FUND BALANCES	3,743,428	453,887	1,021,579	(9,295,344)	(24,310,957)	15,797,740	(12,589,667)
Fund balances - beginning as originally reported	1,975,990	28,569	27,530,548	52,276,945	97,358,382	59,721,378	238,891,812
Prior period adjustment	(168,496)				(10,258,435)	(1,300,283)	(11,727,214)
Fund balances - as restated	1,807,494	28,569	27,530,548	52,276,945	87,099,947	58,421,095	227,164,598
Fund balances - ending	$ 5,550,922	$ 482,456	$ 28,552,127	$ 42,981,601	$ 62,788,990	$ 74,218,835	$ 214,574,931

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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

Change in fund balances - total governmental funds		$ (12,589,667)
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast outlay is allocated over the assets' estimated useful lives as depreciation expense for the period in the statement of activities The Regional Transportation Commission utilizes capital projects funds to account for intergovernmental capital grants:		
Capital outlay and intergovernmental capital grants	$ 171,713,916	
Less intergovernmental capital grants	(171,319,652)	
Capitalized expenditures	394,264	
Less current year depreciation	(946,845)	(552,581)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		(728,690)
The issuance of long-term debt (*e.g.* bonds and loans) 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 over the life of the related debt in the statement of activities.		
Commercial paper issued	(80,000,000)	
Principal payments	15,875,000	
Amortization of issuance costs	(187,961)	
Amortization of bond premiums	737,920	(63,575,041)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental fund financial statements.		
Change in accrued interest payable	162,178	
Change in compensated absences	131,940	
Change in other post employment benefits	(408,238)	(114,120)
Change in net assets - governmental activities		$ (77,560,099)

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2009

	Public Transit
ASSETS	
Current assets:	
Cash and cash equivalents:	
In custody of the County Treasurer	$ 92,416,637
Cash on hand	60,000
Loaned securities	11,300,300
Accounts receivable, net	955,014
Interest receivable	617,938
Due from other governmental units	25,643,591
Prepaid expenses	166,252
Total current assets	131,159,732
Non-current assets:	
Capital assets:	
Land and construction in progress	216,973,728
Buildings	67,461,838
Equipment and furniture	247,187,314
Less accumulated depreciation	(107,102,010)
Total non-current assets	424,520,870
Total assets	555,680,602
LIABILITIES	
Current liabilities:	
Accounts payable	44,925,649
Accrued payroll	413,045
Loaned securities	11,872,063
Due to other funds	1,750,000
Other current liabilities	439,211
Total current liabilities	59,399,968
Non-current liabilities:	
Portion due or payable within one year:	
Compensated absences	592,750
Portion due or payable after one year:	
Compensated absences	234,818
Other post employment benefits	778,932
Total non-current liabilities	1,606,500
Total liabilities	61,006,468
NET ASSETS	
Invested in capital assets, net of related debt	424,520,870
Unrestricted	70,153,264
Total net assets	$ 494,674,134

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Public Transit
OPERATING REVENUES	
Charges for services:	
Transit fees	$ 57,657,000
Other	3,428,195
Total operating revenues	61,085,195
OPERATING EXPENSES	
Salaries and wages	6,941,115
Employee benefits	2,959,758
Services and supplies	163,361,106
Depreciation	24,351,191
Total operating expenses	197,613,170
Operating loss	(136,527,975)
NON-OPERATING REVENUES (EXPENSES)	
Intergovernmental revenue:	
Sales and use tax	112,441,733
Federal and state grants	129,326,999
Interest income	3,459,322
Gain on sale of capital assets	3,353,242
Total non-operating revenue	248,581,296
Income before transfers	112,053,321
Transfers out	(9,750,000)
CHANGE IN NET ASSETS	102,303,321
Total net assets - beginning as originally reported	391,007,451
Prior period adjustment	1,363,362
Total net assets - beginning as restated	392,370,813
Total net assets - ending	$ 494,674,134

See accompanying notes.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

		Public Transit
Cash flows from operating activities:		
Cash received from customers	$	59,147,407
Cash paid for employees and benefits		(9,529,314)
Cash paid for services and supplies		(160,791,203)
Other operating receipts		3,428,195
Net cash used in operating activities		(107,744,915)
Cash flows from non-capital financing activities:		
Cash provided by sales and use tax		112,451,773
Transfers to other funds		(9,750,000)
Net cash provided by non-capital financing activities		102,701,773
Cash flows from capital and related financing activities:		
Federal and state grants		129,326,999
Acquisition, construction, or improvements of capital assets		(125,162,872)
Proceeds from sale of capital assets		4,779,370
Net cash provided by capital and related financing activities		8,943,497
Cash flows from investing activities:		
Interest received		4,201,169
Net change in cash and cash equivalents		8,101,524
Cash and cash equivalents - beginning of year		84,375,113
Cash and cash equivalents - end of year	$	92,476,637
Reconciliation of operating loss to net cash flows from operating activities:		
Operating loss	$	(136,527,975)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation		24,351,191
Bad debts		313,320
Decrease in accounts receivable		1,051,196
Increase in prepaid expenses		(60,324)
Increase in accounts payable		566,907
Increase in accrued payroll		83,347
Increase in due to other funds		1,750,000
Increase in other current liabilities		439,211
Decrease in compensated absences		(120,026)
Increase in other post employment benefits		408,238
Net cash used in operating activities	$	(107,744,915)

See accompanying notes.

NOTE 1 - Summary of Significant Accounting Policies

The Reporting Entity

In accordance with Nevada Revised Statutes (NRS or state statutes) 378, an ordinance was adopted by the Clark County Board of County Commissioners (the "Board") on June 7, 1965, creating the Regional Streets and Highway Commission. On December 4, 1979, its name was changed to the Regional Transportation Commission. On September 21, 2000, the name was changed to the Regional Transportation Commission of Southern Nevada (the "RTC"). The RTC is governed by 7 member Board of Commissioners, comprised of elected officials, are as follows:

1. Two representatives appointed from the Clark County board of Commissioners
2. Two representatives appointed from the governing board of the City of Las Vegas
3. One representative appointed from each of the governing boards of City of Boulder City, Henderson, North Las Vegas and City of Mesquite

When initially adopted, the creating ordinance provided for a one cent per gallon tax on all motor vehicle fuel sold in Clark County (the "County"). On September 1, 1969, the tax was increased to two cents per gallon and remained in effect until April 1, 1983, at which time the tax was increased to four cents per gallon and remained at this rate until January 1, 1992. On November 6, 1990, Clark County voters approved an advisory ballot question increasing the motor vehicle fuel tax levy along with five other taxes. In 1991, the State of Nevada Legislature responded to this voter mandate and passed Senate Bill 112 in March 1991. On April 16, 1991, the County passed an ordinance increasing the tax on motor vehicle fuel. The effective dates for increases to this tax were: January 1, 1992, five cents; January 1, 1993, seven cents; January 1, 1994, eight cents, and January 1, 1995, nine cents.

In accordance with NRS 377A, an ordinance was adopted by the Board on April 16, 1991, levying a one quarter of one percent sales tax for public mass transportation.

In November 2002, Clark County voters approved an advisory ballot question providing for a variety of new taxes to fund transit infrastructure. The 2003 Nevada Legislature passed enabling legislation allowing the County to increase aviation fuel tax, sales tax, and residential development tax for this purpose. These increases were enacted by the Board of County Commissioners on July 1, 2003, with the increases taking effect on October 1, 2003.

In accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14 as amended by GASB Statement No. 39, the RTC is a discretely presented component unit of the Clark County, Nevada financial reporting entity because the County issues debt on behalf of the RTC. The accounting policies of the RTC conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the more significant accounting policies.

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 activities of the RTC. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental activities, are reported separately from business-type activities that rely to a significant extent on fees and charges for support.

NOTE 1 - Summary of Significant Accounting Policies (continued)

Government-Wide and Fund Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function 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 and proprietary funds. All governmental funds are considered to be major funds and they are reported in separate columns in the governmental fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Proprietary Fund Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the 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 year or soon enough thereafter to pay liabilities of the current year. For this purpose, the RTC considers revenues to be available if they are collected within 90 days after the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures are recorded only when payment is due.

Fuel taxes, sales and use taxes, interest revenue, and charges for services associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues in the current year.

Governmental Fund Financial Statements (continued)

The RTC reports the following major governmental funds:

***Regional Transportation Commission Fund (2090)* –** this is the general operating fund of the RTC. It is used to account for all resources and cost of operations traditionally associated with governments, which are not required to be accounted for in other funds.

NOTE 1 - Summary of Significant Accounting Policies (continued)

Governmental Fund Financial Statements (continued)

Regional Transportation Fund (2170) – this fund serves as a pass-through account for revenues received from the November 2002 second voter-approved Question 10 tax. Revenues pay for transportation enhancements and infrastructure.

RTC Bonds Fund (3180) – this fund is used to account for the payment of principal and interest, and the cost of operations associated with the debt service for the RTC's general obligation debt.

RTC Reserve Fund (3190) – this fund is used to accumulate the required reserves for the payment of principal and interest, and the cost of operations associated with the debt service for the RTC's general obligation debt.

Highway Improvement Acquisition Fund (4100) – this fund is used to account for the funding of the construction of roads and streets paid for from both motor vehicle fuel taxes and proceeds of revenue bonds.

RTC Highway Improvement Fund (4130) – this fund is used to account for the funding of the construction of roads and streets paid for from the November 2002, Question 10 voter approved Jet-Aviation fuel tax and sales tax increase in 2003.

Additionally, the RTC reports the following major proprietary fund:

Public Transit Fund (5090) – this fund is used to account for the operations of the RTC transit system.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. 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 RTC has elected not to follow subsequent private-sector guidance.

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

Proprietary funds distinguish operating revenues and expenses from non-operating 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 RTC's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

NOTE 1 - Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Assets or Fund Equity

Cash and Investments

The majority of all cash and investment transactions of the RTC are handled by the Clark County Treasurer's office. Cash balances are combined and invested as permitted by law in combination with Clark County funds. Investments are reported at fair value on the balance sheet and statement of net assets. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. Changes in the fair value of investments are part of interest earnings of the individual funds.

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

At June 30, 2009, a significant portion of the RTC's cash and cash equivalents were deposited in the custody of the Clark County Treasurer or a fiscal agent, in a manner similar to an external investment pool. The amounts are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty; and therefore, they are deemed to be cash equivalents.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding or transfers to be recorded upon receipt of revenue at the end of the fiscal year are referred to as "due to/from other funds."

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the RTC as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not significantly add to the functionality of the asset or materially extend the asset life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed and are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	7 - 50
Equipment	5 - 12

NOTE 1 - Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Assets or Fund Equity (continued)

Prepaid Expenses

Certain payment to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements.

Compensated Balances

It is the RTC's policy to permit employees to accumulate earned, but unused vacation and sick leave benefits. Such benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements prior to year end.

Other Postemployment Benefits

Effective July 1, 2007, the RTC implemented the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. In accordance with the transition rules of the statement, the RTC elected to apply its measurement and recognition requirements on a prospective basis and set its beginning net OPEB obligation at zero for the year ended June 30, 2008. The annual OPEB cost reported in the accompanying financial statements is equal to the annual required contribution (ARC) of the RTC, calculated by using an actuarial valuation based upon the same methods and assumptions applied in determining the plan's funding requirements. The net OPEB obligation at June 30, 2009, is determined by adding the annual OPEB cost to the net OPEB obligation at the beginning of the year and deducting any contributions to the plan during the year.

Long-Term Obligations

In the government-wide financial statements and proprietary fund 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 using the straight line method, which approximates the effective interest method . Bonds payable are reported net of the applicable bond premium or discount.

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

Fund Equity

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.

NOTE 1 - Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Assets or Fund Equity (continued)

Reclassifications

Certain insignificant amounts in the prior year financial statements have been reclassified to conform with the current year presentation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates. Estimates particularly sensitive to change during the upcoming year include estimates on market values of loaned securities.

NOTE 2 - Stewardship, Compliance and Accountability

The RTC adopts annual budgets for general fund and all special revenue, debt service, and capital project funds. All budget augmentations made during the year ended June 30, 2009, were as prescribed by law. All budgets are adopted on a basis consistent with applicable accounting principles generally accepted in the United States and used by the RTC for financial reporting.

The RTC uses the following procedures to establish, modify, and control the budgetary data presented in the financial statements:

a. Prior to April 15, the RTC submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.

b. The Nevada State Department of Taxation notifies the RTC of its acceptance of the budget.

c. Public hearings are conducted on the third Thursday in May.

d. After all the changes have been noted and hearings closed, the RTC Board of Commissioners adopts the budget on or before June 1.

e. The NRS require budget controls to be exercised at the function level. The General Manager or designee is authorized to transfer budgeted amounts within functions or funds, but the RTC Board of Commissioners must approve any transfers between funds or increases to a fund's original appropriated level.

f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal RTC Board of Commissioners action.

g. All appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.

Compliance with Nevada Revised Statutes

Per NRS 354.626, the RTC is required to report and explain expenditures that exceeded budgeted appropriations at the legal level for each of its funds. For the year ended June 30, 2009, the RTC had no funds with expenditures in excess of appropriations.

NOTE 2 - Stewardship, Compliance and Accountability (continued)

New Accounting Pronouncements

In June 2007, the GASB issued Statement No. 51, Accounting and Financial Reporting for Intangible Assets, effective for periods beginning after June 15, 2009. This statement establishes accounting and financial reporting requirements for intangible assets including easements, water rights, timber rights, patents, trademarks, and computer software. Management has not yet completed its assessment of this statement; and therefore, the effect of adopting this statement, if any, is not subject to estimation at this time.

In June 2008, The GASB issued Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, effective for periods beginning June 15, 2009. This Statement addresses the recognition, measurement, and disclosure of information related to derivative instruments entered into by state and local governments. Effective July 1, 2008, the RTC implemented the provisions of GASB Statement No. 53 (Note 14).

In March 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, effective for periods beginning after June 15, 2010. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Management has not yet completed its assessment of this statement; and therefore, the effect of adopting this statement, if any, is not subject to estimation at this time.

NOTE 3 - Cash and Investments

The majority of all cash and investments of RTC are included in the investment pool of the Clark County Treasurer (the Treasurer) or are in the custody of a fiscal agent. Other investments held by RTC are comprised of money market mutual funds and U.S. agency obligations. As of June 30, 2009, these amounts are summarized as follows:

Clark County Investment Pool	$	287,805,818
Money Market Mutual Funds		42,965,038
Cash on hand		60,216
Total cash and investments	$	330,831,072

The RTC's cash and cash equivalents on deposit with financial institutions, including cash and cash equivalents in the custody of the Clark County Treasurer or a fiscal agent, are often in excess of federally-insured limits, and the risk of losses related to such concentrations may be increasing as a result of recent economic developments including, but not limited to, weakness in the commercial and investment banking systems. The extent of a future loss, if any, to be sustained as a result of uninsured deposits in the event of a future failure of a financial institution; however, is not subject to estimation at this time.

The Treasurer invests monies held both by individual funds and through a pooling of monies. The pooled monies, referred to as the investment pool, are invested as a whole and not as a combination of monies from each fund belonging to the pool. In this manner, the Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balance of the fund.

NOTE 3 - Cash and Investments (continued)

According to State Statutes, County monies must be deposited with federally insured banks and savings and loan associations within the County. The County is authorized to use demand accounts, time accounts, and certificates of deposit.

State Statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible State investments. Permissible State investments are similar to allowable County investments described below except that some State investments are longer term and include securities issued by municipalities outside of the State. The County's; and therefore, the RTC's deposits are fully covered by federal depository insurance or collateral held by the County's agent in the County's name.

Due to the nature of the investment pool, it is not possible to separately identify any specific investment as being that of the RTC. Instead, the RTC owns a proportionate share of each investment, based on the RTC's participation percentage in the investment pool. As of June 30, 2009, the $287,805,818 of RTC monies held in the investment pool are categorized as follows:

		Investment Maturities (in years)			
Investment Type	Fair Value	Less Than 1	1 to 3	3 to 5	5 to 10
Debt Securities:					
U.S. Treasury Obligations	10.2%	34.6%	56.3%	0.2%	9.0%
U.S. Agency Obligations	57.5%	28.2%	65.3%	6.1%	0.5%
Corporate Notes	5.9%	49.7%	43.5%	6.7%	
Money Market Mutual Funds	24.2%	100.0%			
Certificates of Deposit	0.0%	100.0%			
State Investment Pool *	1.6%	100.0%			
Collateralized Investment Agreements**	0.3%	100.0%			
Asset Backed Securities	0.3%		100.0%		
	100.0%				

* The State Investment Pool is an external pool administered by the State Treasurer with oversight by the State of Nevada Board of Finance. Fair value of the County's position in the pool is the same as the value of the pool shares.

** These are fully collateralized guaranteed investment contracts and forward delivery agreements related to bond proceeds.

Interest Rate Risk

Interest rate risk is the risk that the market interest rate of securities will fall due to changes in the market. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the average weighted duration of its investment pool portfolio to less than 2.5 years. Duration is a measure of the present value of a fixed income's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes.

NOTE 3 - Cash and Investments (continued)

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy applies the prudent-person rule: "In investing the County's monies, there shall be exercised the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

At June 30, 2009, County investments were categorized by quality rating as follows:

	Quality Ratings by Moody's				
Investment Type	AAA	AA	A	A-1	Unrated
Debt Securities:					
U.S. Treasury Obligations	100.0%				
U.S. Agency Obligations	97.3%			2.7%	
Corporate Obligations	32.1%	6.8%	12.8%	47.1%	1.2%
Money Market Mutual Funds	100.0%				
Certificates of Deposit				100.0%	
State Investment Pool					100.0%
Collateralized Investment Agreements		70.0%	30.0%		
Asset Backed Securities	100.0%				

Concentrations of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to no more than 5% of the investment pool.

GASB Statement No. 40 requires disclosure of all investments in any one issuer that represent 5% or more of total investments. At June 30, 2009, the following investments exceeded 5% of the investment pool:

Federal Farm Credit Banks (FFCB)	16.38%
Federal Home Loan Banks (FHLB)	24.37%
Federal Home Loan Mortgage Corporation (FHLMC)	12.75%
Federal National Mortgage Association (FNMA)	11.26%
Federated Money Market Funds	8.75%
Goldman Sachs Money Market Funds	10.27%

NOTE 3 - Cash and Investments (continued)

Interest Rate Sensitivity

At June 30, 2009, the County invested in the following types of securities that have a higher sensitivity to interest rates:

Callable Securities are directly affected by the movement of interest rates. Callable securities allow the issuer to redeem or call a security before maturity, one time or generally on coupon dates.

Step Up/Step Down Securities have fixed rate coupons for a specific time interval that will step up or step down a predetermined number of basis points at scheduled coupon or other reset dates. These securities are callable one time or on their coupon dates.

At June 30, 2009, 35% of U.S. Agency Obligations investments were interest rate sensitive.

Securities Lending Transactions

NRS 355.178 and the County's investment policy permit the Treasurer to participate in securities lending transactions, where the County's U.S. Government securities are loaned to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The County's securities lending agent administers the securities lending program and receives cash or other securities equal to at least 102% of the fair value of the loaned securities plus accrued interest as collateral for securities of the type on loan at year end. The collateral for the loans is maintained at 102%, and the value of the securities borrowed must be determined on a daily basis.

At June 30, 2009, the County had no credit risk exposure to borrowers because the amount the County owed to borrowers exceeded the amounts the borrowers owed to the County. The contract with the securities lending agent requires it to indemnify the County for all losses relating to securities lending transactions. There were no losses resulting from borrower default during fiscal year 2009 nor were there any recoveries of prior period losses.

State Statutes place no restrictions on the amount of securities that can be loaned. Either the County or the borrower can terminate all open securities lending transactions on demand. Cash collateral is invested in accordance with the investment guidelines stated in NRS 355.170. The maturities of the investments made with cash collateral match the maturities of the securities loaned.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the County's securities lending policy, $609,430,137 was held by the counterparty that was acting as the County's agent in securities lending transactions, and consisted of U.S. corporate obligations, asset-backed securities, and money market funds of which RTC's proportionate share was $41,391,617.

NOTE 3 - Cash and Investments (continued)

The County's securities lending reinvestment portfolio contains investments purchased with the cash collateral received for loan securities. One of the investments, Lehman Brothers Holding, became impaired on September 15, 2008, as Lehman filed for bankruptcy protection. The County will receive a reduced value for this $4,425,000 investment once the bankruptcy process concludes; however, this amount cannot be estimated at this time.

GASB 31

GASB Statement No. 31 requires the County to adjust the carrying amount of its investment portfolio to reflect changes in fair value. Interest revenue is increased or decreased in relation to this unrealized gain or loss adjustment, which is reflected in net interest income.

NOTE 4 - Accounts Receivable and Due from other Governmental Units

Accounts receivable and due from other governmental units as of June 30, 2009, was as follows:

	General Fund	Special Revenue Fund	Debt Service Funds		Capital Project Funds		
	Regional Transportation Commision	Regional Transportation	RTC Bonds	RTC Reserve	Highway Improvement Acquisition	RTC Highway Improvement	Total
Governmental activities:							
Accounts receivable	$ 32,734				$ 571,456		$ 604,190
Less allowance for uncollectible receivables					436,380		436,380
Accounts receivables, net	$ 32,734				$ 135,076		$ 167,810
Due from other governmental units	$ 1,542,653	$ 5,866,061			$11,255,064	$ 7,906,190	$26,569,968
Less allowance for uncollectible receivables	78,792						78,792
Due from other governmental units, net	$ 1,463,861	$ 5,866,061			$11,255,064	$ 7,906,190	$26,491,176

	Total
Business-type activities:	
Accounts receivable	$ 1,004,181
Less allowance for uncollectible receivables	49,167
Accounts receivables, net	$ 955,014
Due from other governmental units	$25,643,591
Less allowance for uncollectible receivables	
Due from other governmental units, net	$25,643,591

NOTE 5 - Capital Assets

Capital asset activity for the year ended June 30, 2009, was as follows:

	Balance June 30, 2008	Increases	Decreases	Balance June 30, 2009
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	$ 235,718	$ 83,121	$ 261,515	$ 57,324
Capital assets being depreciated:				
Buildings	18,522,095			18,522,095
Equipment	2,757,008	552,723	639,885	2,669,846
Total capital assets being depreciated	21,279,103	552,723	639,885	21,191,941
Less accumulated depreciation for:				
Buildings	3,272,522	417,108		3,689,630
Equipment	1,424,011	529,801	639,885	1,313,927
Total accumulated depreciation	4,696,533	946,909	639,885	5,003,557
Total capital assets being depreciated, net	16,582,570	(394,186)		16,188,384
Governmental activities capital assets, net	$ 16,818,288	$ (311,065)	$ 261,515	$ 16,245,708
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 33,650,793		$ 1,612,711	$ 32,038,082
Construction in progress	116,207,735	$ 124,030,824	55,302,913	184,935,646
Total capital assets not being depreciated	149,858,528	124,030,824	56,915,624	216,973,728
Capital assets being depreciated:				
Buildings and improvements	66,407,664	1,054,174		67,461,838
Equipment	219,936,839	55,380,787	28,130,312	247,187,314
Total capital assets being depreciated	286,344,503	56,434,961	28,130,312	314,649,152
Less accumulated depreciation for:				
Buildings and improvements	21,945,671	2,624,984		24,570,655
Equipment	88,792,553	21,726,207	27,987,405	82,531,355
Total accumulated depreciation	110,738,224	24,351,191	27,987,405	107,102,010
Total capital assets being depreciated, net	175,606,279	32,083,770	142,907	207,547,142
Business-type activities capital assets, net	$ 325,464,807	$ 156,114,594	$57,058,531	$ 424,520,870

Depreciation expense was charged to the following functions or programs:

Governmental activities:	
Public works	$ 946,909
Business-type activities:	
Public transit	$ 24,351,191

NOTE 6 - Interfund Balances and Transfers

Interfund balances as of June 30, 2009, consisted of the following:

	Payable Fund			
Receivable Fund	Regional Transportation	Highway Improvement Acquisition	Public Transit	Total
General fund	$ 700,302	$ 1,750,000	$ 1,750,000	$ 4,200,302
RTC Highway Improvement	4,227,190			4,227,190
Totals	$ 4,927,492	$ 1,750,000	$ 1,750,000	$ 8,427,492

These balances result from the time lag between the dates that: (1) revenue is recognized, (2) receipt from the other fund, and (3) payments between funds are made.

Interfund transfers for the year ended June 30, 2009, consisted of the following:

	Transfers In			
Transfers Out	General fund	RTC Bonds	RTC Highway Improvement	Total
Regional Transportation	$ 4,766,495		$ 26,821,246	$ 31,587,741
RTC Reserve		$ 10,485,382		10,485,382
Highway Improvement Acquisition	9,750,000	23,639,273		33,389,273
RTC Highway Improvement		4,723,173		4,723,173
Public Transit	9,750,000			9,750,000
Total	$ 24,266,495	$ 38,847,828	$ 26,821,246	$ 89,935,568

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) move receipts restricted for debt service from the funds collecting the receipts to the debt service fund to provide adequate cash when debt service payments become due.

NOTE 7 - Long-Term Debt

Revenue Bonds

The RTC issues revenue bonds and pledges revenue derived from the motor vehicle fuel tax to pay debt service. Revenue bonds outstanding at June 30, 2009, were as follows:

Revenue Bonds	Original Amount	Interest Rate	Balance June 30, 2009
Highway improvement motor vehicle fuel tax revenue bonds:			
Series 2003	$ 200,000,000	4.50-6.00%	$ 166,760,000
Series 2007	300,000,000	3.00-5.00%	291,555,000
Total revenue bonds			$ 458,315,000

At June 30, 2009, revenue bond debt service requirements to maturity was as follows:

Year ending June 30	Total Principal	Total Interest	Total
2010	$ 17,355,000	$ 21,320,456	$ 38,675,456
2011	18,185,000	20,431,956	38,616,956
2012	19,090,000	19,500,081	38,590,081
2013	20,045,000	18,521,706	38,566,706
2014	21,045,000	17,482,719	38,527,719
2015-2019	122,115,000	69,790,513	191,905,513
2020-2024	155,845,000	34,936,491	190,781,491
2025-2028	84,635,000	5,388,975	90,023,975
	$ 458,315,000	$ 207,372,897	$ 665,687,897

Commercial Paper Notes Payable

In January 2008, the RTC established a commercial paper program, for the streets and highways improvements projects incorporated in Clark County's Master Transportation Plan. This program is authorized for the issuance of up to, $200 million in tax-exempt commercial paper notes to be paid from pledged sales and excise tax revenues and additionally secured by an irrevocable letter of credit dated January 23, 2008 (Series 2008A and Series 2008B). As of June 30, 2009, $100 million has been issued. These notes are being serviced, interest only in the current year, through budgeted transfers from the Highway Improvement Fund. The commercial paper notes may have a maturity date from 1 to 270 days after their issuance; however, no note may mature after the earlier of January 1, 2018, or five days prior to the line of credit expiration date, currently January 23, 2015. Interest rates are variable and averaged 0.57% at June 30, 2009.

In February 2008, the RTC established a commercial paper program, for the streets and highways improvements projects incorporated in Clark County's Master Transportation Plan. This program is authorized for the issuance of up to, $200 million in tax-exempt commercial paper notes to be paid from pledged motor vehicle fuel tax revenues and additionally secured by an irrevocable letter of credit dated March 5, 2008 (Series 2008A and Series 2008B). As of June 30, 2009, $80 million has been issued. These notes are being serviced, interest only in the current year, through budgeted transfers from the Highway Improvement Acquisition Fund. The commercial paper notes may have a maturity date from 1 to 270 days after their issuance; however, no note may mature after the earlier of March 4, 2018, or five days prior to the line of credit expiration date, currently March 13, 2013. Interest rates are variable and averaged 0.51% at June 30, 2009.

As of June 30, 2009, the total amount of commercial paper approved for sale was $400 million, which was divided equally into two separate issues, Series 2008A and Series 2008B with an aggregate of $180 million issued and outstanding.

NOTE 7 - Long-Term Debt (continued)

Commercial Paper Notes Payable (Continued)

The commercial paper is ordinarily due in various periodic installments of not more than 270 days from date of issue; however, because the commercial paper is subject to an irrevocable letter of credit the obligation is classified as long-term debt in the statement of net asset.

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
Revenue bonds	$ 474,190,000		$ 15,875,000	$ 458,315,000	$ 17,355,000
Unamortized issuance premium	11,838,358		737,920	11,100,438	
Total bonds payable	486,028,358		16,612,920	469,415,438	17,355,000
Commercial paper notes payable	100,000,000	$ 80,000,000		180,000,000	
Compensated absences	1,388,523	671,504	803,444	1,256,583	803,444
Other post employment benefits	314,602	408,238		722,840	
Governmental activities long-term liabilities	$ 587,731,483	$ 81,079,742	$ 17,416,364	$ 651,394,861	$ 18,158,444
Business-type activities:					
Compensated absences	947,594	472,724	592,750	827,568	592,750
Other post employment benefits	370,694	408,238		778,932	
Business-type activities long-term liabilities	$ 1,318,288	$ 880,962	$ 592,750	$ 1,606,500	$ 592,750

Pledged Revenues

All bonds issued for RTC purposes are collateralized by a maximum of nine cents per gallon motor vehicle fuel tax levied by the County, except that portion required to be allocated as direct distributions for those political subdivisions not included in the "Las Vegas Valley Area Major Street and Highway Plan."

The bonds are additionally collateralized by the County's share of the three cents per gallon tax levied by the State pursuant to NRS 365.180 and 365.190 and accounted for in other County funds.

The net pledged revenues for the year ended June 30, 2009, were as follows:

Pledged revenues (net of administrative expenditures):	
State motor vehicle fuel tax	$ 20,288,080
County motor vehicle fuel tax	67,352,264
	87,640,344
Direct distributions allocated for certain political subdivisions not included in the Las Vegas Valley Area Major Street and Highway Plan	(2,746,842)
Net pledged revenues	$ 84,893,502

NOTE 7 - Long-Term Debt (Continued)

Arbitrage Rebate and Debt Covenant Requirements

The federal Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the RTC. Under this Act, an amount may be required to be rebated to the United States Treasury (called "arbitrage") for interest on the bonds to qualify for exclusion from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date and as of the most recent such date the RTC's management believes that there is no rebatable arbitrage amount due. Future calculations might result in adjustments to this determination.

In addition, certain RTC long-term debt obligations are subject to restrictive debt covenants, including certain revenue levels and revenue/expense ratios, with which the RTC's management believes that the RTC is in compliance.

NOTE 8 - Operating Lease Commitments

The RTC is party to two operating leases as of June 30, 2009, as follows:

Lessor		Monthly Rental	Date Lease Commenced	Date Lease Terminates
Ferguson Family Trust	$	35,229	October 1, 2002	September 30, 2009
LiveWork, LLC		104,167	March 1, 2008	February 28, 2047
	$	139,396		

Total rent expense for fiscal year 2009 was $1,694,758. LiveWork, LLC monthly rental increased by a consumer price index of 3% starting March 2009.

The following is a schedule of future minimum lease payments for operating leases (with initial or remaining terms in excess of one year) as of June 30, 2009:

Year ending June 30:		
2010	$	1,412,498
2011		1,339,386
2012		1,393,637
2013		1,463,584
2014		1,507,491
2015-2019		8,363,706
2020-2024		9,986,703
2025-2029		11,924,646
2030-2034		14,238,650
2035-2039		17,001,693
2040-2044		20,300,911
2045-2047		12,286,741
Total minimum lease payments	$	101,219,646

NOTE 8 - Operating Lease Commitments (Continued)

The RTC entered into a 40-year land lease with LiveWork, LLC on April 2, 2007. The base rent is $1,250,000 per annum with a 3% escalation in the 5th, 10th, 15th, 20th, 30th, and 35th years as well as annual CPI increases. This operating lease is cancelable if funds become unavailable. As a condition of the lease agreement, the RTC provided the lessor with a $5,000,000 letter of credit as a security deposit, which was unused as of June 30, 2009.

NOTE 9 - Net Assets and Fund Balances

Net Assets

At June 30, 2009, the RTC's government-wide statement of net assets accumulated deficit is mainly attributable to borrowings to fund jurisdictional street and highway improvement projects. The resultant debt is retained and serviced by the RTC while the improved assets are assets of the Jurisdictions. Net assets restricted for debt service totaled $60,421,863. This amount equals the fund balance of the debt service funds of $71,533,728 less accrued interest payable of $11,111,865. In addition, $137,007,825 net assets are restricted for capital projects and intergovermental capital grants.

Fund Balances

Included in the amounts restricted for capital projects and intergovermental capital grants are amounts representing that portion of the special County motor vehicle fuel tax required to be allocated for use by those political subdivisions not included wholly or in part in the “Las Vegas Valley Area Major Street and Highway Plan.” The allocation to these subdivisions is made based on the ratio of their assessed valuation to the total County assessed valuation.

The following is a schedule of changes in the reserve for direct distributions for the year ended June 30, 2009:

	Balance June 30, 2008	Current Year Increases	Current Year Decreases	Balance June 30, 2009
City of Boulder City	$ 351,063	$ 451,558	$ (500,000)	$ 302,621
Bunkerville	532,646	38,099	(350,000)	220,745
Indian Springs	54,789	45,784		100,573
Laughlin	(473,377)	639,449		166,072
City of Mesquite	648,421	671,236	(900,000)	419,657
Moapa	437,679	192,514		630,193
Moapa Valley	233,696	195,977		429,673
Mt. Charleston	267,425	55,206		322,631
Searchlight	134,627	20,049		154,676
Total	$ 2,186,969	$ 2,309,873	$ (1,750,000)	$ 2,746,842

NOTE 10 - Defined Benefit Pension Plan

RTC employees are covered by the State of Nevada Public Employees' Retirement System (the "System"). The System was established on July 1, 1948, by the State Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. All public employees who meet certain eligibility requirements participate in the System, which is a cost-sharing multiple-employer defined benefit plan.

The RTC does not exercise any control over the System. Nevada Revised Statute 286.110 states that: "Respective participating public employers are not liable for any obligation of the System."

Benefits, as required by State 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 the System include pension, disability, and death benefits. Benefits may only be amended through legislation.

Monthly benefit allowances for regular members are computed at 2.5% for service credits earned prior to July 1, 2001, and 2.67% for service credits earned after July 1, 2001, of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to retirement up to a maximum of 90% of the average compensation for employees who entered the system prior to July 1, 1985, and 75% for those entering after that date. The System offers several alternatives to the unmodified service retirement allowance which, in general, allows the retired employee to accept a reduced service retirement allowance, payable monthly during the employee's life and various optional monthly payments to a named beneficiary after the employee's death. Eligible employees are eligible for retirement benefits at age 65 with 5 years of service, at age 60 with 10 years of service and at any age with 30 years of service.

Contribution rates are established by NRS 286.410, which provides for yearly increases of up to 1% until such time as the actuarially determined unfunded liability of the System is reduced to zero. The RTC is obligated to contribute all amounts due under the System. The contribution rate for eligible employees, based on covered payroll, for the years ended June 30, 2009 and 2008 was 20.50% and for the year ended June 30, 2007 was 19.75%.

The RTC's contributions to the plan for the years ended June 30, 2009, 2008, and 2007 were $3,341,119, $3,248,490 and $2,678,999, respectively, equal to the required contributions for each year.

An annual report containing financial statements and required information for the System may be obtained by writing to PERS, 693 W. Nye Lane, Carson City, Nevada 89703-1599, or by calling (775) 687-4200.

NOTE 11 - Other Post-Employment Benefits (OPEB)

The RTC participates in Clark County's other postemployment benefits plan, a cost sharing, multiple employer defined benefit plan, as well as the State of Nevada's Public Employee Benefit Plan (PEBP), a cost-sharing multiple employer define benefit plan.

Plan Descriptions

In accordance with State Statutes, retirees of RTC may continue insurance through existing plans of insurance, if enrolled as an active employee at the time of retirement. Retirees are offered medical, dental, prescription drugs, and life insurance benefits for themselves and their dependents. Retirees may choose between the Clark County Self-Funded Group Medical and Dental Benefits Plan (Self-Funded Plan) and an HMO Plan.

The RTC also provides other postemployment benefits to retirees by participating in the State of Nevada's Public Employee Benefit Plan (PEBP), cost sharing, multiple-employer, defined benefit plan administered by a nine member governing board. PEBP provides medical, prescription, dental and vision benefits to retirees. Eligibility and subsidy requirements are governed NRS and can only be amended through legislation. In 2008, NRS was amended. As a result of this amendment, the number of retirees for whom the RTC is obligated to provide postemployment benefits is limited to eligible employees who retired from RTC service prior to September 1, 2008.

Self-Funded Plan benefit provisions are established and amended through negotiations between the RTC and the SEIU employee union. PEBP benefit provisions are established and amended by the State Legislature.

The Self-Funded Plan is included in the financial statements of Clark County as an internal service fund (the Self-Funded Group Insurance fund). The Self-Funded Plan is not administered as a qualifying trust or equivalent arrangement.

The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. The Self-Funded and PEBP reports may be obtained by writing or calling the plans at the following addresses or numbers:

Clark County, Nevada
PO Box 551210
500 S. Grand Central Parkway
Las Vegas, NV 89155-1210
(702) 455-3895

Public Employee Benefit Plan
901 South Stewart Street, Suite 1001
Carson City, NV 89701
(800) 326-5496

Funding Policy and Annual OPEB Cost

The RTC pays approximately 90% of premiums for active employee coverage, an average of $626 per active employee for the year ended June 30, 2009. Retirees in the Self-Funded Plan receive no direct subsidy from RTC. Under State law, retiree loss experience is pooled with active loss experience for the purpose of setting rates. The difference between the true claims cost and the blended premium is an implicit rate subsidy that creates an OPEB cost for the RTC.

NOTE 11 - Other Post-Employment Benefits (OPEB) (continued)

The RTC is required to pay the PEBP an explicit subsidy, based on years of service, for retirees who are enrolled in this plan. In 2009, retirees were eligible for a $103 per month subsidy after five years of service with a Nevada state or local government entity. The maximum subsidy of $564 is earned after 20 years of combined service with any eligible entity. The subsidy is set by the State Legislature.

The annual other postemployment benefit (OPEB) cost for each plan is calculated based on the annual required contribution (ARC) of the employer , 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 cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. RTC's annual OPEB cost for the current year and the related information for each plan are as follows:

	Self-Funded Plan	PEBP
Contribution rates	Actuarially determined, premium sharing determined by union contracts	Set by State Legislature
RTC	Implicit subsidy through blending of active and retiree loss experience	$103 per month after 5 years of service up to $564 per month after 20 years
Plan members	From $366 per month for single coverage to $1,079 per month for family coverage, depending on plan	From $0 to $1,335, depending on level of coverage and subsidy earned
Annual required contribution (ARC)	$ 893,940	$ 48,093
Interest on net OPEB obligation	24,610	1,324
Adjustment to annual required contribution	(65,126)	(9,322)
Annual OPEB cost	853,424	40,095
Employer contributions made	(41,198)	(35,845)
Increase in net OPEB obligation	812,226	4,250
Net OPEB obligation, beginning of year	648,975	36,321
Net OPEB obligation, end of year	$ 1,461,201	$ 40,571

NOTE 11 - Other Post-Employment Benefits (OPEB) (continued)

RTC's annual OPEB cost, the percentage of annual cost contributed to the plan, and the net OPEB obligation for 2009 were as follows:

	Year ended	Annual OPEB Cost	% of OPEB cost contributed	Net OPEB obligation
Self-funded / HPN	June 30, 2008	$ 688,016	5.67%	$ 648,975
Self-funded / HPN	June 30, 2009	853,424	4.83%	1,461,201
PEBP Plan	June 30, 2008	62,950	42.30%	36,321
PEBP Plan	June 30, 2009	40,095	89.40%	40,571

Funded status and funding progress

The funded status of the plans as of June 30, 2009, and 2008 were as follows:

	Self-funded / HPN 2009
Actuarial accrued liability (a)	$ 6,633,463
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability (funding excess) (a) - (b)	$ 6,633,463
Funded ratio (b) / (a)	0%
Covered payroll (c)	$ 17,076,022
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll [(a) - (b)] / (c)	38.8%

	PEBP * 2009
Actuarial accrued liability (a)	$ 864,895
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability (funding excess) (a) - (b)	$ 864,895
Funded ratio (b) / (a)	0%
Covered payroll (c)	N/A
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll [(a) - (b)] / (c)	N/A

* PEBP is a closed plan; and therefore there are no current employees covered by the PEBP.

NOTE 11 - Other Post-Employment Benefits (OPEB) (continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress, presented as required supplementary information, provides multi-year trend information that shows, whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the substantive plans (the plans as understood by the employer and plan members) and include the types of benefits provided at the valuation date and the historical pattern of sharing benefit costs between RTC and the plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

Actuarial methods and assumptions

	Self-funded / HPN	PEBP Plan
Actuarial valuation date	July 1, 2008	July 1, 2008
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar amount	Level dollar amount
Remaining amortization period	30 years, open	30 years, open
Asset valuation method	No assets in trust	No assets in trust
Actuarial assumptions:		
Investment rate of return	4.0%	4.0%
Projected salary increases	N/A	N/A
Healthcare inflation rate	8% initial / 5% ultimate	8% initial / 5% ultimate

RTC assets in internal service fund

Clark County utilizes the Other Employment Benefit Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2009, the Other Postemployment Benefit Reserve fund has $211,855 in cash, investments, and interest receivable held on behalf of the RTC. The RTC intends to use these assets for future OPEB funding. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held a qualifying in trust or equivalent arrangement as defined by GASB Statement No. 45.

NOTE 12 - Risk Management

The RTC's operating activities are comprised primarily of providing both the transit authority and the transportation-planning agency in southern Nevada; and therefore, realization of the RTC's receivables and its future operations could be affected by an adverse change in the economic conditions in the area.

The United States is experiencing a widespread recession accompanied by declines in residential real estate sales, mortgage lending and related construction activity, higher energy costs and other inflationary trends, and weakness in the commercial and investment banking systems, and is engaged in a war, all of which are likely to have far-reaching effects on the economic activity in the country for an indeterminate period. The near- and long-term impact of these factors on the southern Nevada economy and the RTC 's operating activities cannot be predicted at this time but may be substantial.

In the ordinary course of its operations, claims are filed against the RTC. It is the opinion of management that these claims will not have any material adverse effect on the RTC's financial position, results of operation, or cash flows.

The RTC does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when services are rendered.

The RTC, through various interlocal agreements, contracts with Clark County for risk management administration.

The RTC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains the following types of risk exposures, which also include the RTC's coverage. Over the past three years, settlements have not exceeded insurance coverage.

On January 1, 2005, the RTC entered into a cooperative agreement with Clark County for coverage of liability claims and related expenses.

The RTC is solely responsible to pay all claim costs which come within its retained limit as set for in the agreement. The RTC also may elect to provide its own legal defense in which case the Clark County Insurance Pool Internal Service Fund (the "Fund") shall reimburse the RTC for the cost of such defense up to the limit of the amount the Fund would have paid pursuant to the legal services contracts entered into by the County.

The RTC's designated representative shally notify Clark County's designated representative and the designated adjusting firm of any occurrence for which it is believed liability will exceed RTC's retention. RTC is solely responsible for the costs of the services rendered it by the claims adjusting firm.

NOTE 12 - Risk Management (continued)

Clark County shall be responsible for the management and administration of the Fund. Clark County is authorized to contract for claims adjusting services, legal services and consulting services, brokerage services, or to enter into contracts for the purchase of property and casualty insurance or excess or supplemental liability insurance; to invest the Fund's assets in accordance with all applicable laws and regulations and to make disbursements from the Fund pursuant to the agreement.

Self-Funded Group Insurance and Group Insurance Reserve

The County has established self-insurance funds for insuring medical benefits provided to participating employees and covered dependents. An independent claims administrator performs all claims handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques. Employees have the option in selecting between the Self-Funded group insurance or Health Plan of Nevada.

Clark County Workers' Compensation

The County has established a fund for self-insurance related to workers' compensation claims. Self-insurance is in effect up to an individual stop loss amount of $1,000,000 per claim. Coverage from private insurers is maintained for losses in excess of the claim stop loss amount up to $10,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

County Liability Insurance Pool

The County has established a general liability insurance pool for the benefit of County funds and other participating agencies including the RTC. The County's self-insurance is in effect for loss amounts over the $25,000 retention up to $2,000,000 per occurrence, accident, or loss. The RTC's self-insurance is in effect for loss amounts over the $10,000 retention up to $2,000,000 per occurrence, accident, or loss.

Coverage from private insurers is maintained for losses in excess of the stop loss amount up to $20,000,000. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

With a portion of the contributions from County funds and other participating agencies, the County purchases commercial property insurance to cover the risk of damage to the insureds' property. RTC property is included in the schedule of insured locations in this policy.

NOTE 13 - Construction Commitments

Construction commitments include major arterial roadway projects with various local entities of approximately $179,400,000. In addition, the Public Transit fund has outstanding construction commitments of approximately $75,400,000 for capital projects and vehicles.

NOTE 14 - Variable-to-Fixed Commodity Swap Agreement

The RTC actively engages in commodity swap agreements for the purpose of reducing the effects of the volatility of diesel fuel prices and to provide for future operations at a known and budgeted cost.

At June 30, 2009, the RTC’s derivative portfolio is comprised of variable-to-fixed commodity swap agreements, solely for the purpose of providing the RTC's projected diesel fuel requirements through June 2010. As of June 30, 2009, the RTC had commitments for 5,976,662 gallons of diesel full at a fixed price of $1.7425 per gallon related to these derivatives.

Under applicable accounting standards, these derivatives, for which the RTC neither paid nor was paid anything at inception, are accounted for as “normal purchases and normal sales contracts” and not as investments. The primary risks associated with these derivatives are counter-party credit and termination risks. The RTC or its counter-party may terminate a commodity swap agreement if the other party fails to perform under the terms of the agreement. If at the time of termination, the applicable commodity swap agreement is in a liability position, the RTC would be liable to the counter-party for payment equal to the liability, subject to certain netting arrangements. As of June 30, 2009, the RTC is not aware of any event that has occurred that would lead to a termination event with respect to its existing commodity swap agreement.

NOTE 15 - Prior Period Adjustment

During 2009, the following prior period adjustments were made:

General Fund

It was determined that in 2008:
Accounts receivable had been understated by $43,856.
Prepaid expense had been understated by $203,286.
Accounts payable had been understated by $415,638.

Total net adjustments resulted to an overstatement of $168,496 in fund balance for 2008.

Highway Improvement Acquisition Fund

It was determined that in 2008 accounts payable had been understated and fund balance had been overstated by $10,258,435.

RTC Highway Improvement Fund

It was determined that in 2008 accounts payable had been understated and fund balance had been overstated by $1,300,283.

Public Transit Fund

It was determined that in 2008:
Accounts receivable had been understated by $666,651.
Prepaid expense had been understated by $105,928.
Capital assets had been understated by $1,335,461.
Accounts payable had been understated by $744,678.

Total net adjustments resulted to an understatement of $1,363,362 in fund balance for 2008.

NOTE 16 - Subsequent Events

On August 25, 2009, the State of Nevada was notified by the U.S. Department of Transportation that approximately $8.7 billion of unobligated Federal-aid highway funds apportioned to the States would be rescinded on September 30, 2009. Such rescissions attributed to the State of Nevada totaled approximately $61 million. While the amount of these total Nevada recissions is subject to reallocation within certain limits at the State level, the recissions that are likely to affect RTC are unknown at this time.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS, OTHER POSTEMPLOYMENT BENEFITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a percentage of covered payroll ((b-a)/c)
County Plan	June 30, 2006	$0	$5,007,082	$5,007,082	0.0%	$16,577,905	30.2%
	July 1, 2008	0	6,633,463	6,633,463	0.0%	17,076,022	38.8%
PEBP	June 30, 2006	0	1,046,677	1,046,677	0.0%	16,577,905	6.3%
	July 1, 2008	0	864,895	864,895	0.0%	N/A*	N/A*

* PEBP is a closed plan; and therefore, there are no current employees covered by the PEBP.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
REGIONAL TRANSPORTATION COMMISSION FUND
SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008)

	2009				2008
	Original Budget	**Final Budget**	**Actual**	**Variance**	**Actual**
REVENUES					
Intergovernmental revenue:					
Federal and state grants			$ 4,675,267	$ 4,675,267	$ 3,284,589
Charges for services	$ 1,195,100	$ 1,195,100		(1,195,100)	
Interest	125,000	125,000	156,860	31,860	251,089
Other			1,130,052	1,130,052	1,162,623
Total revenues	1,320,100	1,320,100	5,962,179	4,642,079	4,698,301
EXPENDITURES					
Current:					
Salaries and wages	11,115,471	11,115,471	10,134,907	(980,564)	9,788,031
Employee benefits	3,710,729	3,710,729	3,461,027	(249,702)	3,086,315
Services and supplies	18,429,468	18,429,468	12,495,047	(5,934,421)	14,265,389
Capital outlay and intergovernmental capital grants	1,040,400	1,040,400	394,265	(646,135)	644,272
Total expenditures	34,296,068	34,296,068	26,485,246	(7,810,822)	27,784,007
OTHER FINANCING SOURCES					
Transfers in	32,879,432	32,879,432	24,266,495	(8,612,937)	24,343,181
CHANGE IN FUND BALANCES	(96,536)	(96,536)	3,743,428	3,839,964	1,257,475
Fund balances - beginning as originally reported	2,773,944	2,773,944	1,975,990	(797,954)	718,515
Prior period adjustment			(168,496)	(168,496)	
Fund balances - as restated	2,773,944	2,773,944	1,807,494	(966,450)	718,515
Fund balances - ending	$ 2,677,408	$ 2,677,408	$ 5,550,922	$ 2,873,514	$ 1,975,990

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
REGIONAL TRANSPORTATION FUND
SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008)

	2009				2008
	Original Budget	**Final Budget**	**Actual**	**Variance**	**Actual**
REVENUES					
Intergovernmental revenue:					
Sales and use tax	$ 43,625,000	$ 43,625,000	$ 37,480,578	$ (6,144,422)	$ 43,130,784
Interest	50,000	50,000	574,067	524,067	548,340
Total revenues	43,675,000	43,675,000	38,054,645	(5,620,355)	43,679,124
EXPENDITURES					
Current:					
Services and supplies	7,000,000	7,000,000	6,013,018	(986,982)	7,036,609
OTHER FINANCING USES					
Transfers out	36,675,000	36,675,000	31,587,740	(5,087,260)	42,948,475
CHANGE IN FUND BALANCES			453,887	453,887	(6,305,960)
Fund balances - beginning			28,569	28,569	6,334,529
Fund balances - ending			$ 482,456	$ 482,456	$ 28,569

NOTE 1 - Budgetary Information

The RTC uses the following procedures to establish, modify and control the budgetary data presented in the financial statements:

a. Prior to April 15, the RTC General Manager submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.

b. The Nevada State Department of Taxation notifies the RTC of its acceptance of the budget.

c. Public hearings are conducted on the third Thursday in May.

d. After all changes have been noted and hearings closed, the RTC governing board adopts the budget on or before June1.

e. The RTC's General Manager is authorized to transfer budgeted amounts within functions or funds, but any other transfers must be approved by the RTC governing board.

f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal board action.

g. Formal budgetary control is employed for all RTC funds.

h. Statutory regulations require budget control to be exercised at the function level within the Regional Transportation commission fund, which serves as the RTC's general fund. Budget control is exercised at the fund level for all funds. The board administratively exercises control at the budgeted item level within a department.

i. All unemcumbered appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.

j. Budgeted amounts as originally adopted for the year ended June 30, 2009, were adjusted for transfers between funds.

k. Budgets are adopted on a basis consistent with the method used to report on governmental funds, which are prepared in accordance with accounting principles generally accepted in the United States of America.

Comparative data for the prior year have been presented for the individual fund statements in order to provide an understanding of the changes in these funds.

NOTE 2 - Other Postemployment Benefits

The June 30, 2006 actuarial valuation was the first valuation of the post employment benefit plan. As additional actuarial valuations are obtained, this schedule will ultimately present information from the three most recent valuations.

NOTE 2 - Other Postemployment Benefits (continued)

For the year ended June 30, 2009, no significant events occurred that would have affected; and therefore, would have changed the benefit provision, size or composition of those covered by the other postemployment benefit plans, or the actuarial methods and assumptions used in the actuarial valuation reports dated June 30, 2006 and July 1, 2008.

The actuarially determined actuarial accrued liability and unfunded actuarial accrued liability involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The estimates are subject to continual revision.

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE

The following statements are summaries of certain provisions of the Bond Ordinance. Such statements do not purport to be complete and reference is made to the Bond Ordinance, copies of which are on file and available for examination at the principal office of the County.

Certain Definitions

Certain terms used in the Bond Ordinance are defined substantially as follows:

"Acquisition Accounts" means the special accounts designated as the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B, Project Acquisition Account" and the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement Bonds, Series 2010C (Taxable Direct Pay Build America Bonds), Project Acquisition Account" created in the Ordinance.

"BAB Credit" means the credit provided in Section 6431 of the Tax Code which the County directly receives with respect to any Superior Securities, Parity Securities or Subordinate Securities in lieu of any credit otherwise available to the holders of such Superior Securities, Parity Securities or Subordinate Securities under Section 54AA(a) of the Tax Code, pursuant to an irrevocable election by the County that Section 54AA of the Tax Code shall apply to such Superior Securities, Parity Securities or Subordinate Securities and that subsection (g) of Sections 54AA will also apply to such Superior Securities, Parity Securities or Subordinate Securities and any similar or other credit received by the County from the Federal Government which is made to the County to pay interest on securities payable from all or a portion of the Pledged Revenues and which the County commits to use in the same manner for those securities as a BAB Credit as provided in the Ordinance.

"Board" means the Board of County Commissioners of Clark County, Nevada, or its successor in functions, if any.

"Bond Fund" means the "Clark County, Nevada, Sales and Excise Tax Parity Revenue Bonds, Interest and Bond Retirement Fund," created in Section 401 of the Bond Ordinance.

"2010A Bond Ordinance" means Ordinance No. 3846 adopted by the Board on January 19, 2010 authorizing the issuance of the 2010A Bonds

"Bond Requirements" means the principal of, any prior redemption premiums due, if any, in connection with, and the interest on the 2010 Bonds and any additional bonds or other securities payable from the Pledged Revenues, or such part of such securities as may be designated.

"Bond Year" means the twelve (12) months commencing on the second day of July of any calendar year and ending on the first day of July of the next succeeding calendar year.

"Bonds" or "2010 Bonds" means the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010" issued pursuant to the Bond Ordinance.

"2010A Bonds" means the securities issued under the 2010A Bond Ordinance and designated as the Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010.

"2010B Bonds" means the securities issued pursuant to the Ordinance and designated as the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B.

"2010C Bonds" means the securities issued pursuant to the Ordinance and designated as the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Bonds, Series 2010C (Taxable Direct Pay Build America Bonds).

"Combined Maximum Annual Principal and Interest Requirements" means the maximum sum of the principal of and interest on the Outstanding 2010 Bonds, and any other designated securities payable from the Pledged Revenues, to be paid during any one Bond Year for the period beginning with the Bond Year in which such computation is made and ending with the Bond Year in which any 2010 Bond last becomes due at maturity or on a date on which any 2010 Bond thereafter maturing has been called for prior redemption, but excluding any reserve requirements to secure such payments unless otherwise expressly provided. Any such computation shall be made by an Independent Accountant unless otherwise expressly provided.

In calculating this amount, the principal amount of Superior Securities, Parity Securities or Subordinate Securities required to be redeemed prior to maturity pursuant to a mandatory redemption schedule contained in the ordinance or other instrument authorizing the issuance of such Superior Securities, Parity Securities or Subordinate Securities (e.g., the schedule, if any, set forth in the Certificate of the Chief Financial Officer) shall be treated as maturing in the Bond Year in which such Superior Securities, Parity Securities or Subordinate Securities are so required to be redeemed, rather than in the Bond Year in which the stated maturity of such Superior Securities, Parity Securities or Subordinate Securities occurs. In the case of any calculation of the Combined Maximum Annual Principal and Interest Requirements to be paid in the future on any Superior Securities, Parity Securities or Subordinate Securities with respect to which the County expects to receive a BAB Credit, "interest" for any Bond Year should be treated as the amount of interest to be paid by the County on those Superior Securities, Parity Securities or Subordinate Securities in that Bond Year less the amount of the BAB Credit then expected to be paid by the United States with respect to interest payments on those Superior Securities, Parity Securities or Subordinate Securities in that Bond Year and required by the ordinance or other instrument authorizing those Superior Securities, Parity Securities or Subordinate Securities to be used to pay interest on those Superior Securities, Parity Securities or Subordinate Securities in that Bond Year or to reimburse the County for amounts already used to pay interest on those Superior Securities, Parity Securities or Subordinate Securities in that Bond Year. If the BAB Credit is not expected to be received as of the date of such calculation, "interest" shall be the total amount of interest to be paid by the County on the Superior Securities, Parity Securities or Subordinate Securities without a deduction of the BAB Credit.

The Chief Financial Officer may certify in writing the expected amount and the expected date of receipt of any BAB Credit, and that certificate shall be conclusive for purposes of the Ordinance.

"Department" means the Nevada Department of Taxation created by section 11, chapter 748, Statutes of Nevada 1975.

"Escrow Account" means the special account designated as the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010 Escrow Account," to be held by the Escrow Bank and administered according to the provisions of the Escrow Agreement to pay off the Refunded Notes.

"Escrow Agreement" means the escrow agreement between the Escrow Bank and the County relating to the Refunded Notes.

"Escrow Bank" means The Bank of New York Mellon Trust Company, N.A., its successors and assigns.

"Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of or the principal and interest of which securities are unconditionally guaranteed by, the United States of America.

"Fiscal Year" means the twelve (12) months commencing on the first day of July of any calendar year and ending on the last day of June of the next succeeding calendar year.

"Independent Accountant" means any certified public accountant, or firm of such certified public accountants, as from time to time determined by the Governing Body, duly licensed to practice and practicing as such under the laws of the State, appointed and compensated by the Governing Body on behalf and in the name of the County:

(a) Who is, in fact, independent and not under the domination of the County;

(b) Who does not have any substantial interest, direct or indirect, with the County, and

(c) Who is not connected with the County as an officer or employee thereof, but who may be regularly retained to make annual or similar audits of any books or records of the County.

"Insurer" means the entity, if any, or any successor thereof, which insures the 2010 Bonds and whose policy of municipal bond insurance is delivered at the time the 2010 Bonds are delivered.

"Jet Fuel Tax" means the tax imposed pursuant to the provisions of NRS 365.170 and County Ordinance No. 1266, as amended by County Ordinance No. 2929, on fuel for jet or turbine powered aircraft sold or distributed or used in the County pursuant to the provisions of NRS 365.545.

"Jet Fuel Tax Ordinance" means the provisions of Chapter 4.24 of the Clark County Code relating to the imposition of the Jet Fuel Tax pursuant to NRS 365.170.

"Minimum Bond Reserve" means the least of: (a) 125% of the combined average annual principal and interest requirements; (b) 100% of the Combined Maximum Annual Principal and Interest Requirements; or (c) an amount determined by adding the amount of the Minimum Bond Reserve in effect immediately prior to the issuance of additional Parity Securities to an amount equal to 10% of the proceeds of the proposed Parity Securities and is required to be deposited, accumulated and maintained as provided in Section 506 of the Bond Ordinance and as described in the sections entitled "Flow of Funds" and "Reserve Fund" below. In the case of any calculation of the combined average annual principal and interest requirements to be paid in the future on any Parity Securities with respect to which the County expects to receive a BAB Credit, "interest" for any Bond Year should be treated as the amount of interest to be paid by the County on those Parity Securities in that Bond Year less the amount of BAB Credit then expected to be paid by the United States with respect to interest payments on those Parity Securities in that Bond Year and required by the ordinance or other instrument authorizing those Parity Securities to be used to pay interest on those Parity Securities in that Bond Year or to reimburse the County for amounts already used to pay interest on those Parity Securities in that Bond Year. If the BAB Credit is not expected to be received as of the date of such calculation, "interest" shall be the total amount of interest to be paid by the County on the Parity Securities without a deduction of the BAB Credit. The Chief Financial Officer may certify in writing the expected amount and the expected date of receipt of any BAB Credit, and that certificate shall be conclusive for purposes of the Bond Ordinance.

"2008 Notes" means the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Commercial Paper Notes, Series 2008A and Series 2008B and certain obligations under the 2008 Note Ordinance related thereto.

"2008 Note Ordinance" means the Ordinance No. 3582 authorizing the issuance of the 2008 Notes duly passed and adopted by the Board on January 2, 2008 and the documents related thereto including the Letter of Credit and Reimbursement Agreement dated as of January 1, 2008.

"Outstanding" when used with reference to the 2010 Bonds or any other designated securities and as of any particular date means all the 2010 Bonds or any such other securities payable from the Pledged Revenues in any manner theretofore or thereupon being executed and delivered:

(a) Except any 2010 Bond or other security canceled by the County or otherwise on the County's behalf, at or before such date;

(b) Except any 2010 Bond or other security for the payment of the redemption of which cash at least equal to the Bond Requirements to the date of maturity or the redemption date, shall have theretofore been deposited with a trust bank in escrow or in trust for that purpose, as provided in the Bond Ordinance; and

(c) Except any 2010 Bond in lieu of or in substitution for which another bond shall have been duly executed and delivered.

"Parity Securities" means in either case bonds or securities payable from the Pledged Revenues on a parity with the 2010 Bonds.

"Pledged Revenues" means all income and revenue received by the County from the Sales Tax imposed by the County and the Jet Fuel Tax imposed by the County. The "Pledged Revenues" means all or a portion of the Pledged Revenues but does not include any amounts determined, pursuant to State law, to be subject to valid claims for refunds or amounts on deposit in the Rebate Fund. The designated term indicates sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification. "Pledged Revenues" includes income derived from any additional Sales Tax and the Jet Fuel Tax imposed by the County if the Board elects to include the additional tax in "Pledged Revenues" for the remaining term of the Bonds.

"Project Act" means NRS 377A.010 through 377A.140, as from time to time amended.

"Rebate Account" means the account designated as the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010, Rebate Account."

"Refunded Notes" means the outstanding 2008 Notes designated in the Escrow Agreement.

"Refunding Project" means the refunding of the Refunded Notes.

"Reserve Fund" means the "Clark County, Nevada, Sales and Excise Tax (Streets and Highways) Parity Revenue Bonds, Reserve Fund" previously created and continued by Section 401 of the Bond Ordinance.

"Reserve Fund Surety Bond" means any insurance policy or surety bond deposited in or credited to the Reserve Fund as provided in the Bond Ordinance in lieu of or in partial substitution for cash or investment obligations on deposit in the Reserve Fund. Any such insurance policy or surety bond must be issued by an entity whose claims paying ability is rated in one of the two highest rating categories assigned by any nationally recognized rating agency at the time such policy or bond is deposited in or credited to the Reserve Fund.

"Revenue Fund" means the special account created in the Bond Ordinance and designated as the "Clark County, Nevada, Sales and Excise Tax Streets and Highways Revenue Fund."

"Sales Tax" means the tax imposed pursuant to the Project Act and the Sales Tax Ordinance, upon retailers at the rate of .25 of one percent of the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed in the County less a percentage (calculated on the same basis as the percentage calculated pursuant NRS 374.785(3)(a)) of all fees, taxes, interest and penalties as compensation to the State for the cost of collecting the Sales Tax. In addition, pursuant to the Sales Tax Ordinance, the taxpayer shall deduct and withhold from the Sales Tax otherwise due the amount permitted by law to reimburse himself for the cost of collecting the Sales Tax. Exempted from the Sales Tax are the gross receipts from the sale of, and the storage, use of or other consumption in the County of, (i) tangible personal property the gross receipts from the sale of which, or the storage, use or other consumption of which, the County is prohibited from taxing under the Constitution or laws of the United States or under the constitution or laws of the State; and (ii) tangible personal property used for the performance of a written contract: (a) entered into on or before the effective date of the Sales Tax and if, under the terms of the contract or bid the contract price or bid amount cannot be adjusted to reflect the imposition of the Sales Tax or increase in the Sales Tax; or (b) for the construction of an improvement to real property for which a binding bid was submitted prior to the effective date of the tax or the increase in the Sales Tax if the bid was afterward accepted and if, under the terms of the contract or bid the contract price or bid amount cannot be adjusted to reflect the imposition of the Sales Tax or increase in the Sales Tax.

"Sales Tax Ordinance" means the provisions of Chapter 4.18 of the Clark County Code relating to the imposition of the Sales Tax pursuant to the Project Act.

"Subordinate Securities" means in either case bonds or securities payable from the Pledged Revenues and junior to the lien thereon of the 2010 Bonds, including the 2008 Notes.

"Superior Securities" means in either case bonds or securities payable from the Pledged Revenues and senior to the lien thereon of the 2010 Bonds.

"trust bank" means a "commercial bank," as defined herein, which bank is authorized to exercise and is exercising trust powers, and also means any branch of the Federal Reserve Bank.

Application of Proceeds

The net proceeds of the Bonds will be deposited in the Bond Fund, the Reserve Fund, the Escrow Account and the Costs of Issuance Account. First, if not needed for the Refunding Project, there shall be credited to the Bond Fund all moneys, if any, received as accrued interest on the Bonds from their sale by the County from the date of the Bonds to the date of their delivery to the purchasers of the Bonds, to apply to the payment of interest on the Bonds as the same becomes due after their delivery. Second, there shall be deposited from the proceeds of the Bonds (or other available moneys of the County) into the Reserve Fund, an amount which is sufficient, together with the monies already on deposit in the Reserve Funds, to equal the Minimum Bond Reserve. For rebate purposes, the County may keep separate subaccounts with the Reserve Fund for the 2010B Bonds and the 2010C Bonds. Third, there shall be deposited from the proceeds of the Bonds (or other available moneys of the County) into the Escrow Account moneys sufficient to refund, pay and discharge the Refunded Notes. Fourth, the balance of the proceeds derived from the sale of the Bonds shall be credited to the Acquisition Accounts. The balance of the proceeds derived from the sale of the 2010B Bonds, except as otherwise provided, shall be credited to the 2010B Acquisition Account. After completion of the Refunding Project and the Sales Tax Project, any unexpended balance of the 2010B Bond proceeds in the 2010B Bond Account shall be deposited in the Bond Fund to pay the principal and interest on the 2010B Bonds. The balance of the sale of the 2010C Bonds, except as provided, shall be credited the 2010C Acquisition Account. After completion of the Project, any unexpended balance of 2010C Bond proceeds in the 2010C Acquisition Account shall be deposited in the Bond Fund to be used to pay principal of and interest on the 2010C Bonds.

Flow of Funds

The entire Pledged Revenues, pursuant to the Project Act, the Sales Tax Ordinance, the Jet Fuel Tax Act and the Jet Fuel Tax Ordinance, shall be deposited into the Revenue Fund. Payments from the Revenue Fund shall be made in the following order:

(a) To the Bond Fund in equal monthly installments, commencing on the first day of the month immediately succeeding delivery of the 2010 Bonds and any Parity Securities: (1) an amount sufficient to pay the next installment of interest on the Outstanding 2010 Bonds and any Outstanding Parity Securities, and monthly thereafter, commencing on each interest payment date, one-sixth of the amount necessary to pay the next maturing installment of interest on the Outstanding 2010 Bonds and any Outstanding Parity Securities, except to the extent any other moneys are available; and (2) an amount to pay the next maturing installment of principal of the 2010 Bonds and any Parity Securities, and monthly thereafter, commencing on each principal payment date, one-twelfth of the next maturing installment of principal of the 2010 Bonds and any Parity Securities, except to the extent any other moneys are available.

(b) To the Reserve Fund monthly, concurrently with the payments to the Bond Fund made pursuant to (a) above (except as otherwise provided in the Bond Ordinance), commencing on the first day of the month on which the moneys accounted for in the Reserve Fund for any reason are less than the Minimum Bond Reserve, such amounts in substantially equal monthly installments on the first day of each month to accumulate or reaccumulate the Minimum Bond Reserve by not more than 60 such monthly payments;

(c) Subsequent to the payments summarized in (a) and (b) above, there must be deposited, into the Rebate Account the amount required pursuant to Section 148 of the Tax Code and the regulations thereunder;

(d) Subsequent to the payments summarized in (a), (b) and (c) above, there may be paid out of any moneys remaining in the Revenue Fund the payment of Bond Requirements of Subordinate Securities payable from the Pledged Revenues and hereafter authorized to be issued; and

(e) The balance remaining in the Revenue Fund may be used for one or any combination of lawful purposes, as the Governing Body may from time to time determine.

Reserve Fund

The Bond Ordinance creates the Reserve Fund as a continuing reserve to be held for the benefit of the owners of the 2010 Bonds and any Parity Securities. After making the required deposits into the Bond Fund, the County must deposit from the proceeds of the 2010 Bonds into the Reserve Fund an amount such that after the deposit, the amount held in the Reserve Fund equals the Minimum Bond Reserve. The Reserve Fund is required to be maintained in an amount equal to the Minimum Bond Reserve. The County is required to make deposits into the Reserve Fund sufficient to bring the balance in the Reserve Fund to an amount equal to the Minimum Bond Reserve following the issuance of a series of additional Parity Securities, or if for any other reason the Reserve Fund does not equal the Minimum Bond Reserve, in 60 equal monthly payments. The Minimum Bond Reserve may be funded from cash or Federal Securities, a Reserve Fund Surety Bond, or a combination of the above. A Reserve Fund Surety Bond may also be substituted for all or any part of the cash or Federal Securities at any time on deposit in the Reserve Fund, or cash or Federal Securities may be substituted for all or any part of a Reserve Fund Surety Bond. Any Reserve Fund Surety Bond on deposit in the Reserve Fund shall be valued at the amount available to be drawn on it. Repayments to the provider of any Reserve Fund Surety Bond will have the same priority as payments into the Reserve Fund.

Parity Securities

The County may issue additional bonds or other securities (other than refunding bonds, which are permitted subject to conditions described below) payable from Pledged Revenues and constituting a lien on Pledged Revenues on a parity with the lien of the Outstanding 2010 Bonds if:

(i) at the time of the adoption of the supplemental instrument authorizing the issuance of such additional Parity Securities, the County is not in default in making any payments required to be made to the various accounts designated in the Bond Ordinance; and

(ii) the Pledged Revenues derived in the Fiscal Year immediately preceding the date of the issuance of such additional Parity Securities were at least sufficient to pay an amount equal to 150% of the Combined Maximum Annual Principal and Interest Requirements of the Outstanding 2010 Bonds and any other Outstanding Parity Securities of the County and the Parity Securities proposed to be issued (excluding any reserves therefore).

The above earnings test is subject to the following adjustments:

(i) if any Sales Tax or Jet Fuel Tax constituting supplemental Pledged Revenues had not accrued and been payable for the full Fiscal Year immediately preceding the date of the issuance of any such additional Parity Securities, any amount of Pledged Revenues which was actually collected for the designated Fiscal Year may be increased to an amount which it is estimated would have been collected if such Sales Tax or Jet Fuel Tax had accrued and been payable for the full Fiscal Year designated based upon the known collections of Pledged Revenues preceding such adjustment; and

(ii) the amount of the Pledged Revenues for the immediately preceding Fiscal Year shall be decreased by, and may be increased by, the amount of any loss or gain conservatively estimated by the Chief Financial Officer making the computations, which loss or gain results from any change in the rate of the levy of that part of the Sales Tax constituting a part of the Pledged Revenues which change took effect during the immediately preceding Fiscal Year or shall take effect during any succeeding Fiscal Year prior to or following the issuance of such Parity Securities, as if such modified rate shall have been in effect during the entire immediately preceding Fiscal Year and as if such change shall have been made before the computation of the designated earnings test; and

(iii) the amount of annual payments on the Outstanding 2010 Bonds and any other Outstanding Parity Securities and the Parity Securities proposed to be issued is required to be reduced to the extent moneys are held for their payment in trust or escrow, in accordance with the provisions of the Bond Ordinance.

The 2010 Bonds and any Outstanding Parity Securities are not entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of the issuance of the Parity Securities.

Refunding Bonds and Subordinate Bonds

The Bond Ordinance provides that refunding securities may be issued only if the securities to be refunded will mature at the time or times of their required surrender for payment or be then callable for prior redemption at the County's option for the purpose of refunding them, unless the holders of all such securities consent to such surrender and payment. Except in certain events (absences of increase in principal and interest requirements, subordination of the lien of such refunding bonds, or meeting of the requirements for additional Parity Securities), partial refunding of an issue requires consent of the holders of the unrefunded portion of the outstanding securities payable from Pledged Revenues.

The Bond Ordinance provides that the County may issue Subordinate Securities.

Investments

Any moneys in any account designated in the Bond Ordinance and not required for immediate use may be invested or reinvested by the County Treasurer, by deposit in one or more commercial banks or in bills, certificates of indebtedness, notes, bonds, or similar securities which are permitted under State law and permitted by any Insurer of the Bonds ("Permitted Securities"). The Permitted Securities so purchased as an investment or reinvestment of moneys in any such account will be deemed at all times to be a part of the account and held in trust therefore. Except as otherwise provided in the Bond Ordinance, any interest or other gain in any account from any investments and reinvestment in Permitted Securities and from any deposits of moneys in any such bank will be credited to the account and any loss in any account resulting from any such investments and reinvestments in Permitted Securities and from any such deposits will be debited to the account; but any gain from any investments, reinvestments and deposits of moneys accounted for in the Reserve Fund in excess of Minimum Bond Reserve may be transferred to the Bond Fund.

Tax Covenant

The County covenants for the benefit of the registered owners of the 2010 Bonds that it will not take any action or omit to take any action with respect to the 2010 Bonds, the proceeds thereof, any other funds of the County or any facilities financed or refinanced with the proceeds of the 2010 Bonds if such action or omission (i) would cause the interest on the 2010 Bonds to lose its exclusion from gross income for federal income tax purposes under the Tax Code, or (ii) would cause interest on the 2010 Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2010 Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

The County makes an irrevocable election that Section 54AA of the Tax Code shall apply to the 2010C Bonds and that subsection (g) of Sections 54AA will also apply to the 2010C Bonds so that the County will directly receive the credit provided in Section 6431 of the Tax

Code in lieu of any BAB Credit otherwise available to the bond holders under section 54AA(a) of the Tax Code. None of the bond holders of the 2010C Bonds shall be entitled to any credit under Section 54AA(a) of the Tax Code. The County covenants that it will not take any action or omit to take any action with respect to the 2010C Bonds, the proceeds thereof, any other funds of the County or any project financed with the proceeds of the 2010C Bonds if such action or omission would cause the County to not be entitled to the BAB Credit with respect to the 2010C Bonds. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2010C Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met. The County shall timely file any document required by the Internal Revenue Service to be filed in order to claim the BAB Credit. Any BAB Credit received by the County under Section 6431 of the Code with respect to the 2010C Bonds shall be deposited into the Bond Fund when received and applied as described in Section 504(A)(1) of the Ordinance to the extent needed to provide for the next succeeding interest payment due on the 2010C Bonds; but if taking into account the amount already deposited into the Bond Fund all or any portion of the BAB Credit is not needed to pay the next succeeding interest payment on the 2010C Bonds, the portion not so needed shall be used to reimburse the County for the amount already deposited into the Bond Fund, and shall be applied as otherwise provided in the Ordinance.

Rebate Account

The Bond Ordinance creates a separate account, to be known as the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010, Rebate Account" (the "Rebate Account"), to be held by the County. After all the payments required to be made into the Bond Fund and the Reserve Fund, the County is required to deposit Pledged Revenues into the Rebate Account as required under Section 148 of the Tax Code and regulations promulgated thereunder. Any money in the Rebate Account not needed for such purpose shall be transferred to the Revenue Fund. Payments into similar rebate accounts for additional Parity Securities shall be made concurrently with payments into the Rebate Account.

Events of Default and Remedies of Bondholders

Each of the following events is defined in the Bond Ordinance as an "event of default":

(i) the County fails to pay when due the principal of the 2010 Bonds or any prior redemption premium in connection therewith or to pay any installment of interest when due;

(ii) the County is rendered incapable of fulfilling its obligations under the Bond Ordinance;

(iii) the County fails to perform (or in good faith to begin the performance of) all acts and things required to be carried out or to be performed by it under any contract relating to the Pledged Revenues or otherwise (including the Bond Ordinance), and such failure continues for 60 days after receipt of notice of such failure from the owners of 10 percent in principal amount of the 2010 Bonds then Outstanding;

(iv) an order or decree is entered with the acquiescence or consent of the County appointing a receiver or receivers for the Pledged Revenues and any other moneys subject to the lien to secure the payment of the 2010 Bonds, or such a decree is entered without the consent of the County and is not vacated, discharged, or stayed on appeal within 60 days after entry; or

(v) the County makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements, and other provisions contained in the 2010 Bonds or in the Bond Ordinance on its part to be performed, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied has been given to the County by the holders of 10 percent in principal amount of the 2010 Bonds then Outstanding.

Upon the happening and continuance of an event of default, the holders of 10 percent in principal amount of the 2010 Bonds then Outstanding may proceed against the County and its agents, officers, and employees to protect and enforce the rights of the bondholders under the Bond Ordinance by mandamus or other suit, action, or special proceedings, in equity or at law, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained therein or by an award of execution of any power granted in the Bond Ordinance for the enforcement of any proper legal or equitable remedy, as such bondholders may deem most effectual to protect and enforce such rights, or to enjoin any act or thing which may be unlawful or in violation of any right of any holder of any Bond, or to require the County to act as if it were the trustee of an express trust, or any combination of such remedies. The remedies do not include the right to declare the then outstanding principal amount of Bonds immediately due and payable. The United States Bankruptcy Code and similar statutes may limit the rights granted under the Bond Ordinance.

Defeasance

When all principal, interest, and any prior redemption premiums due in connection with any 2010 Bond have been duly paid or provision made therefore in accordance with the Bond Ordinance, the pledge and lien and all obligations under the Bond Ordinance as to that 2010 Bond will thereby be discharged, and the 2010 Bond will no longer be deemed to be Outstanding within the meaning of the Bond Ordinance. The County may provide for such payment by placing in escrow or in trust with a trust bank an amount sufficient, together with the known minimum yield available therefore from any initial investments in Federal Securities, to meet all requirements of principal, interest, and any prior redemption premiums as the same become due to the final maturity of the 2010 Bond or upon any prior redemption date as of which the County has exercised or obligated itself to exercise its prior redemption option by a call of the Bond for payment. In the case of the 2010C Bonds, the County is obligated to contribute additional securities or monies to the escrow or trust if necessary to provide sufficient amounts to satisfy the payment obligations on the 2010C Bonds.

Amendment of the Bond Ordinance

The Bond Ordinance may be amended or supplemented by instruments adopted by the Board in accordance with the laws of the State upon the written consent of the holders of 66 percent in aggregate principal amount of the 2010 Bonds and any Parity Securities which are

Outstanding at the time of the adoption of such amendatory or supplemental instrument; but no such instrument may permit, without the consent of 100 percent of the owners adversely affected, the following: (i) a change in the maturity or in the terms of redemption of the principal of any 2010 Bond or any Parity Securities or any installment of interest thereon; (ii) a reduction of the principal amount of any 2010 Bond or any Parity Securities, the rate of interest thereon, or any prior redemption premium payable in connection therewith; (iii) the creation of a lien upon or a pledge of revenues ranking prior to the lien or to the pledge created by the Bond Ordinance; (iv) a reduction of the principal amount or percentages required to consent to any such modification or amendment; (v) the establishment of priorities as between 2010 Bonds and Parity Securities; or (vi) any change materially and prejudicially modifying or otherwise materially and prejudicially affecting the rights or privileges of the holders of less than all of the 2010 Bonds and Parity Securities then Outstanding.

Notwithstanding the forgoing, as to any 2010 Bonds the payment of which is insured by Insurer, the written consent of such Insurer, if any, in lieu of the written consent of the Owners of the 2010 Bonds, must be obtained in order for such 2010 Bonds to be counted toward the amount required to consent to an amendment of the Bond Ordinance.

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the 2010 Bonds. The 2010 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 each series of the 2010 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 2010 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2010 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2010 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 2010 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 2010 Bonds, except in the event that use of the book-entry system for the 2010 Bonds is discontinued.

To facilitate subsequent transfers, all 2010 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 2010 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 2010 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2010 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 2010 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2010 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2010 Bond documents. For example, Beneficial Owners of 2010 Bonds may wish to ascertain that the nominee holding the 2010 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 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 2010 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. Notwithstanding the foregoing, the County expects that the 2010C Bonds will be subject to DTC's pro rata pass-through of principal procedures. See "THE 2010 BONDS--Redemption Provisions - 2010C Bonds--Partial Redemption of 2010C Bonds."

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2010 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 County 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 2010 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the 2010 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 County or the Paying Agent 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 Paying Agent or the County, 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 County 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 2010 Bonds at any time by giving reasonable notice to the County or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2010 Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2010 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 County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Regional Transportation Commission of Southern Nevada (the "Commission") in connection with the issuance by Clark County, Nevada (the "Issuer") of its Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B, in the aggregate principal amount of $__________, and Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement Bonds, Series 2010C (Taxable Direct Pay Build America Bonds) in the aggregate principal amount of $__________ (collectively, the "Bonds"). The Bonds are being issued pursuant to the bond ordinance adopted by the Board of County Commissioners of the Issuer on July 20, 2010 (the "Ordinance"). The Commission covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Commission 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" shall mean any Annual Report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

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

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

"MSRB" shall mean the Municipal Securities Rulemaking Board. 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.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

"Rule" shall mean 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 Commission shall, or shall cause the Dissemination Agent to, not later than nine (9) months following the end of the Commission's fiscal year of each year, commencing nine (9) months following the end of the Commission's fiscal year ending June 30, 2010, 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 Commission shall provide the Annual Report to the Dissemination Agent (if other than the Commission). 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 Commission may be submitted separately from the balance of the Annual Report.

(b) If the Commission is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Commission 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:

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

(ii) send written notice to the Commission 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

(iii) file a report with the Commission 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 Commission'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 Commission or related public entities, which are available to the public on the MSRB's Internet Web Site or filed with the SEC. The Commission shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The Commission 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. Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Commission'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 Commission 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 Commission may, from time to time, appoint or engage a Dissemination Agent to assist the Commission 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 Commission 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 Commission 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 Commission 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 Commission 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 Commission 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 Commission 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 Commission 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 Commission 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 Commission, 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: ____________________, 2010.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA

____

Director of Finance

EXHIBIT A

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

Name of Obligor:	Regional Transportation of Southern Nevada (the "Commission")
Name of Bond Issues:	Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B, and Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement Bonds, Series 2010C (Taxable Direct Pay Build America Bonds)
CUSIPS:	
Date of Issuance:	________________, 2010

NOTICE IS HEREBY GIVEN that the Commission has not provided an Annual Report with respect to the above-named Bonds as required by the Ordinance adopted on _______, 2010 and the Continuing Disclosure Certificate executed on _____________, 2010 by the Commission. The Commission anticipates that the Annual Report will be filed by ______________________.

Dated: _____________________

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA

By:____

Title:_______________________________________

EXHIBIT B

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

(See page -iv- of this Official Statement)

APPENDIX E

FORMS OF APPROVING OPINIONS OF BOND COUNSEL

<u>2010B Bonds</u>

[closing date]

Clark County, Nevada
500 South Grand Central Parkway
Las Vegas, Nevada 89106

$__________
Clark County, Nevada
Sales and Excise Tax Revenue (Streets and Highways Projects)
Improvement and Refunding Bonds
Series 2010B

Ladies and Gentlemen:

We have acted as bond counsel to Clark County, Nevada (the "County"), in connection with its issuance of the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B" in the aggregate principal amount of $_________ (the "Bonds") pursuant to an authorizing ordinance of the Board of County Commissioners of the County adopted on July 20, 2010 (the "Bond Ordinance"). In such capacity, we have examined the County'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. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Bond Ordinance.

Regarding questions of fact material to our opinions, we have relied upon the County'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 are valid and binding, special, limited obligations of the County payable solely from the Pledged Revenues and from funds and accounts pledged therefor under the Bond Ordinance.

2. The Bond Ordinance creates a valid lien on the Pledged Revenues, the Bond Fund, and the Reserve Fund pledged therein for the security of the Bonds on a parity with the Parity Securities and superior to the lien thereon of the 2008 Notes. Except as described in this paragraph, we express no opinion regarding the priority of the lien securing the Bonds on the Pledged Revenues, the Bond Fund, or the Reserve Fund created by the Bond Ordinance.

3. 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 County’s certified proceedings and in certain other documents and certain other certifications furnished to us.

4. 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 County 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.

In expressing the opinions above, we are relying, in part, on a report of independent certified public accountants verifying the mathematical computations of the adequacy of the maturing principal amounts of and interest on the investments and moneys included in the Escrow Account to pay when due, at stated maturity, all principal of and interest on the Refunded Notes.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any federal or state 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 issued 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,

2010C Bonds

[closing date]

Clark County, Nevada
500 South Grand Central Parkway
Las Vegas, Nevada 89106

$___________
Clark County, Nevada
Sales and Excise Tax Revenue (Streets and Highways Projects)
Improvement Bonds
Series 2010C
(Taxable Direct Pay Build America Bonds)

Ladies and Gentlemen:

We have acted as bond counsel to Clark County, Nevada (the "County"), in connection with its issuance of the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement Bonds, Series 2010C (Taxable Direct Pay Build America Bonds)" in the aggregate principal amount of $___________ (the "Bonds") pursuant to an authorizing ordinance of the Board of County Commissioners of the County adopted on July 20, 2010 (the "Bond Ordinance"). In such capacity, we have examined the County'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. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Bond Ordinance.

Regarding questions of fact material to our opinions, we have relied upon the County'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 are valid and binding, special, limited obligations of the County payable solely from the Pledged Revenues and from funds and accounts pledged therefor under the Bond Ordinance.

2. The Bond Ordinance creates a valid lien on the Pledged Revenues, the Bond Fund, and the Reserve Fund pledged therein for the security of the Bonds on a parity with the Parity Securities and superior to the lien thereon of the 2008 Notes. Except as described in this paragraph, we express no opinion regarding the priority of the lien securing the Bonds on the Pledged Revenues, the Bond Fund, or the Reserve Fund created by the Bond Ordinance.

3. Interest on the Bonds is included in gross income for federal tax purposes pursuant to the Internal Revenue Code of 1986, as amended to the date hereof.

4. 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 County 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.

The provisions of this opinion letter concerning federal tax issues are not intended or written to be used and cannot be used by any taxpayer for the purpose of avoiding penalties that may be imposed on any taxpayer by the Internal Revenue Service. This writing supports the promotion or marketing of the transactions or matters addressed herein. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any federal or state 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 issued 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 F

OFFICIAL NOTICE OF BOND SALE

$108,340,000*
CLARK COUNTY, NEVADA
SALES AND EXCISE TAX REVENUE
(STREETS AND HIGHWAYS PROJECTS)
IMPROVEMENT AND REFUNDING BONDS
SERIES 2010B
AND
$131,475,000*
CLARK COUNTY, NEVADA
SALES AND EXCISE TAX REVENUE
(STREETS AND HIGHWAYS PROJECTS)
IMPROVEMENT BONDS
SERIES 2010C
(TAXABLE DIRECT PAY BUILD AMERICA BONDS)

PUBLIC NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Clark County in the State of Nevada (the "Board," the "County," and the "State," respectively), on

Thursday, July 29, 2010

the above 2010B Bonds at 8:00 a.m., local time, and for the above 2010C Bonds at 9:00 a.m., local time, at the:

INFORMATION DESK IN THE
ROTUNDA, FIRST FLOOR
CLARK COUNTY GOVERNMENT CENTER
500 SOUTH GRAND CENTRAL PARKWAY
LAS VEGAS, NEVADA

will receive and cause to be publicly opened sealed bids for the purchase of the bonds of the County particularly described below (the "Bonds") or electronically via PARITY, a Division of Thomson Financial Municipals Group, Inc. (the "PARITY System") as described under "BID PROPOSALS" below, for the purchase of the Bonds. Bids delivered via the PARITY System must be received by 8:00 a.m., Pacific time, for the 2010B Bonds and by 9:00 a.m., Pacific time, for the 2010C Bonds (or at such other date and time as is announced via Thomson Municipal Market Monitor ("TM3") or Bloomberg Financial Markets ("Bloomberg")) on such day of sale. Sealed bids must be delivered electronically or via messenger (no bids will be received by mail) at the location specified above. See "MANNER OF BID SUBMITTAL" and "ELECTRONIC BIDDING" below.

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* Preliminary; subject to change.

BOND PROVISIONS

ISSUE: The bonds being offered are the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B" in the aggregate principal amount of $108,340,000* (the "2010B Bonds") and the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement Bonds, Series 2010C (Taxable Direct Pay Build America Bonds)" in the aggregate principal amount of $131,475,000* (the "2010C Bonds" and together with the 2010B Bonds, the "Bonds"). The Bonds will be dated as of the date of delivery, will be issued in fully registered form, and will be initially evidenced by one Bond for each year in which the Bonds mature in denominations equal to the principal amount which matures in each such year. The Taxable Direct Pay Build America Bonds (i.e., the 2010C Bonds) are expected to entitle the County to receive a tax credit equal to 35% of each interest payment on those 2010C Bonds (the "BAB Credit") under Section 54AA of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2010C Bonds (the "Tax Code"). The BAB Credit will be for the County's benefit, and no owner of any 2010C Bond will be entitled to claim a tax credit under Section 54AA of the Code as a result of ownership of any of the 2010C Bonds. The initially issued Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, as securities depository for the Bonds ("DTC").

MATURITIES: Except as otherwise provided below in "MANDATORY SINKING FUND REDEMPTION" and "ADJUSTMENT OF MATURITIES AFTER DETERMINATION OF BEST BID" below, the Bonds will mature on July 1 in the years and designated amounts of principal as indicated in the maturity schedule available from Hobbs, Ong & Associates, Inc. and Public Financial Management, Inc. (the "Financial Advisors"), showing the aggregate principal amount of the Bonds and amount of principal of the Bonds to be paid in each year (the "Maturity Schedule"). It is anticipated that the Maturity Schedule will also be available electronically via TM3 or Bloomberg.

ADJUSTMENT OF MATURITIES AFTER DETERMINATION OF BEST BID: The aggregate principal amount and the principal amount of each serial maturity of the Bonds set forth in the Maturity Schedule are subject to adjustment by the County, after the determination of the best bid. Changes to be made will be communicated to the successful bidder at the time of written award of the series of Bonds to the successful bidder. Such changes will not reduce or increase the principal amount of such series of Bonds of any maturity by more than fifteen percent (15%) from the amount shown in the applicable Maturity Schedule and will not decrease the total aggregate principal amount by more than fifteen percent (15%) or increase the total aggregate principal amount of Bonds by more than fifteen percent (15%). The price bid (i.e., par less the discount bid or, in the case of the 2010B Bonds only, plus the premium bid) by a successful bidder may be changed 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 dollar amount of the price bid 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 County (excluding any accrued interest), less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the Bonds) does not

* Preliminary; subject to change.

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 and price bid, the successful bidder is required to indicate by facsimile transmission to the Chief Financial Officer of the County (the "Chief Financial Officer") at (702) 455-6298 no later than one-half hour after the bid opening, the amount of any original issue premium (on the 2010B Bonds only) or discount 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 cost 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 or the amount of principal maturing in any year, and the method used to calculate any such change in the insurance premium.

DISCOUNT, OR PREMIUM PERMITTED: A bidder may offer to purchase the 2010B Bonds at par, at a discount not exceeding 98.5% of the principal amount of the 2010B Bonds or at a premium not exceeding 109% of the principal amount of the 2010B Bonds. A bidder may offer to purchase the 2010C Bonds at par or at a discount of not exceeding 98.5% of the principal amount of the 2010C Bonds.

REOFFERING PRICES: The successful bidder or bidders (or manager of the purchasing account or accounts) shall notify the County by facsimile transmission to (702) 258-3230 within one-half hour of the bid opening, of the initial offering prices of such Bonds to the public. The information about the initial offering prices described in this paragraph 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 Swendseid & Stern, a member in Sherman & Howard L.L.C. ("Bond Counsel") prior to the delivery of the Bonds, which shall be in the forms of the purchaser's certificates set forth below for the 2010B Bonds and the 2010C Bonds. By submitting a bid for a series of Bonds, the winning bidder for each series of Bonds is agreeing to execute and deliver to the County at closing the applicable purchaser's certificate as set forth below:

2010B Purchaser's Certificate: " IT IS HEREBY CERTIFIED by the undersigned on behalf of_____________________, as representative of the underwriters (the "Underwriters") for the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement and Refunding Bonds, Series 2010B" (the "2010B Bonds"):

1. We acknowledge receipt of the 2010B Bonds in the aggregate principal amount of $___________, bearing interest and maturing as provided in the Bond Ordinance adopted by the governing body of Clark County, Nevada (the "Issuer") on July 20, 2010, and the instruments described therein, and such 2010B Bonds being in the denominations and registered in the name of Cede & Co., as nominee of The Depository Trust Company, as requested by us.

2. A bona fide public offering was made for all of the 2010B Bonds on this sale date at the initial public offering prices (or yields) shown on the cover page of the Official Statement. (If a yield is shown on the cover page for any maturity, "price" herein means the dollar price that produces that yield.)

3. Except as provided in the third sentence of this paragraph 3, the first price at which a substantial amount of each maturity of the 2010B Bonds was sold to the public ("public" in this certificate excludes bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) is the price shown on the cover page of the Official Statement for that maturity of the 2010B Bonds. For this purpose, "substantial amount" is 10% or more of each maturity. If less than 10% of any maturity of the 2010B Bonds was sold on the sale date, it was our reasonable expectation on the sale date that the first price at which at least 10% of that maturity of the 2010B Bonds would be sold to the public on the sale date would be the price shown for that maturity on the cover page of the Official Statement. It was our reasonable expectation as of the sale date that (i) none of the 2010B Bonds would be sold to the public at prices higher than the prices on the cover page of the Official Statement, and (ii) the prices on the cover page of the Official Statement represent a fair market value for each maturity of the 2010B Bonds.

4. Not more than $_________ will be paid to the Underwriters from the proceeds of the sale of the 2010B Bonds.

5. These certifications are provided for informational purposes only. The Issuer and its counsel may rely on these certifications in concluding that the 2010B Bonds meet certain requirements of the Internal Revenue Code of 1986 as amended (the "Code"), relating to tax-exempt bonds; however, nothing herein represents our interpretation of any law, including the Code, or any regulations and we are not providing any interpenetrations of law or regulations in executing and delivering this certificate."

2010C Purchaser's Certificate: "IT IS HEREBY CERTIFIED by the undersigned on behalf of____________________, as representative of the underwriters (the "Underwriters") for the "Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Improvement Bonds, Series 2010C (Taxable Direct Pay Build America Bonds)" (the "2010C Bonds"):

1. We acknowledge receipt of the 2010C Bonds in the aggregate principal amount of $___________, bearing interest and maturing as provided in the Bond Ordinance adopted by the governing body of Clark County, Nevada (the "Issuer") on July 20, 2010, and the instruments described therein, and such 2010C Bonds being in the denominations and registered in the name of Cede & Co., as nominee of The Depository Trust Company, as requested by us.

2. A bona fide public offering was made for all of the 2010C Bonds on the sale date at the initial public offering prices shown on the cover page of the Official Statement for the 2010C Bonds. (If a yield is shown on the cover page for any maturity, "price" herein means the dollar price that produces that yield.) For each maturity of the Bonds, those prices do not exceed the par amount of those Bonds.

3. Except as provided in the third sentence of this paragraph 3, the first price at which a substantial amount of each maturity of the 2010C Bonds was sold to the public ("public" in this certificate excludes bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) is the price shown on the cover page of the Official Statement for that maturity of the 2010C Bonds. For this purpose, "substantial amount" is 10% or more of each maturity. If less than 10% of any maturity of the 2010C Bonds was sold on the sale date, it was our reasonable expectation on the sale date that the first price at which at least

10% of that maturity of the 2010C Bonds would be sold to the public on the sale date would be the price shown for that maturity on the cover page of the Official Statement. It was our reasonable expectation as of the sale date that (i) none of the 2010C Bonds would be sold to the public at prices higher than the prices on the cover page of the Official Statement, and (ii) the prices on the cover page of the Official Statement represent a fair market value for each maturity of the 2010C Bonds.

4. Not more than $_________ will be paid to the Underwriters from the proceeds of the sale of the 2010C Bonds.

5. These certifications are provided for informational purposes only. The Issuer and its counsel may rely on these certifications in concluding that the 2010C Bonds meet certain requirements of the Internal Revenue Code of 1986 as amended (the "Code"), relating to Build America Bonds; however, nothing herein represents our interpretation of any law, including the Code, or any regulations and we are not providing any interpenetrations of law or regulations in executing and delivering this certificate."

OPTIONAL PRIOR REDEMPTION:

Optional Redemption for the Bonds. The Bonds, or portions thereof ($5,000 or any integral multiple), maturing on and after July 1, 2021, will be subject to redemption prior to their respective maturities at the option of the County on and after July 1, 2020, in whole or in part at any time, from such maturities as are selected by the County and if less than all the Bonds of a maturity are to be redeemed, the Bonds of such maturity are to be selected on a pro rata basis as described below and in the Ordinance authorizing the Bonds adopted on July 20, 2010 (the "Bond Ordinance") in the case of the 2010C Bonds, and by lot (giving proportionate weight to Bonds in denominations larger than $5,000) in the case of the 2010B Bonds, at a price equal to the principal amount of each Bond or portion thereof so redeemed plus accrued interest thereon to the redemption date. Redemption will otherwise be made in the manner and upon the conditions to be provided in the Bond Ordinance.

Optional Make-Whole Redemption for the 2010C Bonds. Prior to July 1, 2020, the 2010C Bonds, or portions thereof ($5,000 or any integral multiple), are subject to redemption prior to their respective maturities at the option of the County, in whole or in part at any time, from such maturities as are selected by the County, and if less than all the 2010C Bonds of a maturity are to be redeemed, the 2010C Bonds of such maturity are to be selected as described in "Partial Redemption of 2010C Bonds" in the Official Statement and in the Bond Ordinance, at a price equal to the "Make Whole Redemption Price" defined below, plus accrued interest on the 2010C Bonds to be redeemed to the redemption date.

"Make Whole Redemption Price" means a price equal to the greatest of:

(1) 100% of the principal amount of the 2010C Bonds to be redeemed; or

(2) the issue price of the 2010C Bonds to be redeemed as set forth on the inside cover page of this Official Statement; or

(3) the sum of the present value of the remaining scheduled payments of principal and interest on the 2010C Bonds to be redeemed, not including any portion of those

payments of interest accrued and unpaid as of the date on which the 2010C Bonds are to be redeemed, discounted to the date on which the 2010C Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (defined below), plus 40 basis points.

Notwithstanding the foregoing, if at any time the Make Whole Redemption Price is a price greater than the price the County can legally agree to pay to redeem the 2010C Bonds under the provisions of State law (currently 109%), the County shall not have an option to redeem the 2010C Bonds at that time.

"Treasury Rate" means, with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (excluding inflation-indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bonds to be redeemed; provided, however that if the period from the redemption date to the maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

<u>MANDATORY SINKING FUND REDEMPTION</u>: A bidder for the 2010B Bonds and/or the 2010C Bonds may request that such 2010B Bonds and/or the 2010C Bonds, as the case may be, maturing on or after July 1, 2021, be included in a term bond or term bonds (the "Term Bonds"). Amounts included as a Term Bond for a series of Bonds must consist of consecutive maturities of such series of Bonds, must bear the same rate of interest and must include the entire principal amount for any maturity included in the Term Bond (i.e., the principal amount maturing in any year may not be divided between a serial maturity and a mandatory sinking fund redemption). Any such Term Bond will be subject to mandatory sinking fund redemption in installments in the same amounts and on the same dates as the Bonds would have matured if they were not included in a Term Bond or Term Bonds. Once a Term Bond has been created for a series of Bonds, no more serial Bonds for such series may be structured. Term Bonds redeemed pursuant to the mandatory sinking fund redemption provisions will be redeemed at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date, on a pro rata basis as described below in the case of the 2010C Bonds, and by lot in the case of the 2010B Bonds, and otherwise in the manner and as provided in the Bond Ordinance. Any election to designate the Bonds as being included in a Term Bond must be made at the time of submitting a bid (see "TERMS OF SALE-BID PROPOSALS" below).

<u>EXTRAORDINARY REDEMPTION</u>. Prior to July 1, 2020, the 2010C Bonds are subject to extraordinary redemption prior to their respective maturities, at the option of the County, upon the occurrence of an Extraordinary Event (defined below), in whole or in part at any time from any maturities selected by the County and on a pro rata basis as described below, at the "Extraordinary Redemption Price" as defined below plus accrued interest thereon to the redemption date; provided, however, that if at any time the Extraordinary Redemption Price is a price that exceeds the price the County can legally agree to pay to redeem 2010C Bonds under the provisions of State law, the County shall not have an option to redeem 2010C Bonds at that time pursuant to the provisions of this paragraph. For the purposes of this paragraph:

"Extraordinary Event" means:

(1) a material adverse change has occurred to Sections 54AA or 6431 of the Tax Code,

(2) there is any guidance published by the Internal Revenue Service or the United States Treasury with respect to such Sections, or

(3) any other determination by the Internal Revenue Service or the United States Treasury, which determination is not the result of a failure of the County to satisfy the requirements of Section 823 of the Bond Ordinance;

and as a result thereof, the BAB Credit expected to be received with respect to the 2010C Bonds is eliminated or reduced, as reasonably determined by the Chief Financial Officer, which determination shall be conclusive.

"Extraordinary Redemption Price" means: a price equal to the greatest of:

(1) 100% of the principal amount of the 2010C Bonds to be redeemed: or

(2) The issue price of the 2010C Bonds to be redeemed as shown on the cover page of the Official Statement; or

(3) The sum of the present value of the remaining scheduled payments of principal and interest on the 2010C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2010C Bonds are to be redeemed, discounted to the date on which the 2010C Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus 100 basis points.

<u>PRO RATA REDEMPTION</u>. If a portion of a maturity of the 2010C Bonds (including a 2010C Term Bond) is being redeemed, the portion of a maturity of 2010C Bonds to be redeemed will be selected on a pro rata basis to each Holder of the 2010C Bonds in whose name such 2010C Bonds are registered on the Regular Record Date immediately preceding the redemption date. "Pro rata" for a Holder is determined, in part, by multiplying the principal amount of the 2010C Bonds of a maturity to be redeemed in part on the applicable redemption date by a fraction, the numerator of which is equal to the principal amount of the 2010C Bonds of that maturity owned by the Holder, and the denominator of which is equal to the total amount of the 2010C Bonds of that maturity then Outstanding immediately prior to such redemption date, and then rounding the product down to the next lower integral multiple of $5,000, provided that the portion of any 2010C Bond to be redeemed shall be in $5,000 denominations and all 2010C Bonds to remain Outstanding following any redemption shall be in $5,000 denominations. Adjustments to the foregoing pro rata redemption may be made in the amount of $5,000 for any Holder, selected by lot, so that the aggregate amount of 2010C Bonds of a maturity being redeemed in part owned by all Holders is equal to the aggregate amount of 2010C Bonds of that maturity to be redeemed.

While DTC is the registered owner of the 2010C Bonds, partial redemptions (including any sinking fund payments) of the 2010C Bonds will be determined in accordance with DTC's procedures. The County intends that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the County and the beneficial owners of the 2010C Bonds be made in accordance with the pro rata redemption provisions described above. However, the selection of the 2010C Bonds for redemption in DTC's book-entry only system is subject to DTC's practices and procedures as in effect at the time of any such partial redemption. The County can provide no assurance that DTC or the DTC Participants or any other intermediaries will allocate redemptions among beneficial owners in accordance with the pro rata redemptions provisions described above.

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

1. Interest will be payable on July 1 and January 1 of each year commencing on January 1, 2011.

2. The interest rate specified for any maturity of the Bonds and the True Interest Cost for the Bonds (see "BASIS OF AWARD") may not exceed by more than 3% the "25 Bond Revenue Index" most recently published in The Bond Buyer before the bids are received. In the case of the 2010C Bonds, this limitation is applied AFTER deducting from each interest payment the expected BAB Credit in the amount of 35% of each such interest payment.

3. Each interest rate for the 2010C Bonds specified must be an even multiple of 1/1000 of 1% per annum; each interest rate for the 2010B Bonds specified must be stated in a multiple of 1/8th or 1/20th of 1% per annum.

4. 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.

5. Each Bond as initially issued will bear interest from its date to its stated maturity date at the interest rate stated in the bid. A zero rate of interest may not be named.

6. The difference between the highest interest rate stated for any maturity of any series and lowest interest rate stated for any maturity of that series cannot exceed 3 percent.

7. If a bidder elects to submit a bid for a series of Bonds with Term Bonds, no serial maturities may be bid after the maturity of any Term Bond of each series.

8. No bidder for the 2010C Bonds may (i) offer to purchase any of those Bonds at a price in excess of their principal amount, or (ii) sell any of those Bonds on the sale date to the public at a price in excess of their principal amount (See, "REOFFERING PRICES—2010C Purchaser's Certificate" above.)

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.

PAYMENT: The principal of and any prior redemption premiums due in connection with the Bonds (the "Bond Requirements") shall be payable at the office of The Bank of New York Mellon Trust Company, N.A. or its successor, as Paying Agent, or such other office as designated by the Paying Agent, to the registered owner thereof as shown on the registration records of The Bank of New York Mellon Trust Company, N.A. or its successor, as Registrar, upon maturity thereof or call therefor, 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 check or draft mailed by the Paying Agent, on each interest payment date (or if such date is not a business day, on the next succeeding business date), to the registered owner thereof (i.e., Cede & Co.) at his or her address as it appears on the registration records of the Registrar as of the close of business on the fifteenth day of the calendar month (whether or not a business day) next preceding each interest payment date (or by such other arrangements as may be mutually agreed to by the Paying Agent and DTC). All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

BOOK ENTRY/TRANSFER AND EXCHANGE: The Bonds will be issued in registered form and one bond certificate for each maturity of Bonds will be issued to DTC, registered in the name of its nominee, Cede & Co., and immobilized in their custody. A book entry system will be employed, evidencing ownership of the Bonds in principal amounts of $5,000 or any integral multiple thereof, 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 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. None of the Board, the County or 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. After the initial deposit of the Bonds with DTC, they may not be removed from such custodial deposit, transferred or exchanged except as provided in the Bond Ordinance.

BOND INSURANCE: Bond insurance, if available for the Bonds, may be obtained at bidder's option and expense. The County will pay for insured ratings on the Bonds from Moody's Investors Service and Standard and Poor's Ratings Group.

ENABLING ACTS: Pursuant to Nevada Revised Statues ("NRS") Sections 377A.010 through 377A.140, and all laws amendatory thereof, NRS 365.170 and County Ordinance No. 1266, as amended by County Ordinance No. 2929, pursuant to NRS Sections 350.500 through 350.720, and all laws amendatory thereof, designated in Section 350.500 thereof as the Local Government Securities Law (the "Bond Act") and all laws supplemental thereto, the Board, on the behalf and in the name of the Issuer, is authorized to establish and maintain a public transit system, for the construction, maintenance and repair of public roads, for the improvement of air quality or for any combination of those purposes and to refinance certain outstanding commercial paper notes of the County (the "Project"). The Board is authorized to defray the cost of the Project by the issuance of revenue bonds and other revenue securities of the County.

BOND ORDINANCE: The Bond Ordinance will provide, among other matters, the form, terms and conditions of the Bonds, the manner and terms of their issuance, the manner of their execution, the method of paying them, the security therefor, the disposition of the Pledged Revenues (hereinafter defined) and any other revenues to which the pledge and lien to secure the payment of the Bonds may hereafter be extended (herein sometimes collectively designated as the "Pledged Revenues"), and other details concerning the Pledged Revenues, the Bonds, the Project for which they are issued (see "ENABLING ACTS" above) and the County, including, without limitation, covenants and agreements in connection therewith, reference to the proposed form of which ordinance is made for further detail. Copies of the proposed form of the Bond Ordinance are available upon request from those persons listed below under "INFORMATION."

SECURITY AND PAYMENT: The Bonds will, in the opinion of Bond Counsel, not constitute a debt or an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, and will not be considered or held to be general obligations of the County; the Bonds shall not be considered to be obligations of the State, general, special or otherwise; but they shall constitute special obligations of the County and shall be payable and collectible solely out of and shall be secured by an irrevocable pledge of the Pledged Revenues (as described in "BOND LIENS" below); and the owner thereof may not look to any general or other fund for the payment of the Bond Requirements of the Bonds except the special funds pledged therefor.

PLEDGED REVENUES: The Bonds are payable and collectible as special obligations of the County solely from, and such payment is secured by an irrevocable pledge of, revenues derived from: (i) the tax imposed upon retailers at the rate of one-quarter of one percent of the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed in the County less a percentage (calculated on the same basis as the percentage calculated pursuant NRS 374.785(3)(a)) of all fees, taxes, interest and penalties as compensation to the State for the cost of collecting such tax (the "Sales Tax") and (ii) a tax on fuel for jet or turbine powered aircraft sold or distributed or used in the County (the "Jet Fuel Tax" and together with the Sales Tax, the "Pledged Revenues"). The term "Pledged Revenues" indicates a source or sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification.

The Bonds do not constitute a debt or an indebtedness of the County or the State, or any political subdivision thereof within the meaning of any constitutional or statutory provision or limitation, and shall not be considered or held to be general obligations thereof. The owner of any Bond may not look to any general or other fund of the County for the payment of principal or interest on the Bonds, but only to the special funds pledged therefor as described in the Bond Ordinance and herein.

RESERVE FUND: The Bond Ordinance creates the Clark County, Nevada, Sales and Excise Tax (Streets and Highways) Parity Revenue Bonds, Reserve Fund (the "Reserve

Fund") to be held for the benefit of the owners of the Bonds, the Outstanding Bonds as hereinafter defined, and any Parity Securities hereafter issued. The Reserve Fund is required to be maintained in an amount equal to the Minimum Bond Reserve (See Appendix C - "SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE"). The County is required to make deposits into the Reserve Fund sufficient to bring the balance in the Reserve Fund to an amount equal to the Minimum Bond Reserve following the issuance of a series of additional Parity Securities, or if for any other reason the Reserve Fund does not equal the Minimum Bond Reserve, in not more than 60 equal monthly payments. The County intends to fund the Reserve Fund to an amount equal to the Minimum Bond Reserve at the time of delivery of the Bonds.

BOND LIENS: The Bonds shall be equally and ratably secured by a pledge of and a lien on the Pledged Revenues, and the Bonds constitute an irrevocable lien (but not an exclusive lien) upon the Pledged Revenues, on a parity with the outstanding Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Refunding Bonds, Series 2010 (the "2010A Bonds") and superior to the pledge thereof and the lien thereon to secure the payment of the outstanding Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Commercial Paper Notes, Series 2008A (the "2008A Notes") and Clark County, Nevada, Sales and Excise Tax Revenue (Streets and Highways Projects) Commercial Paper Notes, Series 2008B (the "2008B Notes"; together with the 2008A Notes and all other series of notes issued thereunder and related obligations, the "2008 Notes") and certain obligations related thereto.

ADDITIONAL SECURITIES: Bonds and other securities pertaining to the County, in addition to the 2008 Notes, the 2010A Bonds and the Bonds, subject to expressed conditions, may be issued and made payable from Pledged Revenues having a lien thereon subordinate and junior to the lien or, subject to additional expressed conditions in accordance with the provisions of the Bond Ordinance, having a lien thereon on a parity with the lien of the Bonds. Superior lien bonds may not be issued. The County reserves the right to issue any bonds or any other securities pertaining to the County, payable from the Pledged Revenues or otherwise in accordance with the provisions of law and the Bond Ordinance.

NO PLEDGE OF PROPERTY: The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the County. No property of the County is liable to be forfeited or taken in payment of the Bonds.

FEDERAL TAX MATTERS: In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described in the Official Statement (as defined below), interest on the 2010B Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Tax Code and interest on the 2010B Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. In the opinion of Bond Counsel, interest on the 2010C Bonds is included in gross income for federal tax purposes pursuant to the Tax Code. See "TAX MATTERS" in the Official Statement.

STATE TAX MATTERS: 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.

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 COUNTY TO PROVIDE MINORITY BUSINESS ENTERPRISES, WOMEN BUSINESS ENTERPRISES AND ALL OTHER BUSINESS ENTERPRISES AN EQUAL OPPORTUNITY TO PARTICIPATE IN THE PERFORMANCE OF ALL COUNTY CONTRACTS. BIDDERS ARE REQUESTED TO ASSIST THE COUNTY 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 COUNTY CONTRACTS.

BID PROPOSALS: Except as otherwise provided below, each bidder must use the printed official bid forms provided by the Board. It must be completely filled out as to the 2010B Bonds or the 2010C Bonds without any change or the bidder may use electronic bidding through the PARITY System (see "ELECTRONIC BIDDING" below). Any bid in any other form may be disregarded. A bidder is required to submit an unconditional bid for all of the 2010B Bonds and/or all of the 2010C Bonds. A bidder may also submit both a bid on the 2010B Bonds and a bid the 2010C Bonds. See "BASIS OF AWARD", below. Any bid submitted must specify:

(1) The lowest rate or rates of interest and any premium (in the case of the 2010B Bonds only), or discount at which the

bidder will purchase all of the 2010B Bonds and/or the 2010C Bonds.

Each bid shall disclose the municipal bond insurer, if any; and the premium to be paid by the bidder for insuring the Bonds, if the Bonds being bid upon are being insured and which maturities of the Bonds, if any, are being insured.

<u>SEALED BIDS</u>: Bids submitted on the official bid forms must be in a sealed envelope marked on the outside:

"**<u>Proposal for 2010B Bonds"</u>**
or
"**<u>Proposal for 2010C Bonds"</u>**

and addressed to:

MR. GEORGE W. STEVENS
Chief Financial Officer
Clark County Government Center
500 South Grand Central Parkway
Las Vegas, Nevada 89106

<u>ELECTRONIC BIDDING</u>: By utilizing the PARITY System, a prospective electronic bidder represents and warrants to the County that such bidder's bid for the purchase of the 2010B Bonds or the 2010C Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds for which a bid is submitted. Unless submitted by official printed bid form as set forth above, bids must be submitted electronically by means of the PARITY System by 8:00 a.m., local time, on July 29, 2010 for the purchase of the 2010B Bonds and by 9:00 a.m., local time, on July 29, 2010 for the purchase of the 2010C Bonds. Once the bids are communicated electronically via the PARITY System, each bid will constitute an irrevocable offer to purchase all of the Bonds for which a bid is submitted (i.e., all of the 2010B Bonds or all of the 2010C Bonds) on the terms set forth in this Official Notice of Bond Sale and any amendments thereto.

Each prospective electronic bidder shall be solely responsible to register to bid via **the PARITY System** ***as described above. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access*** **the PARITY System** ***for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Bond Sale. Neither the County nor the Financial Advisors shall have any duty or be obligated to provide or assure such access to any qualified prospective bidder, and neither the County nor the Financial Advisors shall be responsible for proper operation of, or have any liability for any malfunction, any delays or interruptions of, or any damages caused by*** **the PARITY System.** ***The County is using*** **the PARITY System** ***as a communication mechanism, and not as the County's agent, to conduct the electronic bidding for the Bonds. If any provision of this Official Notice of Bond Sale conflicts with information provided by*** **the PARITY System,** ***this Official Notice of Bond Sale will control.***

Each electronic bidder is required to transmit electronically via the PARITY System an unconditional bid specifying the lowest rate or rates of interest and the premium (in the case of the 2010B Bonds only), or discount at which the bidder will purchase all of the 2010B Bonds or all of the 2010C Bonds. Each bid must be for all of the 2010B Bonds or all of the 2010C Bonds herein offered for sale.

Except as otherwise provided below, a good faith deposit ("Deposit") in the form of a certified, treasurer's or cashier's check drawn on a solvent commercial bank or trust company in the United States of America, a wire transfer or a Financial Surety Bond issued by an insurance company licensed to issue such surety bond in the State of Nevada, made payable to:

Clark County, Nevada

in an amount equal to:

$1,083,000 for the 2010B Bonds

is required for each bid on the 2010B Bonds to be considered and in an amount equal to:

$1,315,000 for the 2010C Bonds

is required for each bid on the 2010C Bonds to be considered.

<u>Bidders submitting a Deposit by check or wire transfer may, **but are not required to**, submit a check or wire transfer prior to the bid opening</u> If a check is used, it must be delivered to the County within 24 hours of notification to the bidder of the bid award. If a wire transfer is used, then that bidder is required to submit its Deposit to the County in the form of a wire transfer in such amount as instructed by the County or its Financial Advisors not later than one hour from such notification. If a Financial Surety Bond is used, such surety bond must be submitted to the County or its Financial Advisors 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 on either series of Bonds is determined to be a bidder utilizing a Financial Surety Bond, then that bidder is required to submit its Deposit to the County in the form of a cashier's check (or wire transfer such amount as instructed by the County or its Financial Advisors) not later than 10:00 a.m. (County'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 County to satisfy the Deposit requirement. If the apparent winning bidder on a series of Bonds is determined to be a bidder who has not submitted a Deposit in the form of a Financial Surety Bond, check or wire, as provided above, the Financial Advisors will request the apparent winning bidder(s) to immediately wire the Deposit to the County and provide the Federal wire reference number of such Deposit to the Financial Advisors within 90 minutes of such request by the Financial Advisors. 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 reference number for the Deposit to the Financial Advisors.

No interest on the Deposit will accrue to any bidder. The County <u>will</u> deposit the Deposit of the winning bidder for each series of Bonds. The Deposit (without accruing interest) of the winning bidder for each series will be applied to the purchase price of the applicable series of Bonds. In the event a winning bidder fails to honor its accepted bid, the Deposit plus any interest accrued on the Deposit will be retained by the County. Any investment income earned on the good faith deposit will be paid to the successful bidder(s) in the event the County is unable to deliver either series of the Bonds as provided under "MANNER AND TIME OF DELIVERY," below. Deposits accompanying bids other than the bid which is accepted will be returned promptly upon the determination of the best bidder for each series of Bonds.

CUSIP NUMBERS: Each series of Bonds will be assigned separate CUSIP identification numbers. The CUSIP Service Bureau charge for the assignment of the numbers and all other expenses in relation to the CUSIP numbers shall be the responsibility of and shall be paid by the winning bidder. If CUSIP identification numbers are assigned to the Bonds, such 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 any payment for the Bonds in accordance with the terms of the bond purchase proposal.

SALES RESERVATIONS: The Board reserves the privilege of waiving any irregularity or informality in any bid; of rejecting any and all bids; and of reoffering either series of the Bonds for sale, as provided by law.

In addition, the Board reserves the privilege of changing the date and/or time of sale of either series of the Bonds. Any change in the date and/or time of sale for either series of the Bonds will be communicated via TM3 and/or Bloomberg. If the Board changes the sale date and/or time, this Official Notice of Bond Sale shall remain effective, except as amended by such TM3 or Bloomberg communication or other amendment communicated to potential bidders.

If bids are not taken on July 29, 2010, or if all bids are rejected on July 29, 2010, the County may reoffer either series of the Bonds for sale at any time thereafter. The time and date of any subsequent Bond sale will be announced via TM3 and Bloomberg wire service before the time of the sale.

BASIS OF AWARD: Subject to such sale reservations, the 2010B Bonds and the 2010C Bonds will be sold by the County to the responsible bidder(s) making the best bid(s). The best bid(s) will be determined by computing the actuarial yield on each series of Bonds (i.e., using an actuarial or true interest cost method) for each bid received. "True Interest Cost" on each series of Bonds as used herein means that yield which if used to compute the present worth as of the estimated delivery date of such series of the Bonds of all payments of principal and interest to be made on such series of the Bonds from the estimated delivery date to their respective maturity dates (or mandatory sinking fund redemption dates), using the interest rates specified in the bid and the principal amounts specified in the Maturity Schedule, produces an amount equal to the principal amount of such series of the Bonds, less any discount or, in the case of the 2010B Bonds only, plus any premium bid. The interest payable on the 2010C Bonds on each semiannual interest payment date, used in the calculation of true interest cost, will be the amount calculated to be paid at the interest rates stated in the bid, less 35% of each such calculated amount, which represents the 35% BAB credit. All interest calculations and the calculation of the best bid shall be based on a 360-day year and a semiannual compounding interval. If an award is made, it will be made to the bidder(s) whose bid(s) result in the lowest true interest cost. If there are two or more equal bids for the Bonds are received and such equal bids are the best bids received, the County will determine which bid will be accepted.

PLACE AND TIME OF AWARD: Bids will be opened on behalf of the County at the time and place stated. The Chief Financial Officer intends to take action, upon the determination of the best bid, on Thursday, July 29, 2010, awarding the 2010B Bonds and the 2010C Bonds, or rejecting all bids for the 2010B Bonds and the 2010C Bonds. In any event, the Chief Financial Officer or County Manager will take action awarding the Bonds or rejecting all bids not later than 24 hours after the time stated for opening bids. Bids may not be withdrawn during the 24-hour period following the bid opening. An award may be made after the stated period if the bidder shall not have given to the Chief Financial Officer of the County notice in writing of the withdrawal of its bid.

MANNER AND TIME OF DELIVERY: The applicable Deposit of the best bidder for each series of the Bonds will be credited to the applicable purchaser at the time of delivery of the applicable series 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 County for delivery, the Deposit of the successful bidder will be forfeited (as liquidated damages for noncompliance with the bid) to the County. In that event, the County may reoffer the Bonds for sale, as provided by law. The purchaser(s) will not be required to accept delivery of any of the Bonds if they are not ready and are not tendered by the County for delivery within 60 days from the date for opening bids; and if the Bonds are not so tendered within such period of time, the Deposit (with the interest earned by the County thereon) will be refunded to the applicable purchaser upon its request. The Bonds will be made available for delivery by the County to the purchaser(s) as soon as reasonably possible after the date of the sale, and the County contemplates delivering them on or about August 11, 2010. The purchaser of the Bonds will be given 72 hours' notice of the time fixed by the County for tendering the Bonds for delivery.

PAYMENT AT AND PLACE OF DELIVERY: The successful bidder(s) will be required to accept delivery of the Bonds pursuant to the FAST System of DTC. 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 County for immediate and unconditional credit to the account of the County, as directed by the County Treasurer at a bank designated by the County Treasurer so that Bond proceeds may be deposited or invested, as the County Treasurer may determine, simultaneously with the delivery of the 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.

CONSENT TO JURISDICTION: A bid submitted by sealed bid or electronic bidding, if accepted by the Chief Financial Officer or County Manager on behalf of the County, forms a contract between the winning bidder and the County 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 my 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.

INFORMATION: This Official Notice of Bond Sale, the Official Statement (as defined below) a copy of the Bond Ordinance, and financial and other information concerning the County and the Bonds may be obtained prior to the sale from:

The County's Chief Financial Officer:

George W. Stevens
Chief Financial Officer
Clark County, Nevada
500 South Grand Central Parkway
Las Vegas, Nevada 89106
(702) 455-3530

The County Treasurer:

Laura B. Fitzpatrick
County Treasurer
Clark County, Nevada
500 South Grand Central Parkway
Las Vegas, Nevada 89106
(702) 455-5531

The County's Regional Transportation Commission Director of Finance:

Marc Traasdahl, **Director of Finance**
Regional Transportation Commission of Southern Nevada
600 Grand Central Parkway, Suite 350
Las Vegas, Nevada 89106
(702) 676-1631

The County's Financial Advisors:

Katherine Ong
Hobbs, Ong and Associates, Inc.
3900 Paradise Road, Suite 152
Las Vegas, Nevada 89169
(702) 733-7223

And
Peter Shellenberger or Michael Mandelbaum
Public Financial Management, Inc.
50 California Street, Suite 2300
San Francisco, CA 94111
(415) 982-5544

OFFICIAL STATEMENT: The County has prepared a preliminary official statement relating to the Bonds (the "Official Statement") which is deemed by the County to be final as of its date for purposes of allowing bidders to comply with Rule 15c2-12(b) of the Securities Exchange Commission (the "Rule"), except for the omission of certain information as permitted by the Rule. The Official Statement is subject to revision, amendment and completion in a "Final Official Statement."

The County will prepare and deliver the Final Official Statement, dated as of the date of its delivery to the winning bidder as soon as practicable after the date of awards to the winning bidder. The Final Official Statement will be delivered to the winning bidder at the offices of Hobbs, Ong and Associates, Inc. at the address listed above. If a winning bidder fails to pick up the Final Official Statement at the offices of Hobbs, Ong and Associates, Inc., the Final Official Statement will be forwarded to the winning bidder by mail or another delivery service mutually agreed to between the winning bidder and Hobbs, Ong and Associates, Inc. The County will provide to the winning bidder for each series of the Bonds up to 125 copies of the Final Official Statement on or before seven business days following the date of the award to the winning bidder. The winning bidder may obtain additional copies of the Final Official Statement at the expense of the winning bidder.

The County 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, if any event concerning the affairs, properties or financial condition of the County 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 County 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 County 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.

OPINION OF BOND COUNSEL, BONDS AND TRANSCRIPT: The validity and enforceability of the Bonds will be approved by Bond Counsel, i.e.:

SWENDSEID & STERN
A MEMBER IN SHERMAN & HOWARD L.L.C.
3960 HOWARD HUGHES PARKWAY, SUITE 500
LAS VEGAS, NEVADA 89169
(702) 387-6073

whose unqualified, final, approving opinion for the Bonds, together with the printed or typed 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 and payment therefor, and other closing documents, will be furnished to the purchaser of such Bonds without charge by the County. See Appendix E in the Official Statement for a form of Bond Counsel's opinion.

CONTINUING DISCLOSURE UNDERTAKING: Pursuant to Securities and Exchange Commission Rule 15c2-12, the County and the Regional Transportation Commission of Southern Nevada will undertake in a Continuing Disclosure Certificate to provide certain ongoing disclosure, including annual operating data and financial information (including audited financial statements) and notices of the occurrence of certain material events. The Form of the Continuing Disclosure Certificate is set forth as Appendix D in the Official Statement.

DISCLOSURE CERTIFICATES: The final certificates included in the transcript of legal proceedings will include:

1. A certificate dated as of the date of delivery and payment for the Bonds (the "Closing Date") and signed by the Chairman of the Board (or Chairman pro tempore), the County Clerk (or a Deputy County Clerk) and the County Counsel (or a Deputy District Attorney) 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 County 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 County 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 County does not make any representation concerning the pricing information and the section designated "ECONOMIC AND DEMOGRAPHIC INFORMATION" which are contained in the Final Official Statement; and

2. A certificate, dated as of the Closing Date, and signed by the County Comptroller stating after reasonable investigation, that, to the best of his or knowledge, as of the date of the Final Official Statement and on the date of such certificate, the information contained in the Final Official Statement relating to revenues and expenditures of the County is true and correct and does not contain any untrue statement of a material fact or omit any information necessary to be included therein in order that the Final Official Statement be not misleading for the purpose for which it is to be used.

3. A certificate, dated as of the Closing Date, and signed by the Director of Finance of the Regional Transportation Commission of Southern Nevada, stating after reasonable investigation, that, to the best of his knowledge, as of the date of the Final Official Statement and on the date of such certificate, the information contained in the Final Official Statement relating to revenues and expenditures of the Regional Transportation Commission of Southern Nevada and the Net Pledged Revenues is true and correct and does not contain any untrue statement of a material fact or omit any information necessary to be included

therein in order that the Final Official Statement be not misleading for the purpose for which it is to be used.

SUCCESSFUL BIDDER'S REOFFERING YIELDS AND OTHER INFORMATION: Within one-half hour of the time of the bid opening, the successful bidder(s) (or manager of the purchasing account) shall notify by facsimile transmission to the Financial Advisors at (702) 455-6298 of the initial offering prices of the 2010B Bonds and/or the 2010C 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.**

Additionally, within one-half hour of the time of the bid opening, the successful bidder(s) is required to indicate by facsimile transmission to the Financial Advisors at (702) 455-6298 the amount of any original issue premium on the 2010B Bonds, the amount of any original issue discount on the Bonds, the amount received from the sale of the Bonds to the public that will be retained by the successful bidder(s) as its compensation, and in the case of a bid submitted with bond insurance, the cost of the insurance premium. A bidder who intends to insure a series of the Bonds shall also advise the Financial Advisors of the number of basis points per dollar of debt service used to calculate the insurance premium. See "ADJUSTMENT OF MATURITIES AFTER DETERMINATION OF BEST BID."

Dated this July 21, 2010.

CLARK COUNTY, NEVADA

/s/ George W. Stevens
Chief Financial Officer