Amendment dated September 8, 2015
to the Official Statement dated August 27, 2015 (the "Official Statement')
relating to the primary offering and sale of

$26,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM RECREATION PROJECTS BONDS
SERIES 2015A

$11,090,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
TAXABLE VARIOUS PURPOSE REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2015B

The amount of basis points referenced in clause (3) of the definition of "Make-Whole Redemption Price" under the heading "THE 2015 BONDS – Redemption Provisions – Optional Make-Whole Redemption of 2015B Bonds" on page 8 of the Official Statement has been changed from 30 basis points to 20 basis points in order to conform with the definition provided in the Preliminary Official Statement prepared in connection with the offering of the above-referenced Bonds.

CITY OF LAS VEGAS, NEVADA

NEW ISSUE
BOOK-ENTRY ONLY

RATINGS: S&P: "AA"
Moody's: "Aa2"
See "RATINGS"

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2015A 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 2015A Bonds (the "Tax Code"), and interest on the 2015A Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. See "TAX MATTERS." In the opinion of Bond Counsel, interest on the 2015B Bonds is included in gross income pursuant to the Tax Code.

$26,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM RECREATION PROJECTS BONDS
SERIES 2015A

$11,090,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
TAXABLE VARIOUS PURPOSE REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2015B

Dated: Date of Delivery

Due: 2015A Bonds: September 1, as shown herein
2015B Bonds: June 1, as shown herein

The 2015 Bonds are issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof. The 2015 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 2015 Bonds. Purchases of the 2015 Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the 2015 Bonds. See "THE 2015 Bonds – Book-Entry Only System." The 2015A Bonds bear interest at the rates set forth herein, payable on March 1, 2016, and semiannually thereafter on March 1 and September 1 of each year, to and including the maturity dates shown herein (unless the 2015A Bonds are redeemed earlier). The 2015B Bonds bear interest at the rates set forth herein, payable on June 1, 2016, and semiannually thereafter on June 1 and December 1 of each year, to and including the maturity dates shown herein (unless the 2015B Bonds are redeemed earlier). Interest will be paid to the registered owners of the 2015 Bonds (initially Cede & Co.). The principal of the 2015 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 2015 Bonds. See "THE 2015 Bonds."

The maturity schedules for each series of the 2015 Bonds appears on the inside cover page of this Official Statement.

Each series of the 2015 Bonds is subject to redemption prior to maturity at the option of the City as described in "THE 2015 Bonds – Prior Redemption."

Proceeds of the 2015 Bonds will be used to (i) finance certain park and recreation projects in the City; (ii) refund certain outstanding City bonds, as more particularly described herein; and (iii) pay the costs of issuing the 2015 Bonds. See "SOURCES AND USES OF FUNDS."

The 2015 Bonds constitute direct and general obligations of the City and the full faith and credit of the City is pledged for the payment of principal and interest thereon, subject to the limitations imposed by the constitution and laws of the State of Nevada (including limitations on the City's operating levies with respect to the 2015A Bonds). See "SECURITY FOR THE 2015A BONDS – General Obligations" and "SECURITY FOR THE 2015B BONDS – General Obligations."

The 2015B Bonds are additionally secured by a lien on certain consolidated tax revenues (the "2015B Pledged Revenues"), as more particularly described herein. The City has already issued bonds and may issue additional bonds secured by the 2015B Pledged Revenues with the lien priorities described herein. See "SECURITY FOR THE 2015B BONDS – 2015B Pledged Revenues." The 2015B Pledged Revenues do not secure the payment of the 2015A Bonds.

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

The 2015 Bonds are offered when, as, and if issued and accepted by the initial purchaser, subject to the approval of legality of the 2015 Bonds by Sherman & Howard L.L.C., Las Vegas, Nevada, Bond Counsel, and the satisfaction of certain other conditions. Sherman & Howard L.L.C. also has acted as special counsel to the City in connection with the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the City Attorney. Zions Public Finance, Las Vegas, Nevada, is acting as Financial Advisor to the City. It is expected that the 2015 Bonds will be available for delivery through the facilities of DTC, on September 15, 2015.

Wells Fargo Bank, National Association (2015A Bonds)

Fifth Third Securities, Inc. (2015B Bonds)

Official Statement dated August 27, 2015.

MATURITY SCHEDULES
(CUSIP© 6-digit issuer number: 517696)

$26,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM RECREATION PROJECTS BONDS
SERIES 2015A

Maturing (Sept 1)	Principal Amount	Interest Rate	Yield†	CUSIP© Issue No.
2016	$2,150,000	4.000%	0.350%	3X6
2017	2,250,000	5.000	0.790	3Y4
2018	2,365,000	5.000	1.100	3Z1
2019	2,490,000	5.000	1.310	4A5
2020	2,615,000	5.000	1.570	4B3
2021	2,710,000	2.000	2.000	4C1
2022	2,760,000	2.000	2.200	4D9
2023	2,820,000	2.250	2.350	4E7
2024	2,885,000	2.250	2.500	4F4
2025	2,955,000	2.500	2.700	4G2

† Provided by Wells Fargo Bank, National Association, the initial purchaser of the 2015A Bonds. See "UNDERWRITING."

$11,090,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
TAXABLE VARIOUS PURPOSE REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2015B

Maturing (June 1)	Principal Amount	Interest Rate	Yield†	CUSIP© Issue No.
2017	$1,390,000	0.950%	0.950%	4H0
2018	1,400,000	1.350	1.350	4J6
2019	1.425,000	1.750	1.750	4K3
2020	1,445,000	2.050	2.050	4L1
2021	1,475,000	2.400	2.400	4M9
2022	1,510,000	2.700	2.700	4N7
2023	1,550,000	2.900	2.900	4P2
2024	895,000	3.300	3.050(1)	4Q0

(1) Priced to the par call on June 1, 2020.
† Provided by Fifth Third Securities, Inc., the initial purchaser of the 2015B Bonds. See "UNDERWRITING."

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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 2015 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 2015 Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the City. The City maintains an internet website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2015 Bonds.

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

The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the 2015 Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the City, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

This Official Statement has been prepared only in connection with the original offering of the 2015 Bonds, and not in connection with any subsequent sale or transfer of the 2015 Bonds, and may not be reproduced or used in whole or in part for any other purpose.

The 2015 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 2015 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 2015 BONDS ARE OFFERED TO THE PUBLIC BY THE INITIAL PURCHASER (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE INITIAL PURCHASER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE 2015 BONDS, THE INITIAL PURCHASER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE 2015 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CITY OF LAS VEGAS, NEVADA

MAYOR AND CITY COUNCIL
Carolyn G. Goodman, Mayor
Steven D. Ross, Mayor Pro Tem
Lois Tarkanian
Stavros S. Anthony
Ricki Y. Barlow
Bob Coffin
Bob Beers

CITY OFFICIALS
Elizabeth N. Fretwell, City Manager
Mark R. Vincent, Chief Financial Officer
Venetta Appleyard, City Treasurer
Bradford R. Jerbic, City Attorney

FINANCIAL ADVISOR
Zions Public Finance
Las Vegas, Nevada

BOND AND SPECIAL COUNSEL
Sherman & Howard L.L.C.
Las Vegas, Nevada

REGISTRAR AND PAYING AGENT
The Bank of New York Mellon Trust Company, N.A.
Dallas, Texas

ESCROW AGENT FOR THE 2015B BONDS
The Bank of New York Mellon Trust Company, N.A.
Dallas, Texas

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OFFICIAL STATEMENT

$26,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM RECREATION
PROJECTS BONDS
SERIES 2015A

$11,090,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
TAXABLE VARIOUS PURPOSE
REFUNDING BONDS
(ADDITIONALLY SECURED BY
PLEDGED REVENUES)
SERIES 2015B

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover page and the appendices, is furnished by the City of Las Vegas, Nevada (the "City" and the "State," respectively), to provide information about the City and its $26,000,000 General Obligation (Limited Tax) Medium-Term Recreation Projects Bonds, Series 2015A (the "2015A Bonds") and its $11,090,000 General Obligation (Limited Tax) Taxable Various Purpose Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2015B (the "2015B Bonds," and together with the 2015A Bonds, the "2015 Bonds"). The 2015A Bonds will be issued pursuant to an ordinance (the "2015A Bond Ordinance") to be adopted by the City Council of the City (the "City Council") on August 19, 2015. The 2015B Bonds will be issued pursuant to an ordinance (the "2015B Bond Ordinance" and together with the 2015A Bond Ordinance, the "Bond Ordinances") to be adopted by the City Council on August 19, 2015. Capitalized terms used herein that are otherwise not defined have the meanings ascribed to them in the respective Bond Ordinance. See Appendix B - Summary of Certain Provisions of the 2015B Bond Ordinance.

The offering of the 2015 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 2015 Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement and the documents summarized or described herein. Detachment or other use of this "INTRODUCTION" without the entire Official Statement, including the cover page, the inside cover page and the appendices, is unauthorized.

The Issuer

The City is the county seat of Clark County (the "County") and was incorporated in 1911. The City is located in the central portion of the County, which is the southernmost county in the State. According to State Demographer estimates, the City's population as of July 1, 2014, was approximately 610,637. See "THE CITY."

Purpose

2015A Bonds. The proceeds of the 2015A Bonds will be used to: (i) finance certain park and recreation improvements in the City (the "Park and Recreation Project"); and (ii) pay the costs of issuing the 2015A Bonds. See "SOURCES AND USES OF FUNDS."

2015B Bonds. The proceeds of the 2015B Bonds will be used to: (i) advance refund a portion of the City's outstanding General Obligation (Limited Tax) Taxable Various Purpose Bonds (Additionally Secured by Pledged Revenues), Series 2006A, currently outstanding in the aggregate principal amount of $11,385,000 (the "2006 Refunded Bonds") (the "Refunding Project"); and (ii) to pay the costs of issuing the 2015B Bonds. See "SOURCES AND USES OF FUNDS." The 2006 Refunded Bonds mature between May 1, 2017 and May 1, 2024.

Authority for Issuance

The 2015 Bonds are issued pursuant to the laws of the State, including: Chapter 517, Statutes of Nevada 1983, as amended (the "Charter"); NRS 268.672 through 268.740, inclusive (the "City Bond Law"); the Local Government Securities Law (Nevada Revised Statutes ("NRS") 350.087 through 350.095, as amended) (the "Bond Act"); NRS chapter 348 (the "Supplemental Bond Law"); and the Bond Ordinances.

Security for the 2015A Bonds

General Obligations. The 2015A Bonds are direct and general obligations of the City, payable as to principal and interest from annual general (ad valorem) taxes (sometimes referred to herein as "General Taxes") levied against all taxable property within the City (except to the extent any other monies are made available therefor), subject to State constitutional and statutory limitations on the City's operating levies and on the aggregate amount of ad valorem taxes. See "SECURITY FOR THE 2015A BONDS – General Obligations" and "PROPERTY TAX INFORMATION – Property Tax Limitations."

Additional Bonds: The City expects to issue additional bonds or securities secured by the same lien as the 2015A Bonds. The City expects to issue $24 million of such bonds in June of 2016.

Security for the 2015B Bonds

General Obligations. The 2015B Bonds are direct and general obligations of the City, payable as to principal and interest from General Taxes levied against all taxable property within the City (except to the extent any other monies are made available therefor), subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "SECURITY FOR THE 2015B BONDS – General Obligations" and "PROPERTY TAX INFORMATION – Property Tax Limitations."

2015B Pledged Revenues. The 2015B Bonds are additionally secured by an irrevocable pledge of a 15% portion of all income and revenue (the "2015B Pledged Revenues") derived by the City and allowed to be pledged pursuant to Section 360.698 of NRS (the "Consolidated Tax," described below).

The Consolidated Tax consists of revenues from the following sources: certain sales taxes (the "Basic City/County Relief Tax" and the "Supplemental City/County Relief Tax"); excise taxes on cigarettes and liquor (the "Cigarette Tax" and the "Liquor Tax," respectively); a tax on the licensing of motor vehicles (the "Governmental Services Tax"); and real property transfer taxes (the "Real Property Transfer Tax"). Pursuant to the State law, the Consolidated Tax is collected by the State and then remitted monthly to the City. For further descriptions of the 2015B Pledged Revenues, see "SECURITY FOR THE 2015B BONDS – 2015B Pledged Revenues," "REVENUES AVAILABLE FOR 2015B BONDS DEBT SERVICE" and Appendix B - Summary of Certain Provisions of the 2015B Bond Ordinance - Certain Definitions.

The term "2015B Pledged Revenues" means all or a portion of the 2015B Pledged Revenues. 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. The term 2015B Pledged Revenues includes income derived from any additional sources if the City Council is authorized to include and elects to include the additional sources in 2015B Pledged Revenues for the remaining term of the 2015B Bonds.

Lien Priority. The 2015B Bonds constitute an irrevocable lien (but not necessarily an exclusive lien) upon the 2015B Pledged Revenues. The lien of the 2015B Bonds on the 2015B Pledged Revenues is on a parity with the City's outstanding Consolidated Tax bonds as further described herein (the "Outstanding Parity Lien Consolidated Tax Bonds") and any additional City bonds issued in the future with a lien on the 2015B Pledged Revenues that is on a parity with the lien thereon of the 2015B Bonds.

Additional Bonds. The City is authorized to issue additional bonds or securities that have a lien on all or a portion of the 2015B Pledged Revenues that is on a parity with the lien thereon of the 2015B Bonds, subject to the satisfaction of certain conditions described herein. See "SECURITY FOR THE 2015B BONDS – Additional Bonds Secured by the 2015B Pledged Revenues." After issuance of the 2015B Bonds, the City will have authorization to issue approximately $222 million in additional general obligation bonds secured by the 2015B Pledged Revenues. Currently, the City expects to issue this additional authorization in calendar year 2016.

The 2015 Bonds; Redemption Provisions

The 2015 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 2015 Bonds. Purchases of the 2015 Bonds are to be made in book-entry form only. Purchasers will not receive certificates evidencing their beneficial ownership interest in the 2015 Bonds. See "THE 2015 BONDS – Book-Entry Only System."

The 2015 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 2015 BONDS." The payment of the principal of and interest on the 2015 Bonds is described in "THE 2015 BONDS – Payment Provisions."

The 2015 Bonds are subject to redemption prior to maturity at the option of the City as described in "THE 2015 BONDS – Redemption Provisions."

Tax Matters

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2015A 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 2015A Bonds (the "Tax Code"), and interest on the 2015A Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. In the opinion of Bond Counsel, interest on the 2015B Bonds is included in gross income pursuant to the Tax Code. See "TAX MATTERS – Federal Tax Matters."

Under the laws of the State in effect as of the date of delivery of the 2015 Bonds, the 2015 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

Sherman & Howard L.L.C., Las Vegas, Nevada, has acted as Bond Counsel in connection with the 2015 Bonds and also has acted as special counsel to the City in connection with this Official Statement. Certain legal matters will be passed on for the City by its City Attorney. The financial advisor to the City in connection with the issuance of the 2015 Bonds is Zions Public Finance, Las Vegas, Nevada (the "Financial Advisor"). See "FINANCIAL ADVISOR." The audited basic financial statements of the City (contained in Appendix A to this Official Statement) include the report of Piercy Bowler Taylor & Kern, certified public accountants, Las Vegas, Nevada. See "INDEPENDENT AUDITORS." The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, will act as Registrar and Paying Agent for the 2015 Bonds (the "Registrar" and "Paying Agent") and also will act as the Escrow Agent in connection with the Refunding Project. Certain mathematical computations regarding the escrow accounts established for the Refunding Project will be verified by Grant Thornton LLP, independent certified public accountants, Minneapolis, Minnesota. See "SOURCES AND USES OF FUNDS – The Refunding Project – Verification of Mathematical Computations."

Continuing Disclosure Undertaking

The City will execute a continuing disclosure certificate (the "Disclosure Certificate") at the time of the closing for the 2015 Bonds. The Disclosure Certificate will be executed for the benefit of the beneficial owners of the 2015 Bonds and the City will covenant in each of the Bond Ordinances to comply with the terms of the Disclosure Certificate. The Disclosure Certificate will provide that so long as the applicable series of 2015 Bonds remains outstanding, the City will provide the following information to the Municipal Securities Rulemaking Board, through the Electronic Municipal Market Access ("EMMA") system: (i) annually, certain financial information and operating data; and (ii) notice of the occurrence of certain material events; each as specified in the Disclosure Certificate. The form of the Disclosure Certificate is attached hereto as Appendix D. The City has never failed to materially comply with any prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

Pursuant to a recent inquiry by the City into its past continuing disclosure compliance, the City became aware that it filed late or failed to file material events notices related to ratings changes of certain bonds issued by the City. The material events notices were due in 2010, 2011, 2013 and 2014. Further, in connection with certain certificates of participation in 2009, the City filed late or failed to file several quarterly progress reports on construction of the parking garage and city hall and several semi-annual reports regarding certain space leased by the City for 2011 and 2012. The City filed the material events notices and missing quarterly and semi-annual filings and has retained the Financial Advisor to assist it with future continuing disclosure compliance.

Forward-Looking Statements

This Official Statement, particularly (but not limited to) any statements referring to budgeted or anticipated or unaudited financial information for fiscal years 2015 or future years, contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be

realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and actual results. Those differences could be materially adverse to the owners of the 2015 Bonds and could impact the availability of revenues to pay debt service on the 2015 Bonds.

Bondholder Risks

The purchase of the 2015 Bonds involves certain investment risks that are discussed throughout this Official Statement. Accordingly, each prospective purchaser of the 2015 Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision.

Secondary Market

No guarantee can be made that a secondary market for the 2015 Bonds will develop or be maintained by the initial purchaser of the 2015 Bonds (the "Initial Purchaser") or others. Thus, prospective investors should be prepared to hold their 2015 Bonds to maturity.

Additional Information

This introduction is only a brief summary of the provisions of the 2015 Bonds and the Bond Ordinances; a full review of the entire Official Statement should be made by potential investors. Brief descriptions of the City, the Park and Recreation Project, the Refunding Project, the 2015 Bonds, the Bond Ordinances and other documents are included in this Official Statement. All references herein to the 2015 Bonds, the Bond Ordinances and other documents are qualified in their entirety by reference to such documents. *This Official Statement speaks only as of its date and the information contained herein is subject to change.*

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

City of Las Vegas
495 S. Main Street
Las Vegas, NV 89101
Attention: Chief Financial Officer
Telephone: (702) 229-6280

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

SOURCES AND USES OF FUNDS

Sources and Uses of Funds

The proceeds from the sale of the 2015 Bonds are expected to be applied in the following manner:

Sources and Uses of Funds

	2015A Bonds	2015B Bonds
SOURCES:		
Principal Amount of 2015 Bonds	$26,000,000	$11,090,000
Plus: net original issue premium	1,142,279	9,720
Total	$27,142,279	$11,099,720
USES:		
Park and Recreation Project	$26,717,260	--
The Refunding Project	--	$10,931,310
Costs of issuance (including underwriting discount)	425,019	168,410
Total	$27,142,279	$11,099,720

Source: The Financial Advisor.

Park and Recreation Project

A portion of the proceeds of the 2015A Bonds will be used to finance the Park and Recreation Project which includes various capital improvements to parks throughout the City.

The Refunding Project

The City is undertaking the advance refunding of the City's General Obligation (Limited Tax) Taxable Various Purpose Bonds (Additionally Secured by Pledged Revenues), Series 2006A maturing in 2017 through 2024 (the "2006 Refunded Bonds") in order to lower interest costs and effect other economics.

To accomplish the Refunding Project, the City will deposit a portion of the 2015B Bond proceeds, together with other available City funds, with the Escrow Agent pursuant to an escrow agreement dated as of the date of delivery of the 2015B Bonds). The amounts deposited with the Escrow Agent will be deposited into the escrow account created under the 2015B Bond Ordinance and will be invested in Federal Securities maturing at such times and in such amounts as required to provide funds sufficient to pay the principal and interest on the 2006 Refunded Bonds upon prior redemption on May 1, 2016.

Verification of Mathematical Computations. Grant Thornton LLP, a firm of independent public accountants, will deliver to the City, on or before the settlement date of the 2015B Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Federal Securities, to pay, when due, the maturing principal of and interest on the 2006 Refunded Bonds.

The verification performed by Grant Thornton LLP will be solely based upon data, information and documents provided to Grant Thornton LLP by the City and its representatives. Grant Thornton LLP has restricted its procedures to recalculating the computations provided by the City and its representatives and has not evaluated or examined the assumptions or information used in the computations.

THE 2015 BONDS

General

The 2015 Bonds will be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof. The 2015 Bonds will be dated as of their date of delivery and will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) and mature as set forth on the inside cover page of this Official Statement. The 2015 Bonds initially will be registered in the name of "Cede & Co.," as nominee for DTC, the securities depository for the 2015 Bonds. Purchases of the 2015 Bonds are to be made in book-entry only form. Purchasers will not receive certificates evidencing their beneficial ownership interest in the 2015 Bonds. See "Book-Entry Only System" below.

Payment Provisions

The payment of interest on any 2015 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 or her 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 each interest payment (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. The Special Record Date shall be fixed by the Paying Agent whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the 2015 Bonds not less than 10 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 2015 Bond by such alternative means as may be mutually agreed upon between the owner of such 2015 Bond and the Paying Agent. The principal of and redemption premium, if any, on any 2015 Bond, shall be payable to the registered owner thereof as shown on the registration records kept by the Registrar, upon maturity or prior redemption thereof and upon presentation and surrender at the Paying Agent. If any 2015 Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by the 2015 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 of and interest on the 2015 Bonds will be made directly to DTC or its nominee, Cede & Co., by the Paying Agent, so long as DTC or Cede & Co. is the registered owner of the 2015 Bonds. Disbursement of such payments to DTC's Participants (defined in Appendix C) is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners (defined in Appendix C) is the responsibility of DTC's Participants and the Indirect Participants (defined in Appendix C), as more fully described herein. See "Book-Entry Only System" below.

Redemption Provisions

Optional Redemption of 2015A Bonds. The 2015A Bonds or portions thereof ($5,000 or any integral multiple thereof), maturing on and after September 1, 2021, are subject to redemption prior to their respective maturities, at the option of the City, on September 1, 2020, and on any date thereafter, in whole or in part, from such maturities selected by the City and by any amount within a maturity at a price equal to the principal amount or each 2015A Bond, or portion thereof, so redeemed, and accrued interest thereon to the redemption date.

Optional Redemption of 2015B Bonds. The 2015B Bonds or portions thereof ($5,000 or any integral multiple thereof), maturing on and after June 1, 2021, are subject to redemption prior to their respective maturities, at the option of the City, on June 1, 2020, and on any date thereafter, in whole or in part, from such maturities selected by the City and, on a pro rata basis within a maturity as described below under "Pro Rata Selection," at a price equal to the principal amount or each bond, or portion thereof, so redeemed, and accrued interest thereon to the redemption date.

Optional Make-Whole Redemption of 2015B Bonds. Prior to June 1, 2020, the 2015B Bonds are subject to redemption prior to their respective maturities, at the option of the City, in whole or in part at any time, from any maturities selected by the City and on a pro rata basis within a maturity as described in "Pro Rata Selection of 2015B Bonds" below, at the "Make-Whole Redemption Price" computed as described below; provided, however, that if any time such redemption price is a price that exceeds the price the City can legally agree to pay to redeem the 2015B Bonds under the provisions of State law (currently 109%), the City shall not have an option to redeem the 2015B Bonds at that time pursuant to the provisions described in this paragraph.

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

(1) 100% of the principal amount of the 2015B Bonds to be redeemed;

(2) The issue price of the 2015B Bonds to be redeemed, as shown on the inside 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 2015B Bonds to be redeemed to the maturity date of such 2015B Bonds, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2015B Bonds are to be redeemed, discounted to the date on which the 2015B 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 30 basis points.

"Treasury Rate" means, with respect to any redemption date for a particular 2015B 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) (the "Statistical Release") that has become publicly available at least two Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if the 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 2015B 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.

Partial Redemption. In the case of a partial redemption of 2015 Bonds of a single maturity, the Paying Agent shall select the 2015 Bonds to be redeemed by lot at such time as directed by the City (but at least 30 days prior to the redemption date), and if such selection is more than 60 days

before a redemption date, except as otherwise provided in the Bond Ordinance, shall direct the Registrar to appropriately identify the 2015 Bonds so called for redemption by stamping them at the time any 2015 Bond so selected for redemption is presented to the Registrar for stamping or for transfer or exchange, or by such other method of identification as deemed adequate by the Registrar, and any 2015 Bond or 2015 Bonds issued in exchange for, or to replace, any Bond or Bonds so called for prior redemption shall likewise be stamped or otherwise identified.

Pro Rata Selection. If a portion of a maturity of the 2015B Bonds is being redeemed in part, the 2015B Bond to be redeemed will be selected on a pro rata basis to each holder of the 2015B Bonds in whose name such 2015B 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 2015B 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 2015B Bonds of that maturity owned by the holder, and the denominator of which is equal to the total amount of the 2015B 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 2015B Bonds to be redeemed shall be in $5,000 denominations and all 2015B 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 so that the aggregate amount of 2015B Bonds of a maturity being redeemed in part owned by all holders is equal to the aggregate amount of 2015B Bonds of that maturity to be redeemed.

While DTC is the registered owner of the 2015 Bonds, the selection for redemption of the 2015 Bonds will be determined in accordance with DTC's operational arrangements. If less than all of the 2015 Bonds of a maturity are called for prior redemption, the particular 2015 Bonds or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with current DTC procedures. Notwithstanding the foregoing, so long as the 2015 Bonds are held in book-entry form, the selection for redemption of such 2015 Bonds shall be made in accordance with the operational arrangements of DTC then in effect and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the 2015 Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

The City intends that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the City and the beneficial owners of the 2015 Bonds be made in accordance with the pro rata redemption provisions described above. However, the selection of the 2015 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 redemption. The City 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 redemption provisions described above.

Notice of Redemption. Unless waived by any owner of 2015 Bonds to be redeemed for purchase, official notice of any such redemption shall be given by the Registrar, on behalf of the City, by mailing a copy of an official redemption notice by registered or certified mail so long as Cede & Co. is the registered owner of the 2015 Bonds and the Municipal Securities Rulemaking Board ("MSRB") and otherwise by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the 2015 Bond or 2015 Bonds to be redeemed at the address shown on the Bond register or at such other address as is furnished in writing by such registered owner to the Registrar. Actual receipt of mailed notice by any owner of the 2015 Bonds or the MSRB shall not be a condition precedent to redemption of any 2015 Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other 2015 Bonds. A certificate by the Registrar that such notice has been given as herein provided shall be conclusive against all parties.

Notwithstanding the provisions described above, 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 2015 Bonds so called for redemption, and that is such funds are not available, such redemption shall be canceled by written notice to the owners of the 2015 Bonds called for redemption in the same manner as the original redemption notice was mailed.

2015A Bonds Tax Covenants

In the 2015A Bond Ordinance, the City covenants for the benefit of the owners of the 2015A Bonds that it will not take any action or omit to take any action with respect to the 2015A Bonds, the proceeds thereof, any other funds of the City or any project refinanced with the proceeds of the 2015A Bonds if such action or omission (i) would cause the interest on the 2015A Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the 2015A Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2015A Bonds until the date on which all obligations of the City in fulfilling the above-described covenants under the Tax Code have been met.

Defeasance

When all Bond Requirements of any 2015 Bond have been duly paid, the pledge, the lien, and all obligations under the respective Bond Ordinance as to that 2015 Bond shall thereby be discharged and the 2015 Bond shall no longer be deemed to be Outstanding within the meaning of the applicable Bond Ordinance. There shall be deemed to be such due payment when the City has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from direct obligations of, or obligations the principal of or interest on which are unconditionally guaranteed by, the United States of America (the "Federal Securities") in which such amount may be initially invested wholly or in part) to meet all Bond Requirements of the 2015 Bond, as the same become due to the final maturity of the 2015 Bond, or upon any redemption date as of which the City shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of 2015 Bond for payment then. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the City and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule. For the purpose of this section "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof. When such defeasance is accomplished the Paying Agent shall mail written notice of the defeasance to the registered owner of the 2015 Bond at the address last shown on the registration records for the 2015 Bonds maintained by the Registrar.

Book-Entry Only System

The 2015 Bonds will be available in book-entry form only. DTC will act as the initial securities depository for the 2015 Bonds. The ownership of one fully registered 2015 Bond for each maturity in each series of the 2015 Bonds 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 2015 BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE 2015 BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

None of the City, the Registrar or the Paying Agent will have any responsibility or obligation to DTC's Participants or Indirect Participants (defined in Appendix 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 2015 Bonds as further described in Appendix C to this Official Statement.

DEBT SERVICE REQUIREMENTS

2015A Bonds

The following table sets forth the debt service requirements for the 2015A Bonds in each fiscal year.

Debt Service Requirements – 2015A Bonds[1]

Fiscal Year[2]	Principal	Interest	Total
2016	--	$ 407,455	$ 407,455
2017	$ 2,150,000	840,638	2,990,638
2018	2,250,000	741,388	2,991,388
2019	2,365,000	626,013	2,991,013
2020	2,490,000	504,638	2,994,638
2021	2,615,000	377,013	2,992,013
2022	2,710,000	284,538	2,994,538
2023	2,760,000	229,838	2,989,838
2024	2,820,000	170,513	2,990,513
2025	2,885,000	106,331	2,991,331
2026	2,955,000	36,938	2,991,938
Total	$26,000,000	$4,325,299	$30,325,299

(1) Totals may not add due to rounding.
(2) The City's Fiscal Year ends on June 30 of each calendar year shown.

Source: The Financial Advisor.

2015B Bonds

The following table sets forth the debt service requirements for the 2015B Bonds in each fiscal year.

Debt Service Requirements – 2015B Bonds[1]

Fiscal Year[2]	Principal	Interest	Total
2016	--	$ 168,761	$ 168,761
2017	$ 1,390,000	237,320	1,627,320
2018	1,400,000	224,115	1,624,115
2019	1,425,000	205,215	1,630,215
2020	1,445,000	180,278	1,625,278
2021	1,475,000	150,655	1,625,655
2022	1,510,000	115,255	1,625,255
2023	1,550,000	74,485	1,624,485
2024	895,000	29,535	924,535
Total	$11,090,000	$1,385,618	$12,475,618

(1) Totals may not add due to rounding.
(2) The City's Fiscal Year ends on June 30 of each calendar year shown.

Source: The Financial Advisor.

SECURITY FOR THE 2015A BONDS

General Obligations

General. The 2015A Bonds are direct and general obligations of the City, and the full faith and credit of the City is pledged for the payment of principal and interest due thereon, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "PROPERTY TAX INFORMATION – Property Tax Limitations." The 2015A Bonds are a debt of the City payable from all legally available funds of the City. Provisions for the payment of principal and interest requirements on the 2015A Bonds will be made as provided in the Bond Act.

The 2015A Bonds are payable by the City from any source legally available at the times such payments are due. No funds of the City are specifically pledged to the payment of debt service on the 2015A Bonds. The City currently anticipates paying debt service on the 2015A Bonds from revenues in its Las Vegas Convention & Visitor's Authority Special Reserve Fund. However, the revenues in that fund are not pledged to the payment of debt service on the 2015A Bonds.

The City has covenanted in the 2015A Bond Ordinance that it will make sufficient provisions annually in its budget to pay the debt service requirements on the 2015A Bonds, when due. The City also has covenanted in the 2015A Bond Ordinance that, if necessary, it will make proper provisions through the levy of sufficient ad valorem taxes for the retirement of the principal of and interest on the 2015A Bonds and any other outstanding indebtedness, subject to the limitations on the City's operating levies (described below) and on the aggregate amount of ad valorem taxes imposed by the constitution and laws of the State, and the amount of money necessary for that purpose shall be a first charge against all legally available revenues received by the City.

Current Operating Tax Rate Information. The ad valorem tax rate available to pay the 2015A Bonds is limited to the City's maximum operating levy and any legally available tax overrides. Those rates are calculated annually by the State Department of Taxation ("Taxation") as described in "PROPERTY TAX INFORMATION – Property Tax Limitations – Local Government Property Tax Revenue Limitation." The City's maximum allowed operating levy changes each year. The City's fiscal year 2015-16 operating levy is $0.6765 per $100 of assessed valuation; the maximum allowed operating levy for fiscal year 2015-16 is $1.8268 per $100 of assessed valuation. The City also imposes an "override" tax rate as approved by voters; however, moneys from that rate are not legally available to pay debt service on the 2015A Bonds. In the future, the City also may levy a tax rate for the payment of debt service on general obligation bonds; if levied, the moneys realized from that tax levy also will not be legally available to pay debt service on the 2015A Bonds. The total ad valorem tax rate, including the operating rate available to pay the 2015A Bonds, is further limited by the limitation on the combined overlapping tax rate of $3.64 per $100 of assessed valuation. See "PROPERTY TAX INFORMATION – Property Tax Limitations."

No Repealer. State statutes provide that no act concerning the 2015A Bonds or their security may be repealed, amended, or modified in such a manner as to impair adversely the 2015A Bonds or their security until all of the 2015A Bonds have been discharged in full or provision for their payment and redemption has been fully made.

Certain Risks Associated With Property Taxes

Delays in Property Tax Collections Could Occur. Although the 2015A Bonds are general obligations of the City, the City may only levy property taxes to pay debt service on the 2015A Bonds in accordance with State law. For a description of the State laws regulating the collection of property taxes in addition to those described above, see "PROPERTY TAX INFORMATION – City Property Tax

Collections." Due to the statutory process required for the levy of taxes, in any year in which the City is required to levy property taxes, there may be a delay in the availability of property tax revenues to pay debt service on the 2015A Bonds. Accordingly, although other City revenues may be available to pay debt service on the 2015A Bonds, if pledged revenues are insufficient for the 2015A Bonds, time may elapse before the City receives property taxes levied to cover any insufficiency of such pledged revenues.

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

Additional Risks Related to Property Taxes. Numerous other factors over which the City has no control may impact the timely receipt of ad valorem property tax revenues in the future. These include the valuation of property within the City, the number of homes which are in foreclosure, bankruptcy proceedings of property taxpayers or their lenders, and the ability or willingness of property owners to pay taxes in a timely manner. The City's residential housing market has been slowly recovering since the recession it experienced between fiscal years 2009 and 2013. However, the Las Vegas area still maintains one of the highest foreclosure rates in the nation. It cannot be predicted at this time what impact these trends (or other economic trends) would have on property values or City property tax collections in the future. The assessed value of property in the City declined from a high of $24,992,555,583 in fiscal year 2009 to a low of $11,926,888,555 is fiscal year 2013, a decline of approximately 52%; however, the assessed value increased to $12,251,484,406 in fiscal year 2014 (an increase of 2.7%), increased to $13,852,723,777 in fiscal year 2015 (an increase of 13.1%) and increased 12.0% to $15,520,077,988 in fiscal year 2016. It is possible that the assessed valuation could decline in future years.

Limitations on Remedies Available to 2015A Bond Owners

Judicial Remedies. Upon the occurrence of an Event of Default under the 2015A Bond Ordinance, each owner of the 2015A Bonds is entitled to enforce the covenants and agreements of the City 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 2015A Bond Ordinance (including General Taxes, if any) and not against any other fund or properties of the City.

The enforceability of the 2015A Bond Ordinance is also subject to equitable principles affecting the enforcement of creditors' rights generally and liens securing such rights, the police powers of the State and the exercise of judicial authority by State or federal courts.

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 City under the 2015A Bond Ordinance, to the extent enforceable, could result in delays in any payment of principal of and interest on the 2015A Bonds.

Bankruptcy, Federal Lien Power and Police Power. The enforceability of the rights and remedies of the owners of the 2015A Bonds and the obligations incurred by the City in issuing the 2015A 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 2015A 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.

No Acceleration. There is no provision for acceleration of maturity of the principal of the 2015A Bonds in the event of a default in the payment of principal of or interest on the 2015A Bonds. Consequently, remedies available to the owners of the 2015A Bonds may have to be enforced from year to year.

Limitations upon Security. The payment of the 2015A Bonds is not secured by an encumbrance, mortgage or other pledge of property of the City, except for the proceeds of ad valorem taxes (limited as described above) and any other moneys pledged for the payment of the 2015A Bonds. No property of the City, subject to such exception, shall be liable to be forfeited or taken in payment of the 2015A Bonds.

Changes in Law. Various State laws apply to the operation and finances of the City as well as the imposition, collection, and expenditure of property taxes and other City 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 City and the imposition, collection, and expenditure of its revenues.

SECURITY FOR THE 2015B BONDS

General Obligations

General. The 2015B Bonds are direct and general obligations of the City, and the full faith and credit of the City is pledged for the payment of principal and interest due thereon, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "PROPERTY TAX INFORMATION – Property Tax Limitations."

The 2015B Bonds are payable by the City from any source legally available at the times such payments are due, including the City's General Fund. The City currently expects to pay the 2015B Bonds with 2015B Pledged Revenues; however, in any year in which those revenues are insufficient to pay debt service, the City is obligated to levy a general (ad valorem) tax on all taxable property within the City for payment of the 2015B Bonds, subject to the limitations provided in the constitution and statutes of the State. Due to the statutory process required for the levy of taxes, in any year in which the City is required to levy property taxes, there may be a delay in the availability of revenues to pay debt service on the 2015B Bonds. See "PROPERTY TAX INFORMATION – City Property Tax Collections."

No Repealer. State statutes provide that no act concerning the 2015B Bonds or their security may be repealed, amended, or modified in such a manner as to impair adversely the 2015B Bonds or their security until all of the 2015B Bonds have been discharged in full or provision for their payment and redemption has been fully made.

Certain Risks Associated With Property Taxes

Delays in Property Tax Collections Could Occur. Although the 2015B Bonds are general obligations of the City, the City may only levy property taxes to pay debt service on the 2015B Bonds in accordance with State law. For a description of the State laws regulating the collection of property taxes, see "PROPERTY TAX INFORMATION – City Property Tax Collections." Due to the statutory process required for the levy of taxes, in any year in which the City is required to levy property taxes, there may be a delay in the availability of property tax revenues to pay debt service on the 2015B Bonds. Accordingly, although other City revenues may be available to pay debt service on the 2015B Bonds, if the 2015B Pledged Revenues are insufficient for the 2015B Bonds, time may elapse before the City receives property taxes levied to cover any insufficiency of such pledged revenues.

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

Additional Risks Related to Property Taxes. Numerous other factors over which the City has no control may impact the timely receipt of ad valorem property tax revenues in the future. These include the valuation of property within the City, the number of homes which are in foreclosure, bankruptcy proceedings of property taxpayers or their lenders, and the ability or willingness of property owners to pay taxes in a timely manner. The City has experienced a housing slump over the past several years and the Las Vegas area has one of the highest foreclosure rates in the nation. It cannot be predicted at this time what impact these trends (or other economic trends) would have on property values or City property tax collections in the future. The assessed value of property in the City declined from a high of $24,992,555,583 in fiscal year 2009 to a low of $11,926,888,555 is fiscal year 2013, a decline of approximately 52%; however, the assessed value increased to $12,251,484,406 in fiscal year 2014 (an increase of 2.7%), and increased to $13,852,723,777 in fiscal year 2015 (an increase of 13.1%) and increased 12.0% to $15,520,077,988 in fiscal year 2016. It is possible that the assessed valuation could decline in future years.

Limitations on Remedies Available to 2015B Bond Owners

Judicial Remedies. Upon the occurrence of an Event of Default under the 2015B Bond Ordinance, each owner of the 2015B Bonds is entitled to enforce the covenants and agreements of the City 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 2015B Bond Ordinance (including General Taxes, if any) and not against any other fund or properties of the City.

The enforceability of the 2015B Bond Ordinance is also subject to equitable principles affecting the enforcement of creditors' rights generally and liens securing such rights, the police powers of the State and the exercise of judicial authority by State or federal courts.

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 City under the 2015B Bond Ordinance, to the extent enforceable, could result in delays in any payment of principal of and interest on the 2015B Bonds.

Bankruptcy, Federal Lien Power and Police Power. The enforceability of the rights and remedies of the owners of the 2015B Bonds and the obligations incurred by the City in issuing the 2015B 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 2015B 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.

No Acceleration. There is no provision for acceleration of maturity of the principal of the 2015B Bonds in the event of a default in the payment of principal of or interest on the 2015B Bonds. Consequently, remedies available to the owners of the 2015B Bonds may have to be enforced from year to year.

Limitations upon Security. The payment of the 2015B Bonds is not secured by an encumbrance, mortgage or other pledge of property of the City, except for the proceeds of ad valorem taxes (limited as described above) and any other moneys pledged for the payment of the 2015B Bonds. No property of the City, subject to such exception, shall be liable to be forfeited or taken in payment of the 2015B Bonds.

Changes in Law. Various State laws apply to the operation and finances of the City as well as the imposition, collection, and expenditure of property taxes and other City 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 City and the imposition, collection, and expenditure of its revenues.

2015B Pledged Revenues

General. The 2015B Bonds are additionally secured by a lien (but not necessarily an exclusive lien) on the 2015B Pledged Revenues on a parity with the lien of any additional parity bonds issued in the future.

The Consolidated Tax Revenues Generally. The 2015B Pledged Revenues are comprised of a 15% portion of all income and revenue derived by the City from the Consolidated Tax distributed and imposed pursuant to State law. The Consolidated Tax is collected by the State and distributed monthly to the City. See "REVENUES AVAILABLE FOR 2015B BONDS DEBT SERVICE" for a detailed description of the 2015B Pledged Revenues.

Consolidated Tax Lien Priority; Additional Consolidated Tax Bonds. The lien of the 2015B Bonds on the 2015B Pledged Revenues is on a parity with the lien thereon of the Outstanding Parity Lien Consolidated Tax Bonds. The 2015B Bonds are being issued on a parity lien with the following Outstanding Parity Lien Consolidated Tax Bonds and any parity bonds hereafter issued and as a superior lien to the following subordinate lien bonds and other obligations.

The following table shows the outstanding amounts of the Outstanding Parity Lien Consolidated Tax Bonds, Subordinate Lien Bonds and other subordinate obligations as of August 1, 2015, after taking into account the issuance of the 2015B Bonds.

Consolidated Tax Supported Bonds[(1)]

GENERAL OBLIGATIONS:			
Outstanding Parity Lien Consolidated Tax Bonds	**Issued**	**Original Amount**	**Principal Outstanding**
Taxable Various Purpose Bonds, Series 2006A	05/31/06	$ 18,000,000	$ 1,060,000
Tax-Exempt Various Purpose Bonds, Series 2006B	05/31/06	50,745,000	48,365,000
Adjustable Rate Various Purpose Bonds, Series 2013	07/31/13	30,025,000	28,540,000
Parking Refunding Bonds, Series 2014B	12/04/14	8,985,000	8,985,000
Taxable Various Purpose Refunding Bonds, Series 2015B *(this issue)*	09/15/15	11,090,000	11,090,000
			98,040,000
Subordinate Lien Bonds			
Golf Course Refunding Bonds, Series 2012B	05/01/12	8,230,000	5,975,000
REVENUE OBLIGATIONS:			
Other Subordinate Obligations			
Energy Conservation Revenue Bond, Series 2014	06/30/14	1,244,000	1,171,304
Total Consolidated Tax Supported Bonds		Total	$105,186,304

(1) As of August 1, 2015, after taking into account the issuance of the 2015B Bonds and the effect of the Refunding Project.

Source: Compiled by the Financial Advisor.

The following table is a schedule of the City's Consolidated Tax Revenues for fiscal years 2010 through 2014 along with the 2015 estimated and 2016 final budgeted figures. The estimated 2015 figures were provided by the City and represent the most current estimate for year-end 2015. THIS TABLE IS PRESENTED FOR INFORMATIONAL PURPOSES ONLY TO ILLUSTRATE THE HISTORICAL GROWTH PATTERN IN THIS REVENUE SOURCE.

Consolidated Tax Pledged Revenues And Debt Service Coverage

Fiscal 2015 Ended June 30	**2010 (Audited)**	**2011 (Audited)**	**2012 (Audited)**	**2013 (Audited)**	**2014 (Audited)**	**2015 (Estimated)**	**2016 (Budgeted)**
Consolidated Tax Revenues	$201,518,649	$207,962,167	$221,315,602	$232,872,708	$245,701,878	$260,300,000	$274,600,000
% change	(8.39)%	3.20%	6.42%	5.22%	5.51%	5.94%	5.49%
Pledged Revenue Limitation (15%)	30,227,797	31,194,325	33,197,340	34,930,906	36,855,282	39,045,000	41,190,000
Existing Parity Lien Debt Service[(1)]	10,020,304	10,658,573	9,704,679	9,707,829	11,772,487	12,451,869	9,175,561
Parity Lien Coverage (times)	3.02x	2.93x	3.42x	3.60x	3.13x	3.14x	4.49x

(1) Reflects the issuance of the 2015B Bonds in fiscal year 2016 and the effect of the Refunding Project.

Source: City of Las Vegas Comprehensive Annual Financial Report for Fiscal Years 2010-2014 and the City's 2016 final budget; Compiled by Zions Public Finance.

The following table presents the annual debt service requirements of the City's Outstanding Parity Lien Consolidated Tax Bonds and the debt service requirements of the 2015B Bonds. For an illustration of the debt service requirements on all of the City's outstanding general obligation bonds, see "DEBT STRUCTURE – Annual Debt Service Requirements."

Existing Parity Lien Consolidated Tax Bonds and
2015B Bonds Debt Service Requirements
As of August 1, 2015

Fiscal Year	Existing Parity Lien Consolidated Tax	2015B Bonds			Grand
Ending June 30	Bonds[1]	Principal	Interest	Total	Total
2016	$ 9,006,800	--	$ 168,760	$ 168,760	$ 9,175,560
2017	8,403,206	$ 1,390,000	237,320	1,627,320	10,030,526
2018	8,340,619	1,400,000	224,115	1,624,115	9,964,734
2019	8,278,469	1,425,000	205,215	1,630,215	9,908,684
2020	8,201,874	1,445,000	180,277	1,625,277	9,827,151
2021	8,133,080	1,475,000	150,655	1,625,655	9,758,735
2022	8,059,293	1,510,000	115,255	1,625,255	9,684,548
2023	7,985,500	1,550,000	74,485	1,624,485	9,609,985
2024	7,909,575	895,000	29,535	924,535	8,834,110
2025	8,007,638	--	--	--	8,007,638
2026	7,814,888	--	--	--	7,814,888
2027	7,649,638	--	--	--	7,649,638
2028	7,728,663	--	--	--	7,728,663
2029	7,625,050	--	--	--	7,625,050
2030	8,491,888	--	--	--	8,491,888
2031	8,202,788	--	--	--	8,202,788
2032	8,413,988	--	--	--	8,413,988
2033	7,172,838	--	--	--	7,172,838
2034	7,046,488	--	--	--	7,046,488
2035	6,265,300	--	--	--	6,265,300
2036	6,122,900	--	--	--	6,122,900
TOTAL	$164,860,478	$11,090,000	$1,385,618	$12,475,618	$177,336,096

(1) Excludes the debt service requirements on Subordinate Lien Bonds and other subordinate obligations. Includes the effect of the Refunding Project.

Source: Compiled by the Financial Advisor.

Certain Risks Associated With 2015B Pledged Revenues

Consolidated Tax Collection Risks Generally. The Consolidated Tax is collected by the State and then remitted directly to the City pursuant to various statutory provisions. The City has no statutory authority to collect the Consolidated Tax itself and also has no control over the collection processes in place at the State. Receipt of the 2015B Pledged Revenues is dependent upon the ability and willingness of the State to collect the Consolidated Tax and forward the revenues to the City. If the State fails to perform its collection duties in a timely fashion, the City may not receive 2015B Pledged Revenues in time to meet scheduled debt service payments. If the State fails to collect, remit or transfer the Consolidated Tax revenues, the City's only remedy is to file suit against the nonperforming party, including an action in mandamus to compel performance. Further, the City has no control over the auditing procedures in place at the State. The City must depend upon the State to ensure that the responsible parties are collecting and remitting the required 2015B Pledged Revenues. If the State fails to do so, the City may not receive all of the moneys to which it is entitled.

City Cannot Increase Rates of Consolidated Taxes. The Consolidated Tax is imposed by the State legislature (the "Legislature") and the rate of such taxes can be increased only by action of the Legislature. Even if the Legislature were to raise the rate of such taxes, there is no guarantee that the City would be authorized to use the increased revenues to pay debt service on the 2015B Bonds.

Sales Tax Collections Subject to Fluctuation. The majority of the Consolidated Tax revenues are comprised of receipts from certain sales taxes as described in "REVENUES AVAILABLE FOR 2015B DEBT SERVICE." 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 City has no control over general economic cycles and is unable to predict what economic factors or cycles will occur while the 2014B Bonds remain Outstanding.

The United States recently experienced a significant economic downturn. The 2015B Pledged Revenues were $39,637,988 in fiscal year 2006 and decreased to $30,227,797 in fiscal year 2010. Since fiscal year 2011, however, the 2015B Pledged Revenues have increased each year, and are estimated to be $39,045,000 in fiscal year 2015. See "SECURITY FOR THE 2015B BONDS – 2015B Pledged Revenues." The City is not able to predict what continued impact the recession will have on the 2015B Pledged Revenues. However, it is possible that the 2015B Pledged Revenues could decline again in future years.

Bankruptcy and Foreclosure. The ability and willingness of a business owner or operator to remit sales tax revenues included in the Consolidated Tax may be adversely affected by the filing of a bankruptcy proceeding by the business owner or operator. The ability to collect delinquent sales 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 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.

Additional Bonds Secured By the 2015B Pledged Revenues

The City may issue additional bonds secured by the 2015B Pledged Revenues upon the satisfaction of the conditions set forth in the 2015B Bond Ordinance (described below). The 2015B Bond Ordinance also allows the issuance of refunding securities as described in Appendix B - Summary of Certain Provisions of the 2015B Bond Ordinance - Refunding Securities.

Parity Securities. The following conditions must be met prior to the issuance of additional Parity Securities:

A. At the time of the adoption of the instrument authorizing the issuance of the additional securities, the City shall not be in default in making any payment of principal of or interest on the 2015B Bonds.

B. The 2015B Pledged Revenues (subject to adjustments as hereinafter provided) projected by the City Chief Financial Officer, the Director of Public Works or an independent accountant or consulting engineer to be derived in the later of (i) the Fiscal Year immediately following the Fiscal Year in which the facilities to be financed with the proceeds of the additional Parity Securities are projected to be completed, or (ii) the first Fiscal Year for which no interest has been capitalized for the payment of any Parity Securities, including the Parity Securities proposed to be issued, will be sufficient to pay at least an amount equal to the principal (or redemption price) and interest requirements (to be paid

during that Fiscal Year) of the Outstanding Bonds, any other Outstanding Parity Securities of the City and the Parity Securities proposed to be issued (excluding any reserves therefor).

C. In any determination of whether or not additional Parity Securities may be issued in accordance with the foregoing earnings test, the respective annual principal (or redemption price) and interest requirements shall be reduced to the extent such requirements are scheduled to be paid 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.

Subordinate Securities. Nothing in the 2015B Bond Ordinance prevents the City from issuing additional bonds or other additional securities payable from the 2015B Pledged Revenues having a lien thereon subordinate to the lien thereon of the 2015B Bonds.

REVENUES AVAILABLE FOR 2015B BONDS DEBT SERVICE

General Description of Consolidated Tax

The taxes comprising the Consolidated Tax are discussed generally below. The revenues generated by the Consolidated Tax are deposited into the State's Local Government Tax Distribution Account and then allocated among local governments as described below.

Sales Taxes. The Supplemental City/County Relief Tax ("SCCRT") and Basic City/County Relief Tax ("BCCRT") are each a component of the combined sales and use tax levied by the State (the tax levied on retail sales and the storage, use or other consumption of tangible property). The SCCRT is levied at a rate of 1.75% and the BCCRT is levied at a rate of 0.50%. The revenues from each of these sources are collected monthly by the State Department of Taxation ("Taxation") and, following adjustments for certain rural counties and costs of collections, are remitted to the county of origin, then divided among the local governments within each county according to a formula. In fiscal year 2014, the SCCRT and BCCRT accounted for a combined 86.68% (19.33% and 67.35%, respectively) of the Consolidated Tax distributed within the County.

Sales taxes (including the SCCRT and BCCRT) are imposed on the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the County and also upon the storage, use or other consumption in the County of tangible personal property. State law exempts taxes on the gross receipts from the sale, storage or use of property that it is prohibited from taxing under the constitution or laws of the State. Included in this category are (this list is not intended to be exhaustive): 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; certain feeds and fertilizers; prosthetic devices and other medical appliances; medicines, gas, electricity and water; newspapers, manufactured homes and mobile homes; and aircraft, aircraft engines and component parts.

Governmental Services Tax. The Governmental Services Tax ("GST") is levied at a rate of 4 cents per dollar of valuation of motor vehicles, and is assessed at the time of annual registration. The initial valuation of the vehicle is determined at 35% of the manufacturer's suggested retail price. Vehicle value is depreciated to 95% after the first year and graduated down to 15% after 9 years. Ninety-four percent of the proceeds of the GST is distributed to local governments in the County of origin. In fiscal year 2014, the GST accounted for 9.94% of the Consolidated Tax distributed within the County.

Real Property Transfer Tax. The Real Property Transfer Tax ("RPTT") is paid by the buyer in a conveyance of real property. The rate of taxation on transfers of real property in the County is $1.30 per $500 of value of the interest in property conveyed, exclusive of any lien or encumbrance upon

the property. Of the $1.30 per $500 of value, a portion (55 cents) is deposited in the Local Government Tax Distribution Account for distribution to local governments in the County of origin and the rest is retained by the State for various purposes. In fiscal year 2014, the RPTT accounted for 1.85% of the Consolidated Tax distributed within the County.

Cigarette and Liquor Tax. The Cigarette Tax and Liquor Tax are excise taxes levied upon the sale of cigarettes (and other tobacco products) and liquor, respectively. Portions of the proceeds of the Cigarette Tax and Liquor Tax are distributed to local governments, with the remainder deposited to the State general fund. The Cigarette Tax is levied at a rate of 4 cents per cigarette, which equates to 80 cents per pack. Of that amount, 10 cents per pack is deposited in the Local Government Tax Distribution Account and distributed to local governments. The Liquor Tax is levied on a per gallon basis and is in addition to the applicable sales tax. Of the $3.60 per gallon tax levied on liquor with an alcohol content in excess of 22%, 50 cents is deposited in the Local Government Tax Distribution Account and distributed to local governments. Taxes levied upon tobacco products other than cigarettes and upon liquor products with less than a 22% alcohol content are retained by the State general fund. In fiscal year 2014, the Cigarette Tax and the Liquor Tax accounted for 0.83% and 0.27%, respectively, of the Consolidated Tax distributed within the County.

Collection and Enforcement of Consolidated Tax Revenues

General. Taxation administers the collection and enforcement of the Consolidated Taxes pursuant to State law. The taxes comprising the Consolidated Tax are collected as described below and distributions are made monthly.

Taxation collects the BCCRT, SCCRT, Cigarette and Liquor Taxes directly and deposits the revenues to the Local Government Tax Distribution Account monthly for distribution to the City. The County recorder collects RPTT revenues and deposits them with the State, at least quarterly, for inclusion in the Local Government Tax Distribution Account and subsequent monthly distributions to the County which are then distributed monthly to the City. The Department of Motor Vehicles collects the GST and deposits it monthly with the State for deposit in the Local Government Tax Distribution Account and subsequent monthly distribution to the City.

Because the BCCRT and the SCCRT constitute the majority of the Consolidated Tax Revenues, the State's sales tax collection and enforcement procedures are discussed briefly below. In addition to the sales tax enforcement procedure, the State may impose delinquent interest and penalties on late payments of the other taxes collected and also may seek judgments in State court for satisfaction of amounts owed.

Taxation administers all sales taxes within the State, including the BCCRT and the SCCRT. Each licensed retailer is required to remit all sales tax directly to Taxation. Pursuant to State statute, Taxation currently retains a collection fee of 1.75% (that amount is subject to change by the Legislature) of all amounts remitted by retailers. (Notwithstanding the foregoing, the increased fee cannot be applied so as to modify, directly or indirectly, any taxes levied or revenues pledged in such a manner as to impair adversely any outstanding obligations of any political subdivision of this State or other public entity). Every person desiring to conduct business as a retailer within the County must obtain a permit from Taxation. Any retailer that fails to comply with State statutes may have its license revoked by Taxation after a hearing held upon 10 days' written notice.

Sales taxes 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.*, sales taxes collected by retailers in June 2014 were due to Taxation no later than July 31, 2014). Retailers are allowed to deduct 0.25% of the amount due to reimburse themselves for the cost of collecting the tax. Sales tax remittances to

Taxation must be accompanied by a return form prescribed by Taxation. Taxation may require returns and payments for periods other than calendar months. Interest on deficient sales tax payments, exclusive of penalties, accrues at rates established by State law. A penalty of 10% of the amount of the deficiency also may be added.

Deficiency notices must be delivered to taxpayers within three years of any deficiency. Failure to pay sales taxes as required 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 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.

Distribution of Consolidated Tax Collections. Consolidated Taxes are distributed to local governments in accordance with a formula which was originally established by State law. State law established a "base year" during the 1997 Legislative session. After that year, each local government received an annual percentage increase in its base amount according to increases in the prior year's Consumer Price Index. For cities and counties, additional revenues over the base allocations were determined according to a statutory formula that took into account each local government's relative growth in population and assessed valuation in the prior year. Taxation was permitted to reallocate taxes if the assessed value and population of an entity declined over three consecutive years. Over the last five years, the City has received an average of 27.5% of the Consolidated Tax collections distributed within the County; that number has ranged from a high of 28.0% of total collections in the County in 2013 to a low of 26.5% of total collections in 2012.

The Consolidated Tax distribution formula described above would not allow jurisdictions experiencing negative assessed value growth percentages to share in revenues over the base amount. As a result, many local governments in the County have been impacted due to the drastic declines in assessed valuation experienced in the County in recent years. In cooperation with other municipalities throughout the State, changes were made to the Consolidated Tax distribution formula during the 2013 State Legislative session. The changes, which went into effect on July 1, 2013, revised the Consolidated Tax distribution to make it more equitable among the jurisdictions. The formula change also ensures that if another economic downturn were to occur, the City would not be affected disproportionately.

PROPERTY TAX INFORMATION

Property Tax Base and Tax Roll

General. The assessed valuation of property within the City for the fiscal year ending June 30, 2016, is $15,520,077,988 (excluding the assessed value of the Las Vegas Redevelopment Agency (the "Redevelopment Agency")), which represents a 12.0% increase from the assessed valuation calculated for the prior fiscal year. State law requires that the County Assessor reappraise, at least once every 5 years, all real and secured personal property (other than certain utility owned property which is centrally appraised and assessed by the Nevada Tax Commission). While the law provides that in years in which the property is not reappraised, the County Assessor is to apply a factor representing typical changes in value in the area since the preceding year, it is the current policy of the County Assessor to reappraise all real and secured personal property in the County each year. State law currently requires that property be assessed at 35% of taxable value; that percentage may be adjusted upward or downward by the State Legislature. Based upon the assessed valuation for fiscal year 2016, the taxable value of all taxable property within the City is $44,343,079,966. However, due to property tax abatement laws originally adopted in 2005 (described in "Required Property Tax Abatements" below), the amount of

taxes that can be collected by taxing entities within the City is capped and likely will not change at the same rate as the assessed value.

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

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

Ad Valorem Property Tax Data

History of Assessed Value. The following table illustrates a history of the assessed valuation in the City. Due to property tax abatement laws enacted in 2005 (described in "Required Property Tax Abatements" below), the taxes collected by taxing entities within the County are capped and there is no longer a direct correlation between changes in assessed value and property tax revenue.

History of Assessed Value

Fiscal Year Ended June 30	Total Assessed Value of City[(1)]	Percent Change
2012	$12,958,012,131	--
2013	11,926,888,555	(8.0)%
2014	12,251,484,406	(2.7)
2015	13,852,723,777	13.1
2016	15,520,077,988	12.0

(1) Excludes the assessed valuation of the Redevelopment Agency in the following amounts; fiscal year 2012 - $557,511,057; fiscal year 2013 – $530,045,935; fiscal year 2014 - $568,564,713; fiscal year 2015 - $627,006,745, and fiscal year 2016 - $738,640,089.

Source: State of Nevada Department of Taxation, *Local Government Finance Property Tax Rates for Nevada Local Governments Fiscal Years 2011-2012 through 2015-2016*.

City Property Tax Collections

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

Taxes on real property are due on the third Monday in August unless the taxpayer elects to pay in installments on or before the third Monday in August and the first Mondays in October, January and March of each fiscal year. Penalties are assessed if any taxes are not paid within 10 days of the due date as follows: 4% of the delinquent amount if one installment is delinquent, 5% of the delinquent amount plus accumulated penalties if two installments are delinquent, 6% of the delinquent amount plus accumulated penalties if three installments are delinquent, and 7% of the delinquent amount plus

accumulated penalties if four installments are delinquent. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest at the rate of 10% per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien and assessments by local governments for improvements to the property. State law provides alternative remedies for the collection of taxes in certain instances, including judicial foreclosure (which may take place before the expiration of the two-year redemption period) and the issuance of a tax lien to the county treasurer which may be sold before the expiration of the two-year redemption period (but remains subject to redemption).

City Tax Collections. A history of the City's net tax roll collection record appears in the following table. The table includes real property taxes only; it does not include taxes levied or paid on personal property. The net secured levy is net of abatement amounts and other required adjustments. *The figures in the following table represent property taxes that have been collected in the past; they do not represent taxes that are available to pay debt service on the 2015 Bonds*. The information is included only to provide information with respect to the historic collection rates for the City and may not be relied upon to predict what collection rates would be within the City should it levy additional ad valorem property taxes in the future.

City of Las Vegas, Nevada
Property Tax Levies, Collections and Delinquencies[1]
(in thousands)

Fiscal Year Ending June 30	Net Secured Roll Tax Levy	Current Tax Collections	% of Levy (Current) Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections as % of Current Levy[2]
2010	$124,997	$122,639	98.11%	$2,339,481	$124,979	99.99%
2011	99,308	97,792	98.47	1,495,545	99,288	99.98
2012	93,071	91,744	98.57	1,290,998	93,035	99.96
2013	85,238	84,266	98.86	898,273	85,164	99.91
2014	85,332	84,461	98.98	626,227	85,088	99.71
2015	87,779	87,088	99.21	n/a[3]	87,088	99.21

(1) Subject to revision. Represents the real property tax roll levies and collections. Excludes the Redevelopment Agency.
(2) Percentage of total taxes collected to date (calculated on the Net Secured Roll Tax Levy).
(3) Collection in progress.

Source: Clark County Comptroller's Office.

Principal Property Taxpayers

The following table represents the principal property-owning taxpayers in the City based on fiscal year 2014-15 assessed valuations. The assessed valuations in this table represent both the secured tax roll (real property) and the unsecured tax roll (personal property). No independent investigation has been made of, and consequently there can be no representation as to the financial conditions of the taxpayers listed, or that any such taxpayer will continue to maintain its status as a major taxpayer based on the assessed valuation of its property in the City.

During the recent economic recession, several major taxpayers in the City experienced varying degrees of financial difficulty, including bankruptcy proceedings. Although those entities continued to pay property taxes in a timely manner, those or other entities may encounter future difficulties that could negatively impact the timely payment of property taxes.

City of Las Vegas – Principal Property Taxpayers[1]
(Fiscal Year 2014-15)

Taxpayer	Type of Business	Assessed Value	% of Total Assessed Value[2]
Universal Health Services Incorporated	Health care	$126,162,177	0.91%
Howard Hughes Corporation	Property owner/manager/developer	118,148,227	0.85
World Market Center Las Vegas	Retail center	115,900,682	0.84
Boyd Gaming Corporation	Hotels/casino	105,312,522	0.76
Station Casinos Inc.	Hotels/casino	99,468,260	0.72
Landry's Restaurants Inc.	Restaurants/hotel/casino	78,395,655	0.57
American Casino & Entertainment	Hotels/casinos	55,444,274	0.40
Hospital Corporation of America	Hospitals	51,253,971	0.37
Molasky Group of Companies	Developer	47,063,533	0.34
Camden Property Trust	Apartments	41,296,575	0.30
TOTAL		$838,445,876	6.06%

(1) Excludes centrally assessed properties.
(2) Based on the City's fiscal year 2014-15 assessed valuation of $13,852,723,777 (excludes the assessed valuation attributable to the Redevelopment Agency).

Source: Clark County Assessor's Office website (report dated October 15, 2014).

Property Tax Limitations

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

Local Government Property Tax Revenue Limitation. State statutes limit the revenues local governments, other than school districts, may receive from ad valorem property taxes for purposes other than paying certain general obligation indebtedness which is exempt from such ad valorem revenue limits. The 2015 Bonds are not exempt from such limits. This rate is generally limited as follows. The assessed value of property is first differentiated between that for property existing on the assessment rolls in the prior year (old property) and new property. Second, the property tax revenue derived in the prior year is increased by no more than 6% and the tax rate to generate the increase is determined against the current assessed value of the old property. Finally, this tax rate is applied against all taxable property to produce the allowable property tax revenues. This cap operates to limit property tax revenue dependent upon changes in the value of old property and the growth and value of new property.

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

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

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

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

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

Potential Constitutional Amendment - Senate Joint Resolution 13. Senate Joint Resolution 13 ("SJR 13"), adopted by the 2015 session of the Nevada Legislature, proposes to amend the Nevada Constitution. Under Nevada law, constitutional amendments require majority approval by each house of the Legislature in two separate legislative sessions and then majority approval by the general electorate. SJR 13, therefore, will be considered again in the 2017 Legislature. If it is approved again, it is expected that it will be placed on the ballot for the November 2018 general election.

SJR 13 would impose certain additional limitations on property taxes. It is unclear how the amendment would work with existing abatement requirements. If approved, SJR 13 is expected to require enabling legislation which has not yet been introduced. The proposed amendment itself would, among other provisions, limit taxes to 1.25% of taxable value. Property taxes for debt (including the 2015 Bonds), however, generally would be excluded from SJR 13's limit. SJR 13 only applies to real property taxes. It also requires a new "uniform and just" valuation of property for taxation and it

generally limits increases in property values to the lesser of 3% per year or the rate of inflation, with certain exceptions. SJR 13 would also change the taxable value of real property upon certain transfers of the property.

Many of the provisions of SJR 13 are unclear and the amendment will require additional legislation to implement. It is not possible to predict at this time whether it will become law, or what its impact will be on the County's property tax revenue if it does become law.

Required Property Tax Abatements

General. In 2005, the Legislature approved the Abatement Act (NRS 361.471 to 361.4735), which established formulas to determine whether tax abatements are required for property owners in each year. The general impact of the Abatement Act is to limit increases in ad valorem property tax revenues owed by taxpayers to a maximum of 3% per year for owner-occupied residential properties (and low-income housing properties) and to 8% (or a lesser amount equal to the average annual change in taxable values over the last ten years, as determined by a formula) per year for all other properties. The Abatement Act limits do not apply to new construction. The Abatement Act formulas are applied on a parcel-by-parcel basis each year.

Generally, reductions in the amount of ad valorem property tax revenues levied in the County are required to be allocated among all of the taxing entities in the County in the same proportion as the rate of ad valorem taxes levied for that taxing entity bears to the total combined rate of all ad valorem taxes levied for that fiscal year. However, abatements caused by tax rate increases are to be allocated against the entity that would benefit from the tax increase rather than among all entities uniformly. Revenues realized from new or increased ad valorem taxes that are required by any legislative act that was effective after April 6, 2005, generally are exempt from the abatement formulas. The Abatement Act provides for the recapture of previously abated property tax revenues in certain limited situations.

Levies for Debt Service. Revenues resulting from increases in the rate of ad valorem taxes for the payment of tax-secured obligations are exempt from the Abatement Act formulas if increased rates are necessary to pay debt service on the related obligation in any fiscal year if (1) the tax-secured obligations were issued before July 1, 2005; or (2) the governing body of the taxing entity and the County Debt Management Commission make findings that no increase in the rate of an ad valorem tax is anticipated to be necessary for payment of the obligations during their term. *Any increase in the rate of ad valorem taxes required to pay the principal of or interest on the 2015 Bonds is not exempt from the partial abatement formulas described above.*

General Effects of Abatement. Limitations on property tax revenues could negatively impact the finances and operations of the taxing entities in the State, including the County, to an extent that cannot be determined at this time.

Current Legislative Efforts. A group representing various municipalities throughout the State is currently meeting to discuss recommendations to be made to the State Legislature regarding local government revenues, including property taxes. During the 2013 legislative session, the Legislature enacted beneficial changes to the Consolidated Tax distribution formula. See "REVENUES AVAILABLE FOR 2015B BONDS DEBT SERVICE – Collection and Enforcement of Consolidated Tax Revenues." The group of municipalities hopes to similarly influence positive change in the State's property tax system during the 2015 legislative session. The abatements enacted in 2005 have had unintended consequences and have significantly impeded economic recovery for not only local governments but also school districts and other special districts. This group is identifying potential

solutions to allow for more rapid recovery without putting undue strain on residents. There is no guarantee that such efforts will be successful.

Overlapping Tax Rates

The following table presents a five-year tabulation of the average statewide tax rate and a sample overlapping tax rates for the City. The overlapping rates for areas within the City vary depending upon location. The highest overlapping tax rate in the City for 2015-16 is $3.2782 (per $100 of assessed valuation), located in several taxing districts in the City. The highest overlapping district tax rate in the County for 2015-16 is $3.4030 (per $100 of assessed valuation) in Mt. Charleston Town.

History of Statewide Average and Sample Overlapping Property Tax Rates[1]

Fiscal Year Ended June 30	2012	2013	2014	2015	2016
Average Statewide Rate	$3.1171	$3.1304	$3.1212	$3.1232	$3.1360
Clark County[2]	$0.6541	$0.6541	$0.6541	$0.6541	0.6541
Clark County School District	1.3034	1.3034	1.3034	1.3034	1.3034
City of Las Vegas	0.7715	0.7715	0.7715	0.7715	0.7715
Las Vegas Metropolitan Police	0.2850	0.2850	0.2850	0.2850	0.2850
State of Nevada[4]	0.1700	0.1700	0.1700	0.1700	0.1700
TOTAL	$3.2782	$3.2782	$3.2782	$3.2782	$3,2782

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

Source: Property Tax Rates for Nevada Local Governments-State of Nevada Department of Taxation, 2010-11 through 2015-16.

THE CITY

General

The City is the county seat of the County and was incorporated in 1911. The City is located in the central portion of the County, which is the southernmost county in the State. According to State Demographer estimates, the City's population as of July 1, 2014 was approximately 610,637.

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

Mayor and City Council

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

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

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

Name	Ward	Principal Occupation	Date of Election/ Appointment	Current Term Expires
Carolyn G. Goodman, Mayor	At Large	Education	6/11	6/19
Steven D. Ross, Mayor Pro Tem	Ward 6	Electrical Contractor	7/05	6/17
Stavros S. Anthony	Ward 4	Retired Police Officer	6/09	6/17
Lois Tarkanian	Ward 1	Educator/Public Service	2/05	6/19
Ricki Y. Barlow	Ward 5	Public Service	6/07	6/19
Bob Coffin	Ward 3	Insurance	6/11	6/19
Bob Beers	Ward 2	Certified Public Accountant	3/12	6/17

Administration

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

Information about the City Administrators most closely related to the financial management of the City and the issuance of the 2015 Bonds is set forth below.

Elizabeth N. Fretwell, City Manager. Ms. Fretwell was sworn in as City Manager on January 21, 2009. She joined the City in June 2000 as Assistant City Manager and was promoted to Deputy City Manager in March 2002. Ms. Fretwell has been involved in local government administration for nearly two decades. Prior to joining the City, she held the position of Intergovernmental Relations Director for the City of Henderson, Nevada, and prior to that she worked for the County, where she was involved in extensive public policy, legislative lobbying and organizational analysis. Ms. Fretwell also serves as the Executive Director of the Las Vegas Redevelopment Agency. She is a credentialed member of the International City/County Management Association and was on the nominating committee in 2009. She has recently been appointed to the Governor's Nevada Tourism Infrastructure Committee. In 2012, she was awarded the National Public Service Award by the American Society of Public Administration. In 2011, Ms. Fretwell was recognized as Woman of the Year by the Gay & Lesbian Community Center of Southern Nevada. She was recognized by Sierra Club 2010 with the Southern Nevada Environmental Stewardship Award. Ms. Fretwell is a graduate of the University of Georgia with a Bachelor of Arts degree in political science and a master's degree in public administration. She completed the Harvard University Senior Executives in State and Local Government Program in 2007.

Mark R. Vincent, Chief Financial Officer. Mr. Vincent was appointed chief financial officer in December 2010. Prior to that appointment, he was the City's Director of Finance and Business Services from 1998 through 2010, with the exception of a brief period beginning in December 2008 when

he served as Acting Deputy City Manager until a permanent Deputy City Manager was hired. He is currently responsible for the departments of Finance, Human Resources and Information Technology as well as the City Clerk and Municipal Court. Prior to his employment with the City, Mr. Vincent served for seventeen years with several Department of Energy prime contractors. He was employed by EG&G Energy Measurements, Inc. for thirteen years, seven of which were as Treasurer and Director of Finance. He also worked for EG&G Reynolds Electrical and Engineering Company, Inc. as its Manager of the Finance and Management Control Department, and for two years with Bechtel Nevada as its Business Systems Manager. All three of these contractors supported the weapons testing program at the Nevada Test Site. Mr. Vincent was appointed to serve as a member of the PERS board in April 2009; he served as its Vice-Chairman from July 2009-July 2011, and was elected Chairman in July 2011. He also was appointed in December 2010 to serve on the State's Committee on Local Government Finance. Mr. Vincent has been a licensed certified public accountant in the State since 1981. He worked for national certified public accounting firms specializing in casino audits prior to his Nevada Test Site employment. Mr. Vincent received a Bachelor of Science degree in Business Administration, with distinction, from the University of Nevada, Las Vegas.

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

Employee Relations, Benefits and Pension Matters

Employee Relations. As of June 30, 2015, the City had 2,489 full-time employees and 706 part-time employees for a grand total of 3,195 employees. Four organized labor units representing five bargaining units represent employees of the City, including Fire Supervisory and Non-Supervisory ("IAFF"), Police Protective Association ("PPA"), Las Vegas Peace Officers Association ("LVPOA") and the Las Vegas City Employees' Association ("LVCEA"). The IAFF collective bargaining agreements will expire on June 25, 2016. The PPA collective bargaining agreement expired on June 27, 2015 and a successor agreement is currently being negotiated. The POA collective bargaining agreement expired on June 30, 2015 and a successor agreement was negotiated and is pending member ratification and City Council approval. The LVCEA collective bargaining agreement will expire on June 30, 2016.

Benefits. The City provides life insurance, health insurance, dental and vision insurance, long-term disability insurance, paid vacation, sick leave and holidays, uniform, tool and vehicle benefits to certain employees, and reimbursement for certain education expenses to its employees. The City also provides short-term disability insurance coverage to its executive and appointive employees.

Pension Matters. The Nevada Public Employees' Retirement System ("PERS") covers substantially all public employees of the State, its agencies and its political subdivisions, including the City. PERS, established by the Legislature effective July 1, 1948, is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor for four-year terms. Except for certain City specific information set forth below, the information in this section has been obtained from publicly-available documents provided by PERS. The City has not independently verified the information obtained from the publicly available documents provided by PERS and is not responsible for its accuracy.

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. Benefit payments to which participants may be entitled under PERS include pension benefits, disability benefits, and death benefits. PERS has several tiers based on legislative changes effective with membership dates. The following table illustrates the PERS service credit multiplier.

PERS Benefit Multiplier

	Service Credit Multiplier				
Membership Date	Before 01/01/01	After 01/01/01	After 01/01/10	After 07/01/15	Highest Contiguous Average Over
Before January 1, 2001	2.50%	2.67%	2.67%	2.67%	36 months
After January 1, 2001, before January 1, 2010	--	2.67%	2.67%	2.67%	36 months
After January 1, 2010, before July 1, 2015	--	--	2.50%	2.50%	36 months
After July 1, 2015	--	--	--	2.25%	36 months

Similarly, legislative changes have created several tiers of retirement eligibility thresholds. The following table illustrates the PERS retirement eligibility thresholds.

Nevada PERS Retirement Eligibility

Membership Date	Regular		Police/Fire	
	Age	Years of Service	Age	Years of Service
Before January 1, 2010	65	5	65	5
	60	10	55	10
	Any	30	50	20
			Any	25
After January 1, 2010, before July 1, 2015	65	5	65	5
	62	10	60	10
	Any	30	50	20
			Any	30
After July 1, 2015	65	5	65	5
	62	10	60	10
	55	30	50	20
	Any	33 1/3	Any	33 1/3

Nevada law requires PERS to conduct a biennial actuarial valuation showing unfunded actuarial accrued liability ("UAAL") and the contribution rates required to fund PERS on an actuarial reserve basis. The actual employer and employee contribution rates are established in cycle with the State's biennium budget on the first full pay period of the even numbered fiscal years. By PERS policy, the system actually performs an annual actuary study. The most recent independent actuarial valuation report of PERS was completed as of June 30, 2014. The following table reflects some of the key valuation results.

PERS Actuarial Report

Key Valuation Results	June 30, 2014	June 30, 2013
UAAL	$12.52 billion	$12.88 billion
Market Value Funding Ratio	76.3%	68.7%
Actuarial Value Funding Ratio	71.5%	69.3%
Assets Market Value	$33.58 billion	$28.83 billion
Assets Actuarial Value	$31.47 billion	$29.11 billion

For the purpose of calculating the actuarially determined contribution rate, the UAAL is amortized as a level percent of payroll over a year-by-year closed amortization period where each amortization period is set at 20 years. The amortization period prior to fiscal year 2012 was 30 years. Effective starting fiscal year 2012, the PERS Board adopted a shorter amortization period to be used to amortize new UAAL resulting from actuarial gains or losses and changes in actuarial assumptions. Any new UAAL is amortized over a period equal to the truncated average remaining amortization period of all prior UAAL layers, until the average remaining amortization period is less than 20 years; after that time, 20-year amortization periods will be used. The current effective amortization period is 21.7 years. The PERS Board also adopted a five-year asset smoothing policy for net deferred gains/losses. As of June 30, 2014, PERS has unrecognized net deferred gains of $2.11 billion. Unless offset by future investment losses, the recognition of the $2.11 billion net deferred market gains is expected to increase the future actuarial funded ratio and decrease the future contribution rate.

PERS is funded as a "50/50" plan wherein employer and employee contribution rates are equally split as established by State statute. The statute allows for biennial increases or decreases of the actuarially determined rate and the legislature can increase the contribution rate for members by any amount it determines necessary. Pursuant to statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability. However the actuarially determined rates amortize the UAAL as described above. The City is obligated to contribute all amounts due under PERS. For fiscal years 2014 and 2015, the contribution rate was 25.75% for regular members and 40.50% for police/fire members. While the police/fire rate remains unchanged for the 2016/2017 biennium, the regular contribution rate increased to 28.00% from 25.75%. Under the Employer/Employee Pay method the City's regular employees will see their wage and salary rates reduced by 1.125% for their half of the increase.

For the year ended June 30, 2014, PERS adopted Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans-an amendment of GASB Statement No. 25. This GASB replaces the requirements of GASB statements 25 and 50 as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The objective of GASB Statement No. 67 is to improve financial reporting by state and local governmental pension plans. It requires enhancement to footnote disclosure and required supplementary information for pension plans.

Effective with fiscal year 2015, the City will be required to apply the GASB Statement No. 68, Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27 ("GASB 68"), to its audited financial statements. Among other requirements, the City will be required to report its proportionate share of the total PERS net pension liability in its financial statements. The City has not yet received information as to its estimated share of the PERS net pension liability.

The City's contributions to PERS for the last five fiscal years are as follows:

Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
$52,088,781	$57,272,765	$54,912,520	$59,192,694	$59,015,740 (est.)

The City has budgeted $63,000,000 in PERS contributions for the fiscal year ended June 30, 2016. For the year ended June 30, 2014, the City's contribution to PERS represented approximately 3.8% of total contributions to PERS.

See Note 8 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.

Other Postemployment Benefits. The City also makes available certain post-retirement health insurance and other non-pension benefits ("OPEB") to employees who retire under PERS and elect to receive and pay for these benefits. Effective July 1, 2007, the City implemented Governmental Accounting Standards Board Statement No. 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* ("GASB 45"). GASB 45 addresses how the City accounts for and reports its costs related to OPEB. GASB 45 requires the City to accrue the cost of its OPEB liability during the period of active employment (while the benefits are being earned) and disclose the unfunded actuarial accrued liability (the "UAAL") in order to accurately account for the total future costs of OPEB and the financial impact to the City. See Note 16(B) for a detailed description of the City's OPEB plan, its funding policy, annual costs, and associated UAAL (including significant methods and assumptions of the actuarial valuation). The City reports that it has made no changes to its significant methods and assumptions since fiscal year 2012. Also see the Required Supplementary Information in Appendix A for a history of the City's UAAL and other statistical information.

The City receives an actuarial valuation biannually. The most recent valuation was for fiscal year 2014 (*i.e.*, as of July 1, 2013); the next valuation will be for fiscal year 2016 which is currently in process. As illustrated in the Required Supplementary Information, the City's UAAL was $54,258,702 as of the July 1, 2013, valuation date; the UAAL will not change until the fiscal year 2016 valuation is recorded. The actuarial value of assets as of the July 1, 2013, valuation date was $10,972,954. The City's annual OPEB cost is calculated by adjusting the actuarially determined Annual Required Contribution ("ARC") for interest earned and other factors, including contributions made. Unfunded liabilities in excess of contributions increase the City's Net OPEB Obligation. The City's Net OPEB Obligation as of June 30, 2012 was $58,637,391 and as of June 30, 2013, it was $55,090,668. As of June 30, 2014, the Net OPEB Obligation was $56,369,566.

On June 16, 2010, The City Council adopted and passed a resolution which created a trust fund for OPEB. During the fiscal years ended June 30, 2013 and June 30, 2014, the City contributed $5,000,000 and $0, respectively, to the trust. The net market value of the trust at June 30, 2014, was $13,409,352. The City has not included any contribution to the trust in its budget for fiscal year 2016.

See Note 16(C) in the audited financial statements attached hereto as Appendix A for a description of the OPEB Trust Fund.

CITY FINANCIAL INFORMATION

Annual Reports

General. The City's Director of Finance prepares a comprehensive annual financial report ("CAFR") providing an overview of financial operations and changes in financial position of the County as of June 30 of each fiscal year. The latest audited report is for the year ended June 30, 2014. Those financial statements represent the City's most recent audited financial statements. Audited financial statements for prior years (and the City's CAFRs) may be obtained from the sources listed in "INTRODUCTION – Additional Information."

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

Awards. The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2014. This was the 35th consecutive year that the City has received this recognition. A Certificate of Achievement is valid for a period of one year only. The City has submitted its fiscal year 2014 CAFR for award consideration.

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

Budgeting

Detailed requirements for the City's budget are set forth in State statutes. The City's budgeting process begins with City Council strategic planning sessions to determine if resources need realignment. That is followed with a series of reviews and analysis of budget requests submitted by various departments. City management and budget office staff compile and prioritize all data with the objective of aligning budget resources with the City Council's strategic plan objectives as closely as possible. A public hearing is held by the City Council on the final budget recommendations. The final budget is approved and adopted by the City Council and filed with the City Clerk, the County Clerk, and Taxation by June 1 of each year.

Budgetary controls are maintained at the line item level by department. Additional controls consist of the following: (a) City Manager's office approves all staff hiring; (b) on-going monitoring of expenditures; and (c) monthly analysis of departmental cost versus budget trends. Revenue monitoring may lead to curtailment of certain expenditures such as new hires, travel or capital outlay. If new programs have been initiated or existing programs change, or unanticipated revenue is realized, it may be necessary to realign or revise the budget. The City formalizes this procedure by preparing an

augmented budget for the current year, which reflects both revenue and expenditure adjustments. Following a public hearing, the augmentation is filed with Taxation.

In May 2014, the City adopted a budget policy change that provides excess revenues over expenditures may be programmed only after considering the following objectives: (1) adequacy of general fund reserve levels, (2) unfunded long-term liabilities, (3) capital priorities that lack sufficient dedicated funding sources, and (4) operational expenditures such as employee compensation, benefits, infrastructure maintenance and new programs may be considered only if the excess is deemed sustainable.

Accounting

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

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

General Fund; Other Funds

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

Major General Fund Revenue Sources. For the bulk of its General Fund revenues, the City relies upon "intergovernmental revenues" comprised primarily of revenues derived from Consolidated Tax revenues (approximately 53.7% of General Fund revenues in both fiscal years 2014 and 2015 (unaudited); other taxes, including property taxes (approximately 17.4% of General Fund revenues in fiscal year 2014 and 17.1% of General Fund revenues in fiscal year 2015 (unaudited); revenue from licenses and permits (approximately 16.4% of General Fund revenues in fiscal year 2014 and 17.1% of General Fund revenues in fiscal year 2015 (unaudited); and charges for services (approximately 7.8% of General Fund revenues in fiscal year 2014 and 8.2% of General Fund revenues in fiscal year 2015 (unaudited). Other sources of General Fund revenue are intergovernmental revenues (other than Consolidated Taxes), fines and forfeitures, interest income and miscellaneous revenues; none of these sources accounted for more than 5% of General Fund revenue in fiscal years 2014 or 2015 (unaudited).

As described above, the majority of General Fund revenues are comprised of the Consolidated Taxes. 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 City has no control over general economic cycles and is unable to predict what economic factors or cycles will occur while the 2015 Bonds remain Outstanding.

General Fund Expenditures. The City's annual General Fund expenditures are dominated by the funding support of a variety of mandated functions. These include: public safety functions, including police, fire protection and corrections services (approximately 69.2% and 69.7%, respectively, of fiscal years 2014 and 2015 (unaudited) General Fund expenditures); general governmental services, including City Council, the City Manager, City Clerk, other executive functions and financial administration (approximately 11.3% and 11.7%, respectively, of fiscal years 2014 and 2015 (unaudited) (General Fund expenditures); culture and recreation (approximately 10.1% and 9.1% of fiscal years 2014 and 2015, respectively (unaudited) (General Fund expenditures); and judicial functions (approximately 5.4% and 5.3%, respectively, of fiscal years 2014 and 2015 (unaudited) General Fund expenditures. Other General Fund functions include public works, health and economic development expenditures, none of which accounted for more than 5% of General Fund expenditures in fiscal years 2014 or 2015.

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

History of General Fund Revenues and Expenditures

General. The following table presents a history of the City's General Fund revenues, expenditures and changes in fund balance for the fiscal years ended June 30, 2011 through 2014. The information for fiscal years 2010 through 2014 was derived from the City's CAFR for each of those years. The table also provides estimated information for fiscal year 2015 and final budget information for fiscal year 2016.

The information in this table is provided for informational purposes only and does not imply that all of the revenues shown below are legally available to pay debt service on the 2015 Bonds. The information in this table should be read together with the City's audited financial statements for the year ended June 30, 2014, 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."

Reserve Policies. The City's policy is to maintain an unreserved fund balance in the General Fund equal to 12% of budgeted General Fund revenues. That policy was temporarily suspended for fiscal year 2011 and replaced with a requirement that the fund balance equal 10% of budgeted General Fund revenues. However, the 12% policy was reinstated for the fiscal year 2012 budget and in 2013 the policy was modified to reflect an aspirational goal of 20%.

The City's reserve policies also stipulate that ending cash balance for Internal Service Funds should equal 10% of the prior year's expenditures for operations, 25% for capital acquisitions, and 25% of employee benefit expenditures.

Effect of GASB 54. Effective for the fiscal year ending June 30, 2011, the City is subject to Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54"). Under GASB 54, fund balance for governmental

funds are required to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor the constraints placed on the specific purposes for which amounts in those funds can be spent. As a result, the prior "reserved, unreserved and designated" designations of fund balance have been replaced with new categories: "nonspendable," "restricted," "committed," "assigned" and "unassigned." See Note 1(G) in the audited financial statements attached hereto as Appendix A for a description of each of these fund restriction categories.

With the application of GASB 54, the budgetary basis of accounting for the General Fund differs from GAAP. Effective with the fiscal year ending June 30, 2011, the GAAP application of GASB 54 requires amounts reported in special revenue funds that do not meet the definition of GASB 54 for a "Special Revenue Fund" from proceeds of specific revenue sources to be included in the General Fund. The City and its auditors have determined that for GAAP purposes, four existing special revenue funds will be required to be reported as part of the General Fund: the Fiscal Stabilization Fund (described below), the Industrial Development Special Revenue Fund, the Community Leisure Services Special Revenue Fund and the USDC-Economic Development Administration Special Revenue Fund. The City continues to budget the Fiscal Stabilization Fund separately from the General Fund.

Notwithstanding the foregoing, the information presented in the following table includes the General Fund only; the funds required to be reported with the General Fund for purposes of GASB 54 (described in the prior paragraph) have been excluded from this table.

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

Fiscal Year Ended June 30,	2010 (Audited)	2011 (Audited)	2012 (Audited)	2013 (Audited)	2014 (Audited)	2015 (Estimated)	2016 (Budget)
Revenues							
Taxes	$114,313,427	$92,913,317	$87,269,883	$81,222,574	$ 81,142,154	$ 83,915,000	$ 87,537,500
Licenses and Permits	77,241,337	77,158,559	74,793,925	78,580,650	76,173,424	83,799,979	86,841,939
Consolidated Tax	201,518,649	207,962,167	221,315,602	232,872,708	245,701,878	260,300,000	274,600,000
Intergovernmental Revenue	3,967,781	3,561,309	3,683,186	3,448,378	3,955,057	3,567,891	3,698,216
Charges for Services	31,125,047	34,816,648	32,958,376	38,360,750	36,270,268	40,305,335	40,914,062
Fines & Forfeitures	20,349,142	20,008,474	20,490,413	19,965,049	16,815,188	14,619,480	15,069,121
Interest	1,659,964	448,866	1,208,501	524,937	858,092	768,000	746,000
Miscellaneous	3,006,118	2,951,136	3,398,212	7,409,438	4,375,832	3,785,001	2,485,001
Total Revenues	$453,181,465	$439,820,476	$445,118,098	$462,384,484	465,291,894	491,060,686	511,891,839
Expenditures[1]							
General Government	49,034,775	46,118,945	64,208,260	50,438,953	51,186,319	55,157,247	61,075,545
Judicial	24,388,080	22,679,577	22,328,077	23,366,352	24,601,623	24,771,360	27,589,337
Public Safety	323,578,261	310,409,067	300,664,468	303,463,944	313,046,613	329,615,440	344,085,505
Public Works	19,029,401	15,789,510	12,241,645	12,586,505	12,433,825	12,066,241	11,587,254
Health	3,369,009	3,191,898	3,383,146	3,459,785	3,563,429	3,784,356	4,661,783
Culture & Recreation	47,360,934	42,130,034	42,757,083	44,670,677	45,569,377	42,929,712	47,916,895
Economic Development	6,419,948	4,584,176	2,050,954	2,633,975	2,147,368	4,369,286	4,892,590
Transit System	236,052	14,442	13,383	--	--	--	--
Total Expenditures	$473,416,460	$444,917,649	$447,647,016	$440,620,191	452,548,554	472,693,642	501,808,909
Excess (deficiency) of revenues over expenditures	(20,234,995)	(5,097,173)	(2,528,918)	21,764,293	12,743,340	18,367,044	10,082,930
Other Financing Sources (Uses)							
Operating Transfers In[2][3]	13,965,843	37,777,817	9,402,894	10,520,000	9,387,721	9,590,000	10,020,000
Operating Transfers Out	(11,654,364)	(20,489,475)	(12,305,000)	(22,680,000)	(20,565,567)	(38,006,000)[4]	(19,100,000)
Sales of Capital Assets	--	--	3,613,445	302,797	229,475	--	--
Total	$2,311,479	$17,288,342	$711,339	$(11,857,203)	$(10,948,371)	$(28,416,000)	$(9,080,000)
Net Changes in Fund Balance	(17,923,516)	12,191,169	(1,817,579)	9,907,090	1,794,969	(10,048,956)	1,002,930
Fund Balance, July 1[5]	92,694,437	74,770,921	101,400,074	99,582,495	106,982,815	108,777,784	98,728,828
GASB 54 Adjustment[5]	--	14,437,984	--	--	--	--	--
Prior Period Adjustment[6]	--	--	--	(2,506,770)	--	--	--
Fund Balance, June 30	$74,770,921	$101,400,074	99,582,495	106,982,815	$108,777,784	98,728,828	99,731,758
Reserved	$ 1,635,250	n/a	n/a	n/a	n/a	n/a	n/a
Unreserved	$73,135,671	n/a	n/a	n/a	n/a	n/a	n/a
Nonspendable[5]	n/a	$14,841,955	$29,529,088	29,818,363	29,923,174	29,500,000	29,200,000
Unassigned[5]	n/a	$86,558,119	$70,053,407	$77,164,452	78,854,610	69,228,828	70,531,758

Footnotes on next page

(1) Includes capital outlay expenditures as well as current expenditures in certain of the categories shown.
(2) Transfers include the portion of the City's property tax attributable to the Fire Safety Initiative that is used for operations.
(3) A total of $18,089,909 was transferred into the General Fund in 2011 due to the new Internal Service Fund balance policy (discussed above); of that amount, $8,000,000 was subsequently transferred out to the Parks & Leisure Activities Capital Projects Fund. In addition, in 2011, the City completed a $5,000,000 transfer from its utility funds to the General Fund; that transaction originally was scheduled to occur in fiscal year 2012. The fiscal year 2012 information (Operating Transfers In and Net Changes in Fund Balance) has been adjusted to reflect the occurrence of the transaction in fiscal year 2011.
(4) The large variance in "operating transfers out" in 2015 is primarily attributable to a one-time transfer of $11.3 million to the City's capital project fund for infrastructure improvements and strategic land acquisition and a $5 million transfer to cover increases in employee benefits.
(5) The implementation of GASB 54 has changed the categories for restriction of fund balance.
(6) Adjustments to correct errors in prior years.

Source: Derived from the City's CAFRs for fiscal years 2010-2014, the City's final budget for fiscal year 2016 and the City's Finance Department.

Management Discussion

General. An overview of the financial activity and overall financial condition of the City is presented in the City of Las Vegas Management's Discussion and Analysis included within the financial statements of the City as of and for the year ended June 30, 2014, included hereto as Appendix A.

2016 Budget. The City's final budget for fiscal year 2016 was adopted by City Council on May 19, 2015. The fiscal year 2016 budget for the General Fund forecasts revenues and transfer of $521.9 million. This is a 4.2% increase over fiscal year 2015 estimates.

The City is also projecting a 5.5% increase in consolidated tax revenues compared to fiscal year 2015 estimate which represents 52.6% of our revenue base. Property taxes (16.6% of our revenue base excluding the transfer in of the Fire Safety Initiative property tax) are expensed to increase by 4.3%. Overall, budgeted revenues, including transfers in, are expected to increase by 4.2% in fiscal year 2016 from fiscal year 2015 estimates.

With the City's projected results in the General Fund for fiscal year 2015, it expects that this will be the third year in a row that the City will finish the year with an excess (revenues in excess of expenditures). Even though the City started the year with a deficit budget, it expected to finish in a positive position. This is also the first year since fiscal year 2007 that the City presents a balanced budget for fiscal year 2016 for the General Fund.

The City believes its efforts to date have positioned the City well for fiscal year 2016. In economic development, through the use of new market tax credits, the City was able to bridge the funding gap to commence the redevelopment of the West Side School and restore these historic buildings to their original condition so that they can serve as community gathering places and centers.

The creation of a Tourism Improvement District is expected to allow the City to fund infrastructure improvement within Symphony Park, including a new parking structure that is designed to support the Smith Center for the Performing Arts and facilitate the expansion of the Cleveland Clinic Lou Ruvo Center for Brain Health and other planned development within Symphony Park.

As the City worked through the recession, it embarked upon a Citizen Survey and Engagement Initiative in order to strategically position programs and services in order to meet the needs of the community with existing resources. The purpose of the survey is to objectively assess satisfaction with the delivery of major City services and quality of life, to track performance over time, compare the City's performance to its peers, and help determine priorities and areas of focus. The results of the 2015 survey indicate the City's residents have a high positive perception of our services. Compared to its

peers, the City performed 20 points or more higher than others in the large city category related to the services provided. To enhance overall satisfaction with City government, the City has identified some areas to emphasize over the next 1 to 2 years. These areas have been woven into the City's budget strategy for fiscal year 2016 and include:

- Economic and urban development
- Police services
- Maintenance and beautification of city streets

The 2016 General Fund budget reflects the City's ongoing emphasis on what it believes is important to its citizens and to its council by continuing investment in the City. The budget represents a growth rate of 2%, which allowed the City to propose some modest program expansion, restorations and sustainable service levels, including:

- Completing rehabilitation of older existing parks and providing new parks where there are service gaps
- Building facilities that continue to support economic development
- Repaving and cleaning of streets throughout all Wards
- Providing sidewalk infill improvements in our mature areas and within the medical district
- Maintaining City facilities and assets
- Adding resources to increase productivity and reduce service time delivery
- Restoring 40 hour work week to the City's largest collective bargaining group
- Expanding the City's Business Licensing and Building and Safety departments to respond to increased development activity including medical marijuana
- 62.5 new and restored full-time equivalent positions

Quality of life considerations are significant in the large portion of the City's budget that goes toward the area of law enforcement. The City's primary police force is the Las Vegas Metropolitan Police Department. The City has allocated for $136.1 million for its share of such Department's police services. Funding is determined through a joint agreement with Clark County. This budget includes the elimination or supplanting of the More COPS fund which returned 152 positions back into the General Fund. It also contemplates the addition of 30 new police officers and 47 new civilian support positions.

The City's Department of Detention and Enforcement is expected to receive approximately $9 million in revenue from other government agencies. This revenue is a combination of fees recovered to house and supervise other agency inmates in the City's Detention Center and fees paid by the City of North Las Vegas to locate their jail housing operations within the City of Las Vegas facility. An average of 270 inmates from North Las Vegas, Clark County and Boulder City are housed in the facility on a daily basis.

Although the 2016 General Fund budget does not contemplate new firefighter suppression positons, it does provide funding for two firefighter academies in fiscal year 2016 that the City expects to make an impact on its ability to fully staff our units without excessive overtime which often takes a toll on the City's firefighters. In additional, an administrative position in Human Resources was added to support recruitments and Building and Safety added a fire protection engineer to support fire plans review.

Investment Policy

The investment goal of the City is to maintain adequate cash availability to meet current obligations and invest excess monies at the maximum yield allowed, while assuring that the principal is protected from loss. Monies that are not required for immediate expenditures are invested within the guidelines of NRS Chapter 355, and City policy. See Note 3 in Appendix A for a more complete description of the City's investment practices.

Fiscal Stabilization Fund

The City has established a Fiscal Stabilization Special Revenue Fund (the "Fiscal Stabilization Fund") pursuant to NRS 354.6115 and a resolution adopted by the City Council on January 7, 2009. The Fiscal Stabilization Fund was funded with transfers of available balances from the General Fund, Special Revenue Funds, Internal Service Funds and Capital Projects Funds. As described above, beginning in fiscal year 2011, the Fiscal Stabilization Fund was required to be accounted for in the General Fund pursuant to GASB 54. Money in the fund is to be used only to stabilize the operation of City government and mitigate the effects of natural disasters. Transfers out of the Fiscal Stabilization Fund may be made only: (i) if the total actual revenue falls short of the total anticipated revenue in the General Fund for the fiscal year in which the City uses that money, and (a) the revenue shortfall is the result of an economic event that could not be anticipated, and (b) the resulting General Fund balance will fall below 10% of the anticipated expenditures; and (ii) to pay expenses incurred by the City to mitigate the effects of a natural disaster or act of terrorism. The fund balance in the Fiscal Stabilization Fund must not exceed 10% of the expenditures from the General Fund for the previous fiscal year. The ending fund balance of the Fiscal Stabilization Fund on June 30, 2015 was $13,013,838.

Accounting for Liability Insurance and Employee Benefits

Liability Insurance and Property Damage Internal Service Fund. The City maintains a Liability Insurance and Property Damage Internal Service Fund to pay for tort liability losses and avoid escalating premiums and to cover damage and loss of City-owned assets.

The following table presents information about the revenues, expenditures and fund balances for the Liability Insurance and Property Damage Internal Service Fund. The information provided for fiscal years 2010 through 2014 was derived from the City's CAFR for each of those years. The table also provides estimated information for fiscal year 2015 and budget information for fiscal year 2016 derived from the City's Finance Department and the City's 2016 final budget, respectively. The information in the table below does not conform to GAAP presentation, as all revenues (including operating revenues, non-operating revenues and transfers) are included in the "Total Revenue" category.

Liability Insurance and Property Damage Internal Service Fund

Fiscal Year Ended June 30	**2010 (Actual)**	**2011 (Actual)**	**2012 (Actual)**	**2013 (Actual)**	**2014 (Actual)**	**2015 (Estimated)**	**2016 (Budgeted)**
Total Revenue	$3,442,216	$2,168,630	$2,549,279	$1,970,494	$1,755,320	$2,055,900	$2,044,650
Total Expenditures	2,023,992	1,924,636	1,922,523	1,869,467	2,417,611	2,643,000	3,201,560
Net Income (Loss)	1,418,224	243,994	626,756	101,027	(662,291)	(587,100)	(1,156,910)
Operating Transfers Out	0	(3,529,000)	0	(745,000)	0	0	0
Net Change in Fund Balance	1,418,224	(3,285,006)	626,756	(643,973)	(662,291)	(587,100)	(1,156,910)
Total Net Assets, Beginning	7,216,094	8,634,318	5,349,312	5,976,068	5,189,289	4,526,998	3,939,898
Prior Period Adjustment				(142,806)			
Total Net Assets, Ending	$8,634,318	$5,349,312	$5,976,068	$5,189,289	$4,526,998	$3,939,898	$2,782,988

(1) Transfer to the Revenue Stabilization Fund established by the City in 2009. In 2011, represents a transfer to the General Fund in accordance with the new internal service fund (ISF) fund balance policy. This amount was transferred to the General Fund and then from the General Fund to the Capital Projects Fund. In 2013, represents the amount transferred to the Employee Benefit Internal Service Fund in accordance with the internal service fund balance policy.

(2) Adjustments to correct errors in prior years.

Source: Derived from the City's CAFRs for fiscal years 2010-2014, the City's final budget for fiscal year 2016 and the City's Finance Department.

See Note 17 (particularly Note 17(A)(1)) in the audited financial statements attached hereto for a description of the City's risk management activities, including more specific information about the Liability Insurance and Property Damage Internal Service Fund. The City also carries reinsurance coverage in the Liability Insurance and Property Damage Internal Service Fund for any amounts in excess of a $10,000 property deductible and a $100,000 state tort claim limit for liability.

Employee Benefit Internal Service Fund. State law requires that employees be covered for workers' compensation either through a self-insurance fund or through the Employers Insurance Company of Nevada. The City is self-insured and utilizes the Employee Benefit Internal Service Fund to account for the activity. The fund includes the City's Workers' Compensation self-insurance program which expends payments of claims, as required by law, to employees injured at work and for presumptive liability for heart/lung diseases for public safety employees.

The purpose of the Employee Benefit Internal Service Fund is to account for monies collected from City departments, employees and former employees and dependents to be expended for premiums and claims for health insurance and other employee benefits (medical, dental, vision and other benefits) provided to employees and their dependents, former employees and retirees. The fund also is used to account for accrued vacation time and sick leave. Current City policy requires a minimum cash balance in the fund of not less than twenty-five percent of the prior year expenditures. The monies collected from City departments are determined based on a billing rate applied to the salaries and wages expended in those departments. The City periodically reviews its rate structure to ensure adequate funding going forward.

The following table presents the revenues, expenditures and fund balance for the Employee Benefit Internal Service Fund with the amounts in prior years adjusted to reflect this merger. The information is provided for fiscal years 2010 through 2014 and derived from the City's CAFR for each of those years. The table also provides estimated information for fiscal year 2015 and budget information for fiscal year 2016 derived from the City's Finance Department and the City's 2016 final budget, respectively. The information in the table below does not conform to GAAP presentation, as all revenues (including operating revenues, non-operating revenues and transfers) are included in the "Total Revenue" category.

Employee Benefit Internal Service Fund

Fiscal Year Ended June 30,	**2010 (Actual)**	**2011 (Actual)**	**2012 (Actual)**	**2013 (Actual)**	**2014 (Actual)**	**2015 (Estimated)**	**2016 (Budgeted)**
Total Revenue	$159,751,436	$148,529,932	$172,994,153	$149,089,647	$145,701,608	$149,075,400	$162,601,500
Total Expenditures	172,300,609	162,407,190	169,909,869	162,285,463	155,214,912	156,573,400	159,872,970
Net Income (Loss)	(12,549,173)	(13,877,258)	3,084,284	(13,195,816)	(9,513,304)	(7,498,000)	2,728,530
Operating Transfers In	0	17,579,405	14,510,096	5,745,000	0	5,000,000	0
Operating Transfers Out	0	0	0	0	0	0	0
Net Change in Fund Balance	(12,549,173)	3,702,147	17,594,380	(7,450,816)	(9,513,304)	(2,498,000)	2,728,530
Total Net Assets, Beginning	27,999,250	15,450,077	19,152,224	36,746,604	29,046,849	19,533,545	17,035,545
Prior Period Adjustment	0	0	0	(248,939)	0	0	0
Total Net Assets, Ending	$15,450,077	$19,152,224	$36,746,604	$29,046,849	$19,533,545	$17,035,545	$19,764,075

(1) Adjustments to correct errors in prior years.

Source: Derived from the City's CAFRs for fiscal years 2010-2014, the City's final budget for fiscal year 2016 and the City's Finance Department.

See Note 17 (particularly Note 17(A)(2)) in the audited financial statements attached hereto for a description of the City's risk management activities, including more specific information about the Employee Benefit Internal Service Fund. The City also carries reinsurance coverage in the Employee Benefit Internal Service Fund for any amounts in excess of a $250,000 health insurance claim deductible and Workers Compensation excess insurance coverage for claims in excess of $1 million for regular employees and $4 million for public safety employees.

DEBT STRUCTURE

Debt Limitation

State law limits the aggregate principal amount of the City's general obligation debt to 20% of its total reported assessed valuation. The following table presents a history of the City's outstanding general obligation indebtedness with respect to its statutory debt limitation.

Statutory Debt Limitation

Fiscal Year Ended June 30,	Assessed Valuation[1]	Debt Limit	Outstanding General Obligation Debt[2]	Statutory Debt Capacity
2012	$13,515,523,188	$2,703,104,638	$350,325,000	$2,352,779,638
2013	12,456,934,490	2,491,386,898	321,615,000	2,169,771,898
2014	12,820,049,119	2,564,009,824	295,825,000	2,268,184,824
2015	14,479,730,522	2,895,946,104	338,410,000	2,557,536,104
2016	16,258,718,077	3,251,743,615	356,350,000[3]	2,895,393,615

(1) Includes the assessed valuation of the Redevelopment Agency. These values are included for purposes of calculating the debt limit but are not subject to taxation for the retirement of general obligation debt.

(2) Includes general obligation bonds, general obligation bonds additionally secured with pledged revenues and medium-term general obligation bonds. Excludes revenue bonds and lease purchase agreements.

(3) Outstanding as of August 1, 2015, after taking into account the issuance of the 2015 Bonds and the effect of the Refunding Project. See the table in "Outstanding Indebtedness and other Obligations" below.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada - Department of Taxation, 2011-12 through 2015-16; debt information compiled by the Financial Advisor.

Outstanding Indebtedness and Other Obligations

Outstanding Indebtedness and Other Obligations. The following table presents the City's outstanding obligations as of August 1, 2015, after taking into account the issuance of the 2015 Bonds and the effect of the Refunding Project.

City's Outstanding Debt and Other Obligations[1]

	Dated Date	Maturity Date	Original Amount	Amount Outstanding
GENERAL OBLIGATION REVENUE BONDS[2]				
Sewer Refunding Bonds, Series 2006A	03/15/06	04/01/21	$ 31,920,000	$ 20,845,000
Taxable Various Purpose Bonds, Series 2006A[3]	05/31/06	05/01/24	18,000,000	1,060,000
Tax-Exempt Various Purpose Bonds, Series 2006B	05/31/06	05/01/36	50,745,000	48,365,000
Performing Arts Center Bonds, Series 2009	04/01/09	04/01/39	101,220,000	94,495,000
Golf Course Refunding Bonds, Series 2012B	05/01/12	06/01/22	8,230,000	5,975,000
Adjustable Rate Various Purpose Refunding Bonds, Series 2013	07/31/13	06/01/36	30,025,000	28,540,000
Sewer Bonds, Series 2014A	12/04/14	05/01/34	74,765,000	74,765,000
Parking Refunding Bonds, Series 2014B	12/04/14	05/01/34	8,985,000	8,985,000
Taxable Various Purpose Refunding Bonds, Series 2015B *(this issue)*	09/15/15	06/01/24	11,090,000	11,090,000
Total				294,120,000
GENERAL OBLIGATION MEDIUM-TERM BONDS[4]				
Various Purpose Bonds, Series 2007	11/01/07	11/01/17	22,500,000	7,720,000
Various Purpose Bonds, Series 2011A	12/01/11	12/01/21	27,590,000	20,350,000
Various Purpose Bonds, Series 2011B	12/01/11	12/01/19	3,545,000	2,310,000
Medium-Term Bonds, Series 2012A	05/01/12	05/01/22	8,115,000	5,850,000
Medium-Term Recreation Project Bonds, Series 2015A *(this issue)*	09/15/15	09/01/25	26,000,000	26,000,000
Total				62,230,000
TOTAL GENERAL OBLIGATION BONDS				356,350,000
OTHER OBLIGATIONS[5]				
Certificates of Participation, Series 2009A[6]	12/17/09	09/01/19	13,770,000	13,755,000
Certificates of Participation, Series 2009B (BABs)[6]	12/17/09	09/01/39	174,500,000	174,500,000
Installment Purchase Agreement (QECBs), Series 2011	05/18/11	05/01/26	5,874,300	4,509,845
Installment Purchase Agreement (NCREBSs), Series 2011	05/18/11	05/01/26	4,974,400	3,818,969
Energy Conservation Revenue Bond, Series 2014[7]	06/30/14	07/30/28	1,244,000	1,171,304
Total				197,755,118
ASSESSMENT DISTRICTS[8]				
District No. 1463, 1470, 1471, 1473, 1477, Series 2002	12/01/02	12/01/22	4,245,000	1,275,000
District No. 1481, Series 2004A	07/21/04	06/01/24	1,975,000	720,000
District Nos. 1487 and 1503, Series 2006	03/31/06	12/01/15	818,000	35,000
District No. 1493, Series 2007	05/01/07	12/01/16	444,000	34,000
District No. 1506, Series 2007	06/01/07	06/01/27	1,724,000	1,207,000
District No. 1490, Series 2007	07/19/07	06/01/17	320,000	51,000
District No. 1507, Series 2012	10/11/12	06/01/32	1,777,852	1,501,875
Total				4,823,875
OTHER ASSESSMENT DISTRICTS[9]				
District No. 707 Senior Refunding Bonds, Series 2000A	10/31/00	06/01/16	28,570,000	1,730,000
District No. 809, Series 2003	06/25/03	06/01/23	10,000,000	4,510,000
District No. 707 Senior Refunding Bonds, Series 2004A	04/30/04	06/01/16	3,300,000	235,000
District No. 808 Senior Refunding Bonds, Series 2007A	09/13/07	06/01/21	22,820,000	9,680,000
District No. 808 Subordinate Refunding Bonds, Series 2007B	09/13/07	05/01/21	2,415,000	1,055,000
District No. 808 and 810 Refunding Bonds, Series 2007	09/13/07	06/01/31	23,625,000	25,215,000
District No. 607 Refunding Bonds, Series 2013	05/30/13	06/01/24	30,865,000	18,320,000
Total				60,745,000
TOTAL ASSESSMENT DISTRICTS				$65,568,875

(1) As of August 1, 2015; after taking into account the issuance of the 2015 Bonds and the effect of the Refunding Project. Does not include capital leases or interim warrants. Also does not include tax increment bonds issued by the Redevelopment Agency; no City revenues are used to pay debt service on those bonds.

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

(3) Reflects impact of Refunding Project.

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

(5) Payable from legally available City revenues and subject to annual appropriation.

(6) The City entered into a lease-purchase agreement for the construction and purchase of a new City Hall. The City's lease payments are payable from legally available revenues and support the repayment of certain certificates of participation ("COPS"). The COPS are not a general obligation or direct or indirect debt of the City within the meaning of any constitutional debt limitation.

(7) Revenue bonds secured by a subordinate pledge of 15% of the Consolidated Tax Revenues.

(8) Secured by special assessment against the property improved; the City's General Fund is contingently liable if collections of the assessments are insufficient.

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

Source: The City.

Annual Debt Service Requirements

The following table presents the debt service requirements on the City's outstanding general obligation bonds, after taking into account the issuance of the 2015 Bonds and the effect of the Refunding Project.

Annual Debt Service Requirements - General Obligation Bonds[1]

Fiscal Year Ending June 30	General Obligation Revenue Bonds		General Obligation Medium-Term Bonds		Grand Total
	Principal	Interest	Principal	Interest	
2016	$ 13,705,000	$ 15,757,923	$ 6,305,000	$ 1,493,678	$ 37,261,601
2017	14,645,000	15,674,539	8,670,000	1,718,060	40,707,599
2018	15,335,000	14,935,246	9,015,000	1,372,655	40,657,901
2019	13,490,000	14,149,896	6,595,000	1,056,088	35,290,984
2020	14,095,000	13,474,039	6,850,000	805,925	35,224,964
2021	14,695,000	12,806,516	6,580,000	566,044	34,647,560
2022	11,305,000	12,098,623	6,795,000	359,238	30,557,860
2023	10,840,000	11,530,248	2,760,000	229,838	25,360,085
2024	10,635,000	10,961,373	2,820,000	170,513	24,586,885
2025	10,390,000	10,381,650	2,885,000	106,331	23,762,981
2026	10,800,000	9,776,688	2,955,000	36,938	23,568,625
2027	11,265,000	9,146,813	--	--	20,411,813
2028	12,010,000	8,478,963	--	--	20,488,963
2029	12,540,000	7,849,250	--	--	20,389,250
2030	14,075,000	7,179,838	--	--	21,254,838
2031	14,635,000	6,331,788	--	--	20,966,788
2032	15,730,000	5,448,288	--	--	21,178,288
2033	15,390,000	4,547,738	--	--	19,937,738
2034	16,150,000	3,657,588	--	--	19,807,588
2035	10,970,000	2,722,100	--	--	13,692,100
2036	11,570,000	1,976,700	--	--	13,546,700
2037	6,235,000	1,191,000	--	--	7,426,000
2038	6,610,000	816,900	--	--	7,426,900
2039	7,005,000	420,300	--	--	7,425,300
Total	$294,120,000	$201,314,002	$62,230,000	$7,915,305	$565,579,308

(1) As of August 1, 2015, after taking into account the issuance of the 2015 Bonds and the effect of the Refunding Project. Totals may not add due to rounding.

Source: The City.

Other Obligations. The City records long-term liabilities for its long-term debt and other obligations, including the COPS described above, compensated absences, arbitrage rebate and reserves required by bond covenants. See Note 10 in the audited financial statements attached hereto as Appendix A.

The City also records a long-term liability for heart and lung presumptive liability for public safety employees who develop heart disease, lung disease or hepatitis as described in Note 16 in the audited financial statements attached hereto as Appendix A. In addition, the City and the County jointly fund the Las Vegas Metropolitan Police Department ("LVMPD"). See "CITY FINANCIAL INFORMATION – Management Discussion." In fiscal year 2016, the City is budgeted to fund 37.6% of the LVMPD. In fiscal year 2014, the City was liable for $29,903,754 of the Metro net OPEB obligation (which is included in the operations funding provided to Metro). A liability has been established in the

government-wide statement of net assets for the City's portion. The City's liability for the Metro net OPEB obligation for fiscal year 2015 is not available yet.

Additional Contemplated Indebtedness

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

After issuance of the 2015B Bonds, the City will have authorization to issue approximately $222 million in additional general obligation bonds secured by the 2015B Pledged Revenues. Approximately $210 million of this authorization will be used to refinance existing certificates of participation to achieve debt service savings. Currently, the City expects to issue this additional authorization in calendar year 2016

The City anticipates issuing $24,000,000 in additional general obligation medium-term bonds secured by the same lien as the 2015A Bonds in June of 2016. The bond proceeds are to be used for the design and construction of new parks facilities.

The City anticipates issuing up to $30 million in special assessment bonds in December 2015 related to the development of Summerlin Village. These bonds would be secured by special assessments against the property improved. The City would not be contingently liable if collections of the assessments are insufficient.

Overlapping Debt

In addition to the general obligation indebtedness of the City (see "General Obligation Debt and Other Outstanding Obligations" above), other taxing entities are authorized to incur general obligation debt with boundaries which overlap or partially overlap the boundaries of the City. The following chart sets forth the estimated overlapping general obligation debt within the City as of August 1, 2015.

Outstanding Overlapping Net General Obligation Indebtedness

Entity[1]	Total G.O. Indebtedness	Presently Self-Supporting G.O. Indebtedness	Net Direct G.O. Indebtedness	Percent Applicable[2]	Overlapping Net G.O. Indebtedness[3]
Clark County	$ 2,824,911,851	$ 2,793,805,000	$ 31,106,851	22.41%	$ 6,971,045
Clark County School District	2,548,890,000	583,895,000	1,964,995,000	22.41	440,355,380
Las Vegas Valley Water District	2,426,135,000	2,426,135,000	0	22.62	0
Las Vegas/Clark County Library	27,055,000	0	27,055,000	29.63	8,016,397
State of Nevada	1,529,275,000	308,930,000	1,220,345,000	15.63	190,739,924
TOTAL	$ 9,356,266,851	$ 6,112,765,000	$ 3,243,501,851		$ 646,082,745

(1) Other taxing entities overlap the City and may issue general obligation debt in the future.
(2) Based on fiscal year 2016 assessed valuation in the respective jurisdiction (excluding redevelopment agencies). The percent applicable is derived by dividing the assessed valuation of the City into the assessed valuation of the governmental entity.
(3) Overlapping Net General Obligation Indebtedness equals total existing general obligation indebtedness less presently self-supporting general obligation indebtedness times the percent applicable.

Source: Debt information compiled by the Financial Advisor; applicable percentages calculated using Property Tax Rates for Nevada Local Governments, State of Nevada Department of Taxation, 2015-16.

The following table sets forth the total net direct and overlapping general obligation indebtedness attributable to the City as of August 1, 2015, after taking into account the issuance of the 2015 Bonds and the effect of the Refunding Project.

Net Direct & Overlapping General Obligation Indebtedness

Total Direct General Obligation Indebtedness[1]	$356,350,000
Less: Presently Self-Supporting General Obligation Indebtedness[1]	294,120,000
Net Direct General Obligation Indebtedness	62,230,000
Plus: Overlapping General Obligation Indebtedness	646,082,745
Direct & Overlapping General Obligation Indebtedness	$708,312,745

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

Selected Debt Ratios

The following table sets forth selected ratios of the City.

Selected Direct General Obligation Debt Ratios

Fiscal Year Ended June 30,	2011	2012	2013	2014	2015	2016
Population[(1)]	588,274	589,156	598,520	610,637	610,637	610,637
Assessed Value[(2)]	$13,718,834,481	$12,958,012,131	$11,926,888,555	$12,251,484,406	$13,852,723,777	$15,520,077,988
Taxable Value[(2)]	$39,196,669,946	$37,022,891,803	$34,076,824,443	$35,004,241,160	$39,579,210,791	$44,343,079,966
Gross Direct G.O. Debt[(3)]	$340,635,000	$350,325,000	$321,615,000	$295,825,000	$338,410,000	$356,350,000
RATIO TO:						
Per Capita	$579.04	$594.62	$537.35	$494.26	$554.19	$583.57
Percent of Assessed Value	2.48%	2.70%	2.70%	2.41%	2.44%	2.30%
Percent of Taxable Value	0.87%	0.95%	0.94%	0.85%	0.86%	0.80%
Net Direct G.O. Debt[(4)]	$47,070,000	$78,525,000	$67,025,000	$55,909,000	$36,230,000	$62,230,000
RATIO TO:						
Per Capita	$80.01	$133.28	$111.98	$92.04	$59.33	$101.91
Percent of Assessed Value	0.34%	0.61%	0.56%	0.45%	0.26%	0.40%
Percent of Taxable Value	0.12%	0.21%	0.20%	0.16%	0.09%	0.14%

(1) For 2011-2014, reflects State Demographer estimates for the City as of July 1 of each year shown. The 2014 population estimate also is used in 2015 and 2016 because it is the most recent estimate available.

(2) See "PROPERTY TAX INFORMATION – Property Tax Base and Tax Roll Collection" for an explanation of Assessed Value and Taxable Value. The assessed valuation of the Redevelopment Agency is not included.

(3) In 2015, reflects outstanding debt as of August 1, 2015, including the issuance of 2015 Bonds and the effect of the Refunding Project.

(4) In 2015, reflects outstanding debt as of August 1, 2015, including the issuance of the 2015A Bonds.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada - Department of Taxation, 2011-12 through 2014-15; Nevada State Demographer. Compiled by the Financial Advisor.

ECONOMIC AND DEMOGRAPHIC INFORMATION

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

Population and Age Distribution

The table below shows the population growth of the City, Clark County, and the State since 1970. Between 2000 and 2010, the City's population increased by 22.0%, the County's population increased by 41.8% and the State's population increased by 35.1%.

Population

Year	City of Las Vegas	Percent Change	Clark County	Percent Change	State of Nevada	Percent Change
1970	125,787	--	273,288	--	488,738	--
1980	164,674	30.9%	463,087	69.5%	800,493	63.8%
1990	258,295	56.9	741,459	60.1	1,201,833	50.1
2000	478,434	85.2	1,375,765	85.5	1,998,257	66.3
2010	583,756	22.0	1,951,269	41.8	2,700,551	35.1
2011	588,274	0.8	1,967,722	0.8	2,721,794	0.8
2012	589,156	0.1	1,988,195	1.0	2,750,217	1.0
2013	598,520	1.6	2,031,723	2.2	2,800,967	1.8
2014	610,637	2.0	2,069,450	1.9	2,843,301	1.5

Source: U.S. Bureau of the Census (1970-2010 as of April 1); and Nevada State Demographer (2011-2014 estimates as of July 1).

The following table sets forth a comparative age distribution profile for the City, the County, the State and the nation as of January 1, 2015.

Age Distribution
Percent of Population

Age	City of Las Vegas	Clark County	State of Nevada	United States
0-17	24.5%	24.2%	23.7%	23.1%
18-24	9.3	9.1	9.1	9.9
25-34	13.3	14.2	13.8	13.3
35-44	13.9	14.2	13.5	12.7
45-54	13.8	13.5	13.5	13.7
55-64	11.3	11.5	12.2	12.7
65-74	8.2	8.2	8.8	8.5
75 and Older	5.7	5.1	5.4	6.2

Source: © 2015 The Nielsen Company, *SiteReports*.

Income

The following two tables reflect Median Household Effective Buying Income ("EBI") and the percentage of households by EBI Groups. EBI is defined as "money income" (defined below) less personal tax and nontax payments. "Money income" is 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[(1)]

Year	City of Las Vegas	Clark County	State of Nevada	United States
2011	$44,327	$46,045	$45,706	$41,368
2012	43,972	45,810	45,512	41,253
2013	39,348	40,897	40,617	41,358
2014	40,160	41,576	42,480	43,715
2015	42,125	43,603	44,110	45,448

(1) The difference between consecutive years is not an estimate of change from one year to the next; combinations of data are used each year to identify the estimated mean of income from which the median is computed.

Source: © The Nielsen Company, *SiteReports*, 2011-2015.

Percent of Households by Effective Buying Income Groups – 2015 Estimates

Effective Buying Income Group	City of Las Vegas Households	Clark County Households	State of Nevada Households	United States Households
Under $24,999	26.9%	24.8%	24.9%	25.6%
$25,000 - $49,999	32.4	32.9	32.0	29.5
$50,000 - $74,999	19.5	20.1	20.1	19.1
$75,000 - $99,999	10.7	11.3	11.7	11.9
$100,000 - $124,999	4.3	4.6	5.0	5.6
$125,000 - $149,999	2.3	2.4	2.4	3.3
$150,000 or more	3.9	3.9	3.9	5.0

Source: © 2015 The Nielsen Company, *SiteReports*.

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

Per Capita Personal Income[1]

Year	Clark County	State of Nevada	United States
2009	$35,814	$36,840	$39,379
2010	35,497	36,657	40,144
2011	35,927	37,445	42,332
2012	37,487	39,229	44,200
2013	37,457	39,235	44,765
2014	n/a	40,077	46,129

(1) County figures posted November 2014; state and national figures posted March 2015. All figures are subject to periodic revisions.

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

Employment

The average annual labor force summary for the Las Vegas - Paradise Metropolitan Statistical Area ("MSA") is set forth in the following table. The Las Vegas - Paradise MSA includes Clark County only.

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

Calendar Year[1]	2010	2011	2012	2013	2014	2015[2]
TOTAL LABOR FORCE	984.0	995.5	1,000.9	1,006.7	1,019.6	1,033.2
Unemployment	135.4	132.2	112.7	96.7	79.6	73.8
Unemployment Rate[3]	13.8%	13.3%	11.3%	9.6%	7.8%	7.1%
Total Employment[4]	848,6	863.4	888.2	910.0	940.0	959.4

(1) Figures for 2010-2014 were revised April 2015.
(2) Averaged figures through May 2015.
(3) The annual average U.S. unemployment rates for the years 2010 through 2014 are 9.6%, 8.9%, 8.1%, 7.4%, and 6.2%, respectively.
(4) Adjusted by census relationships to reflect number of persons by place of residence.

Sources: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation; and U.S. Bureau of Labor, Bureau of Labor Statistics.

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
(Estimates in Thousands)

Calendar Year	2010	2011	2012	2013	2014	2015[2]
Natural Resources and Mining	0.3	0.2	0.3	0.3	0.3	0.4
Construction	44.8	37.6	37.4	40.8	42.7	48.5
Manufacturing	19.5	19.8	20.2	20.7	21.4	20.9
Trade (Wholesale and Retail)	113.0	114.5	117.7	120.5	126.2	124.7
Transportation, Warehousing & Utilities	34.4	35.2	36.2	36.5	37.4	38.9
Information	9.1	9.3	9.7	9.7	9.6	10.1
Financial Activities	40.2	40.0	41.7	43.5	44.0	42.7
Professional and Business Services	99.6	102.1	106.7	111.4	117.4	119.2
Education and Health Services	69.7	72.7	75.6	79.1	83.4	82.9
Leisure and Hospitality (casinos excluded)	96.4	100.4	103.9	109.4	111.0	116.8
Casino Hotels and Gaming	157.0	159.2	157.9	157.8	160.4	164.5
Other Services	23.2	23.3	24.0	24.3	24.7	25.9
Government	96.5	94.0	93.9	94.8	96.1	97.3
TOTAL ALL INDUSTRIES	803.6	808.2	825.1	848.9	874.5	892.7

(1) Totals may not add up due to rounding. Reflects employment by place of work. Does not necessarily coincide with labor force concept. Includes multiple job holders. Subject to periodic revision.
(2) Averaged figures through May 2015.

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 City.

Ten Principal Employers in the City of Las Vegas
4th Quarter 2014

Employer	Employment Range	Industry
Clark County School District	30,000 - 39,999	Public education
Clark County	8,000 - 8,499	Local government
University of Nevada - Las Vegas	5,000 - 5,499	University
Las Vegas Metropolitan Police	4,500 - 4,999	Police protection
State of Nevada	4,500 - 4,999	State government
University Medical Center of Southern Nevada	3,000 - 3,499	Hospital
Southwest Airlines Co.	3,000 - 3,499	Air transportation
City of Las Vegas	3,000 - 3,499	Local government
Sunrise Hospital and Medical Center	2,500 - 2,999	Hospital
College of Southern Nevada	2,500 - 2,999	Junior college

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation.

The following table lists the size breakdown of non-government worksites in the County.

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

CALENDAR YEAR	4th Qtr 2014	4th Qtr 2013	Percent Change 2014/2013	Employment Totals 4th Qtr 2014
TOTAL NUMBER OF WORKSITES	52,144	50,269	3.7%	799,130
Less Than 10 Employees	39,281	37,979	3.4	98,739
10-19 Employees	6,155	6,002	2.5	83,573
20-49 Employees	4,182	3,873	8.0	124,233
50-99 Employees	1,403	1,377	1.9	95,830
100-249 Employees	795	730	8.9	115,875
250-499 Employees	175	162	8.0	60,395
500-999 Employees	90	86	4.7	61,818
1000+ Employees	63	60	5.0	158,667

(1) Subject to revisions.

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation.

Retail Sales

The following table sets forth a record of taxable sales in Clark County and the State.

Taxable Sales[1]

Fiscal Year[2]	County Total	Percent Change	State Total	Percent Change
2010	$27,969,288,365	--	$37,772,066,777	--
2011	29,046,721,805	3.9%	39,935,016,227	5.7%
2012	31,080,880,557	7.0	42,954,750,131	7.6
2013	32,566,664,630	4.8	45,203,408,413	5.2
2014	35,040,891,695	7.6	47,440,345,167	4.9
July 13 – May 14	$31,964,458,413	--	$43,290,543,026	--
July 14 – May 15	34,226,461,897	7.1%	45,901,911,417	6.0%

(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 plan fees. Construction valuation has no relationship to assessed valuation. Set forth in the following table is a summary of the number and valuation of building permits issued in the City within the years indicated.

Building Permit Issuance in City of Las Vegas

	New Single Family		New Multi-Family		New Commercial		All Permits	
Year	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
2010	926	$103,499,175	18	$25,929,381	22	$40,126,586	5,152	$332,301,114
2011	814	98,701,430	2	7,781,525	21	51,269,628	4,610	378,230,284
2012	1,234	149,750,712	1	4,394,400	21	44,887,871	5,333	411,022,949
2013	1,536	193,153,050	2	9,258,765	57	62,308,515	5,653	497,750,543
2014	1,453	202,296,089	0	0	57	40,849,433	5,461	596,103,559
2015[(1)]	882	123,214,920	10	3,000,000	17	24,473,500	2,951	273,370,522

(1) Permits issued for January through June 30, 2015.

Source: City of Las Vegas Building and Safety Department.

Gaming

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

The County's gross taxable 2014 gaming revenue represents 86% of the State's total 2014 gaming revenue. The following table presents a five-year record of gross taxable gaming revenues and total gaming taxes collected on a State-wide basis and in the County.

Gross Taxable Gaming Revenue and Total Gaming Taxes[1]

Fiscal Year Ended	Gross Taxable Gaming Revenue[2]		% Change Clark	State Gaming Collection[3]		% Change Clark
June 30	State Total	Clark County	County	State Total	Clark County	County
2011	$9,836,451,902	$8,366,841,567	--	$853,455,347	$725,936,954	--
2012	9,770,060,305	8,310,282,237	(0.68)%	864,621,791	750,628,068	3.40%
2013	10,208,523,998	8,758,830,526	5.40	892,106,457	774,549,912	3.19
2014	10,208,208,433	8,767,996,640	0.10	912,371,316	795,511,437	2.71
2015	10,511,301,876	9,026,041,054	2.94	910,479,323	790,993,811	(0.57)

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

Source: State of Nevada - Gaming Control Board.

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

Tourism

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

The growth of tourism in southern Nevada is reflected in the number of hotel and motel rooms available for occupancy. 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 2010.

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]
2010	37,335,436	148,935	80.4%	57.6%
2011	38,928,708	150,161	83.8	60.1
2012	39,727,022	150,481	84.4	61.4
2013	39,668,221	150,593	84.3	62.3
2014	41,126,512	150,544	86.8	64.4
2015[3]	21,008,251	149,071	91.2	63.6

(1) The sample size for this survey represents approximately 75% of the hotel/motel rooms available.
(2) Smith Travel Research.
(3) As of June 2015. Total visitor volume reflects a 1.5% increase over the same time period in 2014.

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
2010	163,809,985	--
2011	194,329,584	18.63%
2012	200,384,250	3.12
2013	210,138,974	4.87
2014	232,443,537	10.61
2015[2]	109,776,673	--

(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) As of May 2015.

Source: Las Vegas Convention and Visitors Authority.

Transportation

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

Nearly half of all Las Vegas visitors arrive by air via McCarran, making it a major driving force in the southern Nevada economy. McCarran's long range plan focuses on building and maintaining state-of-the-art facilities, maximizing existing resources, and capitalizing on new and innovative technology. McCarran opened Terminal 3 in 2012, a new 1.9 million-square-foot facility, which eases congestion within garages, ticketing lobbies and security checkpoints. Passenger traffic began to rise again in 2014 after a few years of flat growth, reflecting a 2.4% increase over the previous year. A history of passenger statistics is set forth in the following table.

McCarran International Airport Enplaned & Deplaned Passenger Statistics

Calendar Year	Scheduled Carriers	Charter, Commuter & Other Aviation	Total	Percent Change
2010	37,729,684	2,027,675	39,757,359	--
2011	39,505,052	1,974,762	41,479,814	4.3%
2012	39,807,361	1,860,235	41,667,596	0.5
2013	40,334,735	1,522,324	41,857,059	0.5
2014	41,327,024	1,542,493	42,869,517	2.4
2015[(1)]	21,367,600	657,536	22,025,136	--

(1) As of June 2015.

Source: McCarran International Airport.

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, and its vast ranges provide 15,000 square miles of airspace for flying operations. 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 National Security Site. The Nevada National Security Site ("NNSS"), previously the Nevada Test Site, 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, NNSS 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 NNSS 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 NNSS is a massive outdoor laboratory and national experimental center. NNSS comprises 1,360 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 NNSS.

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 Clark 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 Clark 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, Clark County Water Reclamation 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. 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.

Education

Clark County School District provides public education services to the residents of the County and enrolls more than 70% of all school children in the State; it is the fifth largest school district in the United States. Higher education is provided by the College of Southern Nevada (a two-year institution), by Nevada State College in Henderson (a four-year institution) and by the University of Nevada, Las Vegas (a four-year university). All of these institutions are part of the Nevada System of Higher Education.

LEGAL MATTERS

Litigation

There are various suits pending in courts within the State to which the City is a party. In the opinion of the City Attorney, there is no litigation or controversy of any nature now pending, or to the knowledge of the City Attorney, threatened, (i) restraining or enjoining the issuance, sale, execution or delivery of the 2015 Bonds, or (ii) in any way contesting or affecting the validity of the 2015 Bonds or any proceedings of the City taken with respect to the issuance or sale thereof, the pledge, collection or application of any moneys or securities provided for the payment of the 2015 Bonds (including the respective Pledged Revenues), or the corporate existence of the City.

Sovereign Immunity

Pursuant to State statute (NRS Section 41.035), an award for damages in an action sounding in tort against the City may not include any amount as exemplary or punitive damages and is limited to $100,000 per cause of action. 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 legal opinions of Sherman & Howard L.L.C., Bond Counsel, Las Vegas, Nevada as to the validity and enforceability of each series of the 2015 Bonds will be made available to the Initial Purchaser at the time of original delivery. See Appendix E - Forms of Approving Opinions of Bond Counsel. Sherman & Howard L.L.C. also has acted as special counsel to the City in connection with this Official Statement. The City Attorney will pass upon certain legal matters for the City.

Police Power

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

TAX MATTERS

Federal Tax Matters

2015A Bonds. In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the 2015A Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of Tax Code, and interest on the 2015A Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations as described below.

The Tax Code imposes several requirements which must be met with respect to the 2015A Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustments applicable to corporations). Certain of these requirements must be met on a continuous basis throughout the term of the 2015A Bonds. These requirements include: (a) limitations as to the use of proceeds of the 2015A Bonds; (b) limitations on the extent to which proceeds of the 2015A 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 2015A Bonds above the yield on the 2015A Bonds to be paid to the United States Treasury. The City will covenant and represent in the Bond Ordinance that it will take all steps to comply with the requirements of the Tax Code to the extent necessary to maintain the exclusion of interest on the 2015A Bonds from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations) under such federal income tax laws. Bond Counsel's opinion as to the exclusion of interest on the 2015A Bonds from gross income and alternative minimum taxable income (to the extent described above) is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the City to comply with these requirements could cause the interest on the 2015A Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance. Bond Counsel's opinion also is rendered in reliance upon certifications of the City and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

Section 55 of the Tax Code contains a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Tax Code, 75% of the excess of a corporation's "adjusted current earnings" over the corporation's alternative minimum taxable income (determined without regard to this adjustment and the alternative minimum net operating loss deduction) is included in the corporation's alternative minimum taxable income for purposes of the alternative minimum tax applicable to the corporation. "Adjusted current earnings" includes interest on the 2015A Bonds.

With respect to the 2015A Bonds that are sold in the initial offering at a discount (the "2015A Discount Bonds"), the difference between the stated redemption price of the 2015A Discount Bonds at maturity and the initial offering price of the 2015A Discount Bonds to the public (as defined in Section 1273 of the Tax Code) will be treated as "original issue discount" for federal income tax purposes and will be used in determining the basis of the 2015A Discount Bonds for the purpose of determining the amount of gain or loss on such 2015A Discount Bonds on the sale or other disposition thereof. At the election of the owner of a 2015A Bond, exercised in the manner provided in the Tax Code and regulations and other official pronouncements thereunder, such de minimis original issue discount may be treated as regular "original issue discount," a portion of which is included as interest income in the gross income of the 2015A Discount Bond owner annually as provide in the Tax Code. Owners who desire to make such an election or who make such an election, and owners who do not purchase the 2015A Discount Bonds in the initial offering or who purchase the 2015A Bonds in the initial offering at a price different from the initial offering price of the 2015A Discount Bonds to the public, should consult their own tax advisors about the tax consequences thereof.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the 2015A Bonds. Owners of the 2015A 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 tax consequences. Certain of the 2015A Bonds may be sold at a premium, representing a difference between the original offering price of those 2015A 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 2015A 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 2015A Bonds. Owners of the 2015A Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based upon existing law as of the delivery date of the 2015A Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to any pending or proposed legislation. Amendments to the federal tax laws may be pending now or could be proposed in the future which, if enacted into law, could adversely affect the value of the 2015A Bonds, the exclusion of interest on the 2015A Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the 2015A Bonds or any other date, or which could result in other adverse federal tax consequences. Bond owners are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the 2015A Bonds. If an audit is commenced, the market value of the 2015A Bonds may be adversely affected. Under current audit procedures, the Service will treat the City as the taxpayer and the Owners may have no right to participate in such procedures. The City has covenanted in the Bond Ordinance not to take any action that would cause the interest on the 2015A Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the City, the Underwriter, Financial Advisor or Bond Counsel is responsible for paying or reimbursing any Registered Owner or Beneficial Owner for any audit or litigation costs relating to the 2015A Bonds.

2015B Bonds. In the opinion of Bond Counsel, interest on the 2015B Bonds is included in gross income pursuant to the Tax Code. The Tax Code contains numerous provisions, including provisions related to the imposition of additional taxes, which may affect an investor's decision to purchase the 2015B Bonds. Further, under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the 2015B Bonds in certain situations including: (i) an owner who fails to provide certain required information to certain persons required to collect such information, (ii) the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or (iii) an owner 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 2015B 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 2015B Bonds. In addition, future court actions or regulatory decisions could affect the market value of the 2015B Bonds. Owners of the 2015B Bonds are advised to consult with their own tax advisors with respect to such matters.

Any tax advice concerning the 2015B Bonds, interest on the 2015B Bonds or any other federal income tax issues associated with the 2015B 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 Internal Revenue 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 2015 Bonds, their transfer, and the income therefrom, are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to

Chapter 375A of NRS, and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

FINANCIAL ADVISOR

Zions Public Finance, Las Vegas, Nevada, is serving as Financial Advisor to the City in connection with the 2015 Bonds. See "INTRODUCTION – Additional Information" for contact information for the Financial Advisor. The Financial Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Financial Advisor respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement.

INDEPENDENT AUDITORS

The basic financial statements of the City of Las Vegas, Nevada, as of and for the year ended June 30, 2014, included hereto as Appendix A, have been audited by Piercy Bowler Taylor & Kern, independent certified public accountants, Las Vegas, Nevada, to the extent and for the period indicated in their report thereon.

The audited basic financial statements of the City, 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 financial statements in this Official Statement. Accordingly, the City has not requested consent from its auditors. 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

Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies ("S&P"), and Moody's Investors Service, Inc. ("Moody's"), have assigned the 2015 Bonds the respective 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, New York 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 City's obligations under the Disclosure Certificate, neither the City nor the Financial Advisor has undertaken any responsibility either to bring to the attention of the owners of the 2015 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 2015 Bonds.

UNDERWRITING

The City sold the 2015A Bonds to Wells Fargo Bank, National Association and sold the 2015B Bonds to Fifth Third Securities, Inc. The purchase price of the 2015A Bonds is $26,882,259.95 (equal to the principal amount of the 2015A Bonds, plus net original issue premium of $1,142,278.70 less underwriting discount of $260,018.75). The purchase price of the 2015B Bonds is $11,060,820.08 (equal to the principal amount of the 2015B Bonds, plus net original issue premium of $9,719.70, and less underwriting discount of $38,899.62).

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 2015 Bonds has been duly authorized by the City Council.

CITY OF LAS VEGAS, NEVADA

By: /s/ Mark R. Vincent
Chief Financial Officer

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APPENDIX A

AUDITED BASIC FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE: The audited basic financial statements of the City included in this Appendix A have been excerpted from the City's Comprehensive Annual Financial Report for the year ended June 30, 2014. The introductory section, combining and individual fund financial statements and schedules, statistical section, compliance section and supplementary information and single audit section of the CAFR for the fiscal year ended June 30, 2014, 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 City.

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PBTK
PIERCY BOWLER TAYLOR & KERN
Certified Public Accountants
Business Advisors

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Honorable Mayor, Members of the City Council and City Manager
City of Las Vegas, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Las Vegas (the City) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

An audit performed in accordance with applicable professional standards is a process designed to obtain reasonable assurance about whether the City's basic financial statements are free from material misstatement. This process involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the basic financial statements to enable the design of audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the basic financial statements.

Management's Responsibility for the Financial Statements. Management is responsible for the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility. Our responsibility is to express an opinion on the basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion. In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison information for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters. Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and postemployment benefits other than pensions, schedule of funding progress on pages 15-25 and 101 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in

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an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information. Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, other supplementary information, as listed in the table of contents, statistical section and schedule of business license fees are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, statistical section and schedule of business license fees have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*. In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Piercy Bowler Taylor & Kern

Las Vegas, Nevada
November 26, 2014

As management of the City of Las Vegas, Nevada (City), we offer readers of the City's basic financial statements this narrative overview and analysis of the City's financial activities as of and for the year ended June 30, 2014**.** We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5-8 of this report.

Financial Highlights

Government-wide:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year ended June 30, 2014, by $4,245,589,449 (net position). Governmental activities represent $3,496,154,234 of the total net position and $749,435,215 is from business-type activities. Of this amount, $3.9 billion is net investment in capital assets, $137.9 million is restricted for various purposes, and unrestricted net position is $207.4 million. Unrestricted net position may be used to meet the City's ongoing obligation to citizens and creditors.
- Government-wide total governmental expenses were $610,629,543. The major expense functions were Public Safety at $289,743,777, Public Works at $79,292,416, General Government at $71,824,252, and Culture and Recreation at $82,722,588. Business-type activities *(proprietary funds)* operating and non-operating expenses totaled $106,444,377.
- The City's primary revenue sources are ad valorem (property) taxes of $103,179,415 and intergovernmental-consolidated taxes of $245,701,828. Combined, these two sources represent 54 percent of the total governmental activities revenue of $643,501,095 from the statement of activities.

Fund level:

- At the close of Fiscal Year 2014, the City's governmental funds reported combined ending fund balances of $382,662,976. Of this amount $57,578,417 is nonspendable, $131,632,723 is restricted, $20,919,817 is committed, $93,677,409 is assigned and $78,854,610 is unassigned.
- The general fund had a total fund balance of $121,676,964 at June 30, 2014**,** which represented 26 percent of total General Fund revenues. The assigned and unassigned fund balance was $91,753,790. It is the City's fiscal policy to maintain a total ending fund balance in the general fund of at least 12 percent of operating revenues.

Long-term Debt:

- The City's total debt had a net decrease of $24,069,932 excluding premiums and discounts. Contributing factors were the issuance of $1,244,000 in revenue bonds and $30,025,000 in general obligation various purpose refunding bonds, offset by $55,338,932 from debt payments during the current fiscal year, which included $30,025,000 of refunding payments.

Overview of the Basic Financial Statements

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

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

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

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

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

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

Additional information on the LVMPD joint venture can be found in the notes to the government-wide financial statements on page 68 of this report. In addition to funding its share of the LVMPD, the City maintains its own detention facility and a small police force (City marshals) that has jurisdiction over City property, especially parks and recreation facilities.

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

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

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

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the City of Las Vegas Redevelopment Agency special revenue fund, and the road and flood capital projects fund. Each of these funds is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the Combining and Individual Funds Statements and Schedules subsections of this report.

The City adopts an annual appropriated budget for its general fund and each of its special revenue funds, debt service funds, and capital project funds and its permanent fund. A budgetary comparison statement is provided for each of the City's governmental funds to demonstrate compliance with this budget. The budgetary comparison schedules for the General Fund, a major governmental fund, is located in the basic financial statements; the budgetary comparison statements for the City of Las Vegas Redevelopment Agency – Component Unit, which is also a major governmental fund, and the other Non-major governmental funds are included in the Combining and Individual Fund Statements and Schedules subsection of this report.

The basic governmental fund financial statements can be found on pages 32, 34 and 38-40 of this report.

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

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

2. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the following activities:

    - Emergency dispatch services
    - Reprographics equipment and operations
    - Vehicle, computer and phone management
    - Self-insurance activities, including:
        - Liability insurance and property damage
        - Employee benefit
    - Facilities maintenance and custodial services

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

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

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

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

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

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 48-100 of this report.

Other information. In addition to the basic financial statements and accompanying notes, the report also presents a subsection titled Combining and Individual Funds Statements and Schedules Section, which includes the schedules for the City's major governmental funds – budget and actual, non-major governmental funds, major proprietary funds - budget and actual, non-major proprietary funds, internal service funds and fiduciary funds, together with information on capital assets used in the operation of governmental funds (those not included in internal service funds). Combining and individual fund statements and schedules, and information on governmental fund capital assets can be found on pages 104-194 of this report.

The Statistical section can be found on pages 196-215 of this report. This section includes schedules on statistical information provided on a trend basis for historical analysis.

The Compliance and Supplementary Information section can be found on pages 217-219 of this report. This section includes a schedule in compliance with state statutes.

The Single Audit section can be found on pages 221-241 of this report. This section presents a schedule of expenditures of federal awards for the City, related notes and a schedule of findings and questioned costs.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $4,245,589,449 at the close of the most recent fiscal year.

The largest portion of the city's net position (91.9 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.), less accumulated depreciation and any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Total net position increased by 1.1 percent or $47,574,679, including a prior period adjustment of $13,894,341.

City of Las Vegas Summary Schedule of Net Position
As of June 30, 2014 and 2013

	Governmental		Business-type		Total	
	2014	2013 (Restated)	2014	2013 (Restated)	2014	2013 (Restated)
Current and other assets	$ 503,983,278	$ 526,374,516	$ 115,069,414	$ 194,505,626	$ 619,052,692	$ 720,880,142
Net capital assets	3,772,786,979	3,779,959,542	701,503,047	635,303,710	4,474,290,026	4,415,263,252
Total assets	4,276,770,257	4,306,334,058	816,572,461	829,809,336	5,093,342,718	5,136,143,394
Deferred outflows of resources	992,438	1,318,534	1,360,539	1,619,855	2,352,977	2,938,389
Long-term liabilities outstanding	733,986,835	805,594,295	57,041,008	63,329,883	791,027,843	868,924,178
Other liabilities	47,621,626	39,779,275	11,449,329	18,460,841	59,070,955	58,240,116
Total liabilities	781,608,461	845,373,570	68,490,337	81,790,724	850,098,798	927,164,294
Deferred inflows of resources			7,448	8,379	7,448	8,379
Net position:						
Net investment in capital assets	3,243,155,566	3,234,157,895	657,123,256	587,910,031	3,900,278,822	3,822,067,926
Restricted	137,916,005	110,290,743			137,916,005	110,290,743
Unrestricted	115,082,663	103,936,043	92,311,959	161,720,057	207,394,622	265,656,100
Total net position	$ 3,496,154,234	$ 3,448,384,681	$ 749,435,215	$ 749,630,088	$ 4,245,589,449	$ 4,198,014,769

The City's total net position is $4,245,589,449, of which $207,394,622 is *unrestricted net position*, which may be used to meet the City's ongoing obligations to citizens and creditors. An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. Of the total restricted net position, 23.8 percent is for construction and maintenance of capital projects, 25.2 percent is for repayment of long-term debt, and 22.9 percent is for economic development and assistance.

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

Governmental activities. Governmental activities increased the City's net position by $47,769,553, including a prior period adjustment of $13,894,341, thereby contributing to a 1.1 percent increase in total net position of the City. Key elements of this increase are as follows:

City of Las Vegas Changes in Net Position
For the Years Ended June 30, 2014 and 2013

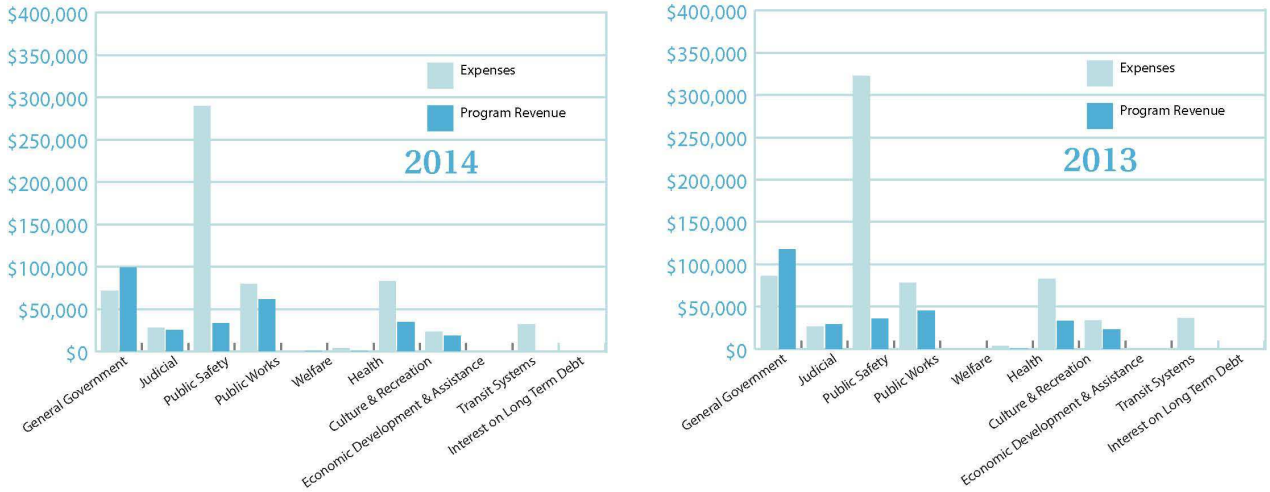
	Governmental		Business-type		Total	
	2014	2013 (Restated)	2014	2013 (Restated)	2014	2013 (Restated)
Revenues:						
Program revenues:						
Charges for services	$ 170,331,393	$ 190,801,966	$ 70,787,697	$ 94,313,748	$ 241,119,090	$ 285,115,714
Operating grants and contributions	32,777,952	26,758,163	23,560,754	15,757,257	56,338,706	42,515,420
Capital grants and contributions	69,629,415	67,322,388	8,710,956	3,194,817	78,340,371	70,517,205
General revenues:						
Consolidated tax	245,701,828	232,872,678			245,701,828	232,872,678
Property taxes	103,179,415	102,826,946			103,179,415	102,826,946
Room tax	4,024,556	3,498,324			4,024,556	3,498,324
Residential construction tax	854,690	986,835			854,690	986,835
Motor vehicle fuel tax	7,731,834	7,343,520			7,731,834	7,343,520
Unrestricted investment earnings	5,379,619	2,294,932	1,726,290	1,015,635	7,105,909	3,310,567
Contributions not restricted to specific programs	3,331,413				3,331,413	
Gain on disposal of capital assets	558,980	518,551	2,467,466	1,028,684	3,026,446	1,547,235
Total revenues	643,501,095	635,224,304	107,253,163	115,310,141	750,754,258	750,534,445
Expenses:						
General government	71,824,252	85,958,305			71,824,252	85,958,305
Judicial	27,854,226	26,409,982			27,854,226	26,409,982
Public safety	289,743,777	322,704,792			289,743,777	322,704,792
Public works	79,292,416	78,208,291			79,292,416	78,208,291
Welfare	502,647	298,696			502,647	298,696
Health	3,843,394	3,803,446			3,843,394	3,803,446
Culture and recreation	82,722,588	82,689,544			82,722,588	82,689,544
Economic development and assistance	22,956,509	34,130,527			22,956,509	34,130,527
Transit systems	941	941			941	941
Interest on long-term debt	31,888,792	36,497,165			31,888,792	36,497,165
Sanitation			91,059,934	84,662,125	91,059,934	84,662,125
Development services			7,753,637	6,948,140	7,753,637	6,948,140
Parking			4,833,576	4,362,253	4,833,576	4,362,253
Golf course			2,282,058	3,131,762	2,282,058	3,131,762
Land development			515,172	504,316	515,172	504,316
Total expenses	610,629,542	670,701,689	106,444,377	99,608,596	717,073,919	770,310,285
Change in net position before transfers	32,871,553	(35,477,385)	808,786	15,701,545	33,680,339	(19,775,840)
Transfers in (out)	1,003,659	3,052,500	(1,003,659)	(3,052,500)		
Change in net position	33,875,212	(32,424,885)	(194,873)	12,649,045	33,680,339	(19,775,840)
Net position – July 1, as previously reported	3,448,384,681	3,480,809,567	749,630,088	736,981,043	4,198,014,769	4,217,790,610
Prior period adjustment	13,894,341				13,894,341	
Net position – July 1, as restated	3,462,279,022	3,480,809,567	749,630,088	736,981,043	4,211,909,110	4,217,790,610
Net position – June 30	$ 3,496,154,234	$ 3,448,384,681	$ 749,435,215	$ 749,630,088	$ 4,245,589,449	$ 4,198,014,769

Program revenues for governmental activities include charges for services, licenses and permits, special assessments, inter-governmental fines and forfeitures, and both operating and capital grants and contributions. Program revenues of the governmental activities provided 45.3 percent of the resources necessary to pay the cost of providing program services. The remaining program costs were financed from general revenues. Operating grants and contributions have increased $8.1 million to $34.9 million. Capital grants and contributions increased slightly over the prior year at approximately $69.6 million.

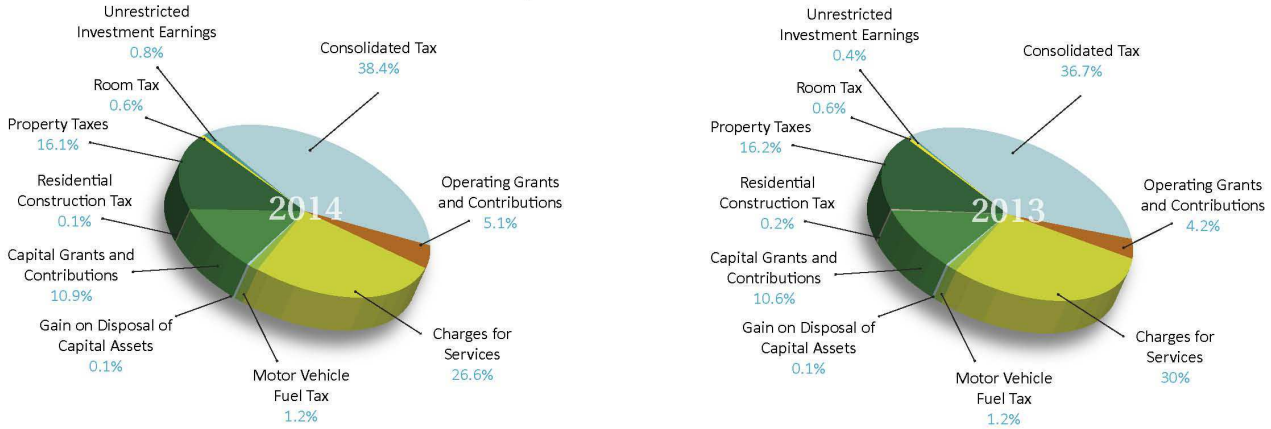
The largest general revenues are consolidated tax of $245,701,828 and Ad Valorem tax (property tax) of $103,179,415, representing 54 percent of total governmental revenues. Consolidated tax increased 5.5 percent from an increase in taxable sales. Property taxes have increased $352,469 during the year, attributable to a 2.9 percent increase in assessed property values city-wide and a 7.3 percent increase in assessed property values within the City's Redevelopment Agency tax increment area.

Expenses in public safety of $289,743,777 and public works of $79,292,416 represent 60.0 percent of the total governmental expenses. Public Works major expenses consist of planning and engineering of the City's arterial street and floodwater conveyance systems. Public Safety's major expenses decreased by 12.9 percent, or approximately $41.7 million, due to the Metropolitan Police Department using reserves to fund current expenditures and a slowing in the annual increase of the liability for post employment benefits for fire and police employees.

Expenses & Program Revenues – Governmental Activities (in thousands)



Revenues by Source – Governmental Activities

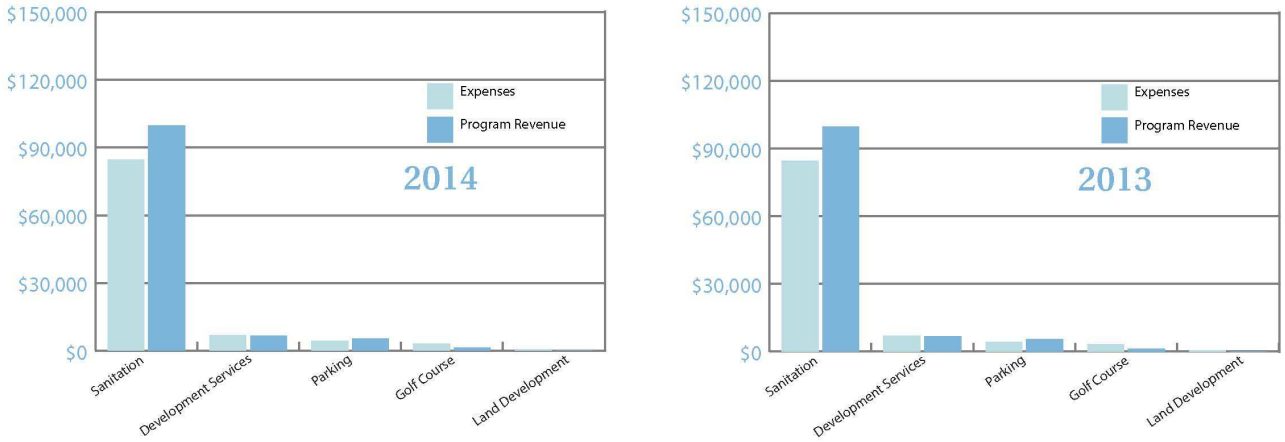


Business-type activities. Business-type activities decreased the City's net position by $194,873. A key element of this was a decrease in sanitation revenues of approximately $25.6 million due to a change in the City sanitation billing system from an annual to a quarterly billing basis. There was also a $69.2 million increase in the investment in capital assets, and a $69.4 million decrease in unrestricted net position.

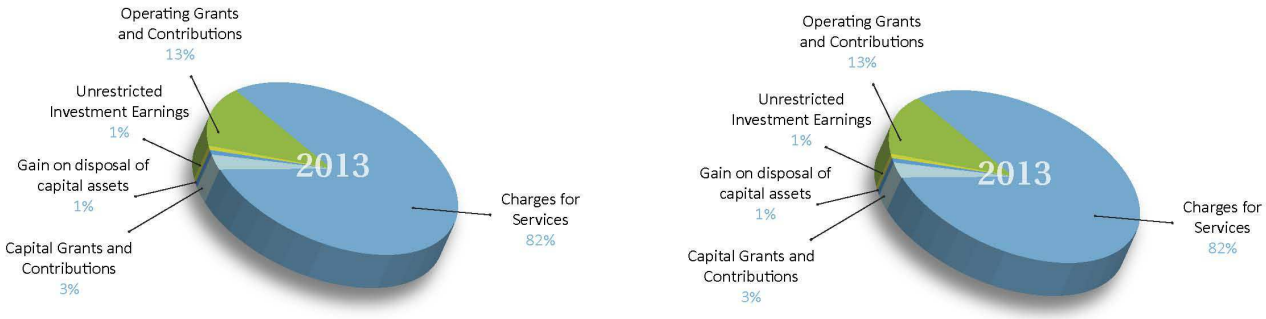
Sanitation-related expenses represent 85.5 percent of total expenses for business-type activities. These expenses increased by 7.6 percent in 2014 due to repair and cleanup costs associated with a catastrophic flood in the northwest section of the city in August 2013. Reimbursements from the regional flood control district caused operating grants and contributions to increase by $7.8 million (49.5%) in fiscal year 2014 compared to fiscal year 2013. The fiscal 2013 amount includes $16 million, a one-time interlocal joint venture with the Clark County Clean Water Coalition, which accounts for the majority of the fluctuation. Other costs include operations at the water pollution control facility, maintenance of sewer lines and storm drainage, and street cleaning.

Business-type activities program revenues provided 97 percent of the resources to finance their operations.

Expenses & Program Revenues –Business type Activities



Revenues by Source – Business-type Activities



Financial Analysis of City's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $382.7 million, a decrease of $9.8 million from the prior year (net of a $13.9 million prior period adjustjment). Approximately $172.5 million, or 45.1 percent of the total fund balance, constitutes an assigned and unassigned fund balance. Approximately $210.1 million, or 54.9 percent of the total fund balance constitutes reserved fund balance which includes $57.6 million nonspendable, $131.6 million restricted and $20.9 million committed.

The general fund is the primary operating fund of the City. At the end of the current fiscal year, the assigned and unassigned fund balance in the General Fund was $91.8 million and total fund balance was $121.7 million. As a measure of the general fund's liquidity, it may be useful to compare both an assigned and unassigned fund balance and total fund balance to total fund expenditures. An assigned and unassigned fund balance represents 19 percent of total fund expenditures and transfers out, while total fund balance represents 26 percent of that same amount.

The general fund also has $29.9 million in nonspendable fund balance, consisting of $27.4 million in noncurrent loans receivable and $2.5 million in inventories.

The fund balance of the City's General Fund increased by $1.9 million during the current fiscal year. Key factors in this change are as follows:

- Total revenue increased from the prior year by $3.1 million or 0.7 percent. Changes were mixed among major categories, with the largest increase seen in intergovernmental revenue (consolidated tax).
- Total expenditures of $452.6 million increased from the prior year by $ 9.9 million or 2.2 percent. This increase was driven primarily by increases in public safety (employee benefit costs) of $7.8 million or 5.2 percent.
- Transfers out decreased by $2.1 million or 9.3 percent.

The City of Las Vegas Redevelopment Agency component unit has a total fund balance of $13.6 million; $5.1 million was nonspendable for land held for sale and loans receivable, $8.5 million was restricted for debt service, and $0.01 million was unassigned.

The Road and Flood capital projects fund has a total fund balance of $16.3 million; $12.6 million was assigned for construction projects for road improvements including $11.4 million for flood channels and basins; and $3.7 million was restricted for road improvements. The net increase in fund balance during the current year was $2.0 million. The fund received $39.3 million in revenues from other governmental reimbursements and had expenditures for capital projects of $39.8 million. The fund had a net transfer in of $4.3 million from other nonmajor governmental funds.

Other nonmajor governmental funds had a total fund balance of $231.1 million, $22.6 nonspendable, $119.5 restricted, $20.9 million committed and $68.1 million assigned.

Other non-major governmental funds had a total fund balance of $231 million, of which $22.6 million is nonspendable, $119.5 million is restricted, $20.9 million is committed and $68.2 million is assigned. See Note 1 G 11 for a complete breakdown.

Enterprise Funds. The City's enterprise funds statements provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the proprietary funds totaled $749.4 million, of which the Sanitation Fund had $705.1 million in net position. The net loss of the proprietary funds was $.02 million, of which the loss in the Sanitation Fund was $3.1 million. The Sanitation Fund was established to account for the City-owned and operated sewer system. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City's business-type activities.

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

General Fund Budgetary Highlights

During the year, there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. However, there was a need to make an amendment to reallocate appropriations among departments. Generally, the movement of the appropriations between departments was *not* significant.

Capital Asset and Debt Administration

Capital assets. The City and its blended component units' net investment in capital assets for its governmental and business-type activities amounts to $4,474,290,026, net of accumulated depreciation of $1,729,721,700, as of June 30, 2014. Capital assets include land, buildings, improvements, machinery and equipment and vehicles, wastewater systems, infrastructure (roadways, traffic signals and lighting, signage, pavement markers, storm drainage and sanitary sewer lines) and construction in progress. For the current fiscal year, the City's net increase in capital assets was 3.2 percent before depreciation and after retirements (2 percent for governmental activities 9.4 percent for business-type activities). The city retired $5,899,743 in capital assets. The major amount was from the sale of depreciated city vehicles.

The City has an aggressive capital improvement program totaling over $1.26 billion over the next five years (the City budgets its capital program in rolling 5-year increments). The City budgets these projects in six categories: general government, public safety, sanitation, public works, culture and recreation, and economic development and assistance. Among these categories, the major projects include park and leisure facilities ($525.5 million), sanitation facilities ($236.2 million), road and flood construction ($325.4 million), and city facilities ($111.5 million).

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

Construction in progress (CIP) decreased by a net $143,347,718. Fiscal year 2014 additions to CIP were $118,504,057. The major projects were $37.2 million on the Water Pollution Control Facility (WPCF) projects, $1.2 million on reuse water facilities, $5.4 million on buildings and building improvements, $5.9 million for land improvement, $35.1 million on roadways and storm drains, $44.8 million on other sewer improvements. The City completed and placed into service $261,829,673 of projects, and transferred them from construction in progress to the appropriate capital asset category.

Additional information on capital assets can be found in Note 7 on pages 69-71 of this report.

City of Las Vegas Capital Assets

(net of depreciation)
As of June 30, 2014 and 2013

	Governmental		Business-type		Total	
	2014	2013	2014	2013	2014	2013
Land	$ 1,182,962,884	$ 1,181,388,855	$ 45,946,952	$ 45,989,599	$ 1,228,909,836	$ 1,227,378,454
Construction in progress	123,900,601	267,029,287	97,564,390	97,783,422	221,464,991	364,812,709
Land improvements	340,267,279	262,264,183	29,606,914	31,611,153	369,874,193	293,875,336
Sewer plant improvements			222,083,595	168,158,945	222,083,595	168,158,945
Buildings	590,323,467	593,277,242	13,539,082	14,035,562	603,862,549	607,312,804
Building improvements	119,811,676	113,213,223	1,202,093	1,237,607	121,013,769	114,450,830
Sewer lines			289,838,230	274,574,831	289,838,230	274,574,831
Machinery and equipment	15,586,731	17,870,752	1,721,791	1,912,591	17,308,522	19,783,343
Vehicles	15,679,075	14,308,803			15,679,075	14,308,803
Roadways	739,116,897	700,330,798			739,116,897	700,330,798
Traffic pavement markers	197,406	377,398			197,406	377,398
Traffic signals and lighting	54,215,204	56,187,887			54,215,204	56,187,887
Traffic signage	1,376,896	1,478,763			1,376,896	1,478,763
Storm drainage	589,348,863	572,232,351			589,348,863	572,232,351
Total	$ 3,772,786,979	$ 3,779,959,542	$ 701,503,047	$ 635,303,710	$ 4,474,290,026	$ 4,415,263,252

Long-term debt. At the end of the current fiscal year, the City and its blended component units' total bonded debt outstanding was $584,641,115, exclusive of deferred issuance costs, and premiums and discounts. Of this amount, $240,735,000 comprises general obligation debt backed by the full faith and credit of the government, $140,090,000 of general obligation debts additionally secured by specified revenue sources, $5,321,990 of special assessment debt for which the City is obligated in the event of default by the bonded property owners, $188,270,000 of Certificates of Participation (COPS), $8,980,125 of Installment Purchases and $1,244,000 of revenue bonds.

City of Las Vegas Outstanding Debt
General Obligation and Revenue Bonds

(before amortization of premiums, discounts and unamortized debt refunding transaction)
As of June 30, 2014 and 2013

	Governmental		Business-type		Total	
	2014	2013	2014	2013	2014	2013
General obligation medium-term bonds	$ 55,090,000	$ 67,025,000	$	$	$ 55,090,000	$ 67,025,000
General obligation tax increment revenue bonds	85,000,000	89,240,000			85,000,000	89,240,000
Certificates of Participation (COPS)	188,270,000	188,270,000			188,270,000	188,270,000
Installment Purchases	8,980,125	9,615,613			8,980,125	9,615,613
Special assessment bonds	5,321,990	5,855,434			5,321,990	5,855,434
Revenue bonds	1,244,000				1,244,000	
General obligation revenue bonds	199,985,000	207,955,000	40,750,000	46,635,000	240,735,000	254,590,000
Total	$ 543,891,115	$ 567,961,047	$ 40,750,000	$ 46,635,000	$ 584,641,115	$ 614,596,047

The City and its blended component units added new debt of $31,269,000 during the current fiscal year. The increase resulted from the issuance of one refunding bond issue and Energy Conservation revenue bonds. The City's debt principal payments totaled $61,223,932 for fiscal year ended June 30, 2014, resulting in a net decrease in total debt of $29,954,932.

State statutes and City Charter limit the amount of general obligation debt a governmental entity may issue to 20 percent of its total assessed valuation. The current debt limitation for the City is $2.2 billion (see page 209), which is significantly in excess of the City's outstanding general obligation debt.

The City maintains an AA rating from Fitch, an AA rating from Standard and Poors (S&P) Corporation, and an AA2 rating from Moody's Investors Service. These ratings apply to all of the City's bond issues except for the Redevelopment Agency whose S&P rating is BBB-.

Additional information on the City's long-term debt can be found in Note 10 on pages 75-85 of this report.

Economic Factors

For fiscal year 2015 the assessed valuation of the City is $13,852,723,777, an increase of $1,601,239,371 over fiscal year 2014 with a combined tax rate of $0.7715 apportioned to the City per $100 of assessed value. This is the second annual increase in assessed values after four consecutive annual decreases, due to the downturn in the economy which caused a dramatic decrease in property values in the City.

During the current fiscal year, the unassigned fund balance in the general fund was $78,991,454. The City has appropriated $8,336,776 of this amount for spending in the 2015 fiscal year budget. The action was taken as an additional measure to mitigate the impact of the current uncertain economic conditions.

Requests for Information

The financial report is designed to provide a general overview of the City finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance, 495 S. Main St., Las Vegas, Nevada, 89101.

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BASIC FINANCIAL STATEMENT

CITY OF LAS VEGAS
STATEMENT OF NET POSITION
JUNE 30, 2014

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMMISSION FOR THE LAS VEGAS CENTENNIAL
ASSETS				
Pooled cash, cash equivalents and investments	$ 320,856,417	$ 96,511,156	$ 417,367,573	$ 1,440,717
Other investments	31,957,688		31,957,688	
Receivables net of allowance:				
Property taxes	4,582,159		4,582,159	
Consolidated taxes	43,702,200		43,702,200	
Accounts	7,259,555	3,674,118	10,933,673	
Interest	599,939	368,806	968,745	
Loans	21,203,326		21,203,326	
Special assessments	6,099,766		6,099,766	
Intergovernmental	39,758,201	9,136,222	48,894,423	486,499
Internal balances	(1,991,033)	1,991,033		
Land held for resale	4,831,669		4,831,669	
Inventories	3,037,566	3,112,468	6,150,034	
Property held for resale	18,909,011		18,909,011	
Prepaid items	120,372	249,420	369,792	
Deposits		26,191	26,191	
Restricted assets:				
Permanently restricted:				
Pooled cash and investments	3,056,442		3,056,442	
Capital assets:				
Land and construction in progress	1,306,863,485	143,511,342	1,450,374,827	
Depreciable improvements, buildings, machinery and equipment, and infrastructure, net of depreciation	2,465,923,494	557,991,705	3,023,915,199	
TOTAL ASSETS	4,276,770,257	816,572,461	5,093,342,718	1,927,216
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	992,438	1,360,539	2,352,977	

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

CITY OF LAS VEGAS
STATEMENT OF NET POSITION
JUNE 30, 2014

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMMISSION FOR THE LAS VEGAS CENTENNIAL
LIABILITIES				
Accounts payable	$ 29,588,707	$ 9,499,865	$ 39,088,572	$ 110,018
Salaries payable	4,002,615	429,724	4,432,339	
Deposits payable	1,842,669	119,624	1,962,293	
Interest payable	7,464,400	354,697	7,819,097	
Contracts payable	1,949,831	1,016,378	2,966,209	
Intergovernmental payable	1,644,656	5,541	1,650,197	44
Claims and judgments payable	359,146		359,146	
Unearned revenue	769,602	23,500	793,102	
Noncurrent liabilities:				
Current portion due or payable within one year:				
Bonds payable	23,146,547	6,214,473	29,361,020	
Benefits payable	12,311,834		12,311,834	
Compensated absences payable	27,014,875	3,196,112	30,210,987	
Long-term portion due or payable after one year:				
Bonds payable	522,097,010	35,194,733	557,291,743	
Compensated absences payable	14,674,747	1,736,159	16,410,906	
Unearned revenue		1,849,150	1,849,150	
Arbitrage rebate payable	71,085		71,085	
Unfunded Metropolitan Police OPEB liability	29,903,754		29,903,754	
OPEB liability	47,519,185	8,850,381	56,369,566	
Heart lung presumptive liability	57,247,798		57,247,798	
TOTAL LIABILITIES	781,608,461	68,490,337	850,098,798	110,062
DEFERRED INFLOWS OF RESOURCES				
Deferred credits on refunding		7,448	7,448	
NET POSITION				
Net investment in capital assets	3,243,155,566	650,625,694	3,893,781,260	
Restricted for:				
Debt service	34,830,273		34,830,273	
Capital projects	32,913,118		32,913,118	
Economic development and assistance	31,652,492		31,652,492	
Street maintenance	19,684,786		19,684,786	
Culture and recreation	6,572,637		6,572,637	
Public safety	9,144,012		9,144,012	
General government	62,245		62,245	
Darling tennis endowment	750,000		750,000	
Cemetery perpetual care-nonexpendable	2,306,442		2,306,442	
Unrestricted	115,082,663	98,809,521	213,892,184	1,817,154
TOTAL NET POSITION	$ 3,496,154,234	$ 749,435,215	$ 4,245,589,449	$ 1,817,154

CITY OF LAS VEGAS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM CHARGES FOR SERVICES	PROGRAM OPERATING GRANTS AND CONTRIBUTIONS
Primary government:			
Governmental activities:			
General government	$ 71,824,252	$ 91,329,795	$ 2,545,028
Judicial	27,854,226	24,535,250	338,584
Public safety	289,743,777	27,003,061	2,647,233
Public works	79,292,416	3,999,890	14,216,928
Welfare	502,647		497,576
Health	3,843,394	498,540	
Culture and recreation	82,722,588	16,686,064	212,025
Economic development and assistance	22,956,509	6,278,793	12,320,578
Transit systems	941		
Interest on long-term debt	31,888,793		
Total governmental activities	610,629,543	170,331,393	32,777,952
Business-type activities:			
Sanitation	91,059,934	54,120,582	23,560,754
Development services	7,753,637	8,602,600	
Parking	4,833,576	6,392,846	
Golf course	2,282,058	1,448,918	
Land development	515,172	222,751	
Total business-type activities	106,444,377	70,787,697	23,560,754
Total primary government	$ 717,073,920	$ 241,119,090	$ 56,338,706
Component unit:			
Commission for the Las Vegas Centennial	$ 1,456,468	$ 1,863,537	$

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

REVENUES	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	PRIMARY GOVERNMENT			COMPONENT UNIT
CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMMISSION FOR THE LAS VEGAS CENTENNIAL
$ 5,070,736	$ 27,121,307	$	$ 27,121,307	$
	(2,980,392)		(2,980,392)	
3,595,065	(256,498,418)		(256,498,418)	
43,203,833	(17,871,765)		(17,871,765)	
	(5,071)		(5,071)	
	(3,344,854)		(3,344,854)	
17,759,781	(48,064,718)		(48,064,718)	
	(4,357,138)		(4,357,138)	
	(941)		(941)	
	(31,888,793)		(31,888,793)	
69,629,415	(337,890,783)		(337,890,783)	
8,710,956		(4,667,642)	(4,667,642)	
		848,963	848,963	
		1,559,270	1,559,270	
		(833,140)	(833,140)	
		(292,421)	(292,421)	
8,710,956		(3,384,970)	(3,384,970)	
$ 78,340,371	(337,890,783)	(3,384,970)	(341,275,753)	
$				407,069
General revenues:				
Intergovernmental revenue - consolidated tax	245,701,828		245,701,828	
Property taxes	103,179,415		103,179,415	
Room tax	4,024,556		4,024,556	
Residential construction tax	854,690		854,690	
Motor vehicle fuel tax	7,731,834		7,731,834	
Unrestricted investment earnings	5,379,619	1,726,290	7,105,909	
Contributions not restricted to specific programs	3,331,413		3,331,413	
Gain on disposal of capital assets	558,980	2,467,466	3,026,446	
Transfers	1,003,659	(1,003,659)		
Total general revenues and transfers	371,765,994	3,190,097	374,956,091	
Change in net position	33,875,211	(194,873)	33,680,338	407,069
Net position - July 1, as previously reported	3,448,384,682	749,630,088	4,198,014,770	1,410,085
Prior period adjustment	13,894,341		13,894,341	
Net position - July 1, as restated	3,462,279,023	749,630,088	4,211,909,111	1,410,085
Net position - June 30	$ 3,496,154,234	$ 749,435,215	$ 4,245,589,449	$ 1,817,154

CITY OF LAS VEGAS, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	Road and Flood	City of Las Vegas Redevelopment Agency - Component Unit	Other Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Pooled cash, cash equivalents and investments	$ 66,536,202	$ 6,859,646	$ 671,714	$ 184,855,004	$ 258,922,566
Other investments			8,498,819	18,523,869	27,022,688
Receivables (net of allowances for uncollectibles):					
Property tax	3,112,944			1,469,215	4,582,159
Consolidated tax	43,702,200				43,702,200
Accounts	5,170,444			657,459	5,827,903
Interest	186,388			281,299	467,687
Loans	27,378,562		16,061,191	499,933	43,939,686
Special Assessments				6,099,766	6,099,766
Intergovernmental	1,491,301	21,185,178		15,999,019	38,675,498
Due from other funds				154,671	154,671
Land held for resale			4,258,265	573,404	4,831,669
Inventories	2,448,757				2,448,757
Property held for resale				18,909,011	18,909,011
Prepaid items	95,855			24,517	120,372
Permanently restricted:					
Pooled cash and investments				3,056,442	3,056,442
Total assets	$ 150,122,653	$ 28,044,824	$ 29,489,989	$ 251,103,609	$ 458,761,075
LIABILITIES					
Accounts payable	$ 4,599,661	$ 10,389,861	$ 39,683	$ 11,579,051	$ 26,608,256
Salaries payable	3,521,941			53,766	3,575,707
Due to other funds			220,283	154,671	374,954
Deposits payable	1,388,523		395,164	35,591	1,819,278
Contracts payable		1,368,669		581,162	1,949,831
Loans payable	811,534				811,534
Intergovernmental payable	930,490			714,166	1,644,656
Unearned revenue	656,216			113,386	769,602
Total liabilities	11,908,365	11,758,530	655,130	13,231,793	37,553,818
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - Property tax	1,537,324			731,202	2,268,526
Unavailable revenue - Loans	15,000,000		15,224,655		30,224,655
Unavailable revenue - Special assessments				6,051,100	6,051,100
Total deferred inflows of resources	16,537,324		15,224,655	6,782,302	38,544,281
FUND BALANCES					
Nonspendable	29,923,174		5,094,799	22,563,374	57,581,347
Restricted		3,673,438	8,500,273	119,456,082	131,629,793
Committed				20,919,817	20,919,817
Assigned	12,899,180	12,612,856	15,132	68,150,241	93,677,409
Unassigned	78,854,610				78,854,610
Total fund balances	121,676,964	16,286,294	13,610,204	231,089,514	382,662,976
Total liabilities, deferred inflows of resources and fund balances	$ 150,122,653	$ 28,044,824	$ 29,489,989	$ 251,103,609	$ 458,761,075

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

CITY OF LAS VEGAS, NEVADA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Amounts reported for governmental activities in the statement of net position (page 28 - 29) are different because:

Total fund balances - total governmental funds (page 32)	$	382,662,976
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Capital assets consist of governmental assets of $3,762,518,299 and internal service fund assets of $10,268,680.		3,772,786,979
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		(712,747,096)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		13,550,823
Internal service funds are used by management to charge the costs of various services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Total net position in the internal service funds is $49,091,635, plus $1,077,597 to reflect consolidation of internal service fund activities to related enterprise funds; and less $10,268,680 of internal service fund net capital assets reflected in governmental activities.		39,900,552
Net position of governmental activities (page 29)	$	3,496,154,234

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

CITY OF LAS VEGAS, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	General	Road and Flood	City of Las Vegas Redevelopment Agency - Component Unit	Other Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 81,142,155	$	$	$ 34,694,031	$ 115,836,186
Licenses and permits	76,173,424			460,525	76,633,949
Intergovernmental	249,656,935	39,309,666		58,040,100	347,006,701
Charges for services	36,270,268	15,553		6,337,033	42,622,854
Fines and forfeits	16,815,188			199,502	17,014,690
Special assessments				3,099,124	3,099,124
Interest	1,007,265		3,735	2,543,057	3,554,057
Miscellaneous	4,375,832	13,217	402,351	8,630,087	13,421,487
Total revenues	465,441,067	39,338,436	406,086	114,003,459	619,189,048
Expenditures:					
Current:					
General government	51,188,041			4,806,305	55,994,346
Judicial	24,601,363			2,655,114	27,256,477
Public safety	313,037,831			1,335,602	314,373,433
Public works	12,433,801	1,884,813		8,328,515	22,647,129
Health	3,563,429			245,890	3,809,319
Welfare				500,948	500,948
Culture and recreation	45,550,809			5,606,919	51,157,728
Economic development and assistance	2,147,368		4,879,652	14,008,161	21,035,181
Debt service:					
Principal retirement				25,313,932	25,313,932
Interest and fiscal charges				35,380,547	35,380,547
Capital outlay:					
General government	10,607			1,203,461	1,214,068
Judicial	260			27,447	27,707
Public safety	8,782			15,588,379	15,597,161
Public works	24	39,785,812		9,818,408	49,604,244
Culture and recreation	18,568			22,740,608	22,759,176
Economic development and assistance				1,131,911	1,131,911
Total expenditures	452,560,883	41,670,625	4,879,652	148,692,147	647,803,307
Excess (deficiency) of revenues over (under) expenditures	12,880,184	(2,332,189)	(4,473,566)	(34,688,688)	(28,614,259)
Other financing sources (uses):					
Transfers in	9,387,721	4,892,327	2,079,000	68,605,945	84,964,993
Transfers out	(20,565,567)	(550,000)	(986,500)	(59,492,204)	(81,594,271)
Proceeds from sale of capital assets	229,475			47,900	277,375
Payment to refunded bond escrow agent				(30,025,000)	(30,025,000)
Bonds issued				1,244,000	1,244,000
Proceeds of refunding bonds issued				30,025,000	30,025,000
Total other financing sources (uses)	(10,948,371)	4,342,327	1,092,500	10,405,641	4,892,097
Net changes in fund balances	1,931,813	2,010,138	(3,381,066)	(24,283,047)	(23,722,162)
Fund balances, July 1 - as previously reported	119,745,151	14,276,156	16,991,270	241,478,220	392,490,797
Prior period adjustment				13,894,341	13,894,341
Fund balances, July 1 as restated	119,745,151	14,276,156	16,991,270	255,372,561	406,385,138
Fund balances, June 30	$ 121,676,964	$ 16,286,294	$ 13,610,204	$ 231,089,514	$ 382,662,976

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

CITY OF LAS VEGAS, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

Net changes in fund balances - total governmental funds (page 34)	$	(23,722,162)
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		(21,756,453)
The net effect of various transactions involving capital assets (i.e., sales, trade-ins, transfers, and donations) is to increase net position.		14,076,816
Property tax revenue and special assessments revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(662,066)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		24,069,932
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		51,362,706
Internal service funds are used by management to charge the costs of a variety of services (i.e., fleet, graphic reproduction, purchase and maintenance of computers, maintenance of radios, pagers, cellular, and telephones, etc.) to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		(9,493,562)
Change in net position of governmental activities (page 31)	$	33,875,211

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

CITY OF LAS VEGAS, NEVADA
RECONCILIATION TO COMBINE GENERAL FUND AND
FISCAL STABILIZATION FUND
TO GENERAL FUND AS REPORTED ON THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

With the implementation of Governmental Accounting Standards Board (GASB) Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the budgetary basis of accounting for the General Fund differs from generally accepted accounting principles (GAAP). GASB 54 requires actual amounts reported in special revenue funds that do not meet the new definition of a Special Revenue Fund from proceeds of specific revenue sources to be included in the General Fund, or other related governmental funds.

Under the new definition, the Fiscal Stabilization special revenue fund did not qualify as a special revenue fund and was combined with the city's general fund as follows:

	General	Special Revenue Fund Fiscal Stabilization	Total General Fund
Revenues:			
Taxes	$ 81,142,155	$	$ 81,142,155
Licenses and permits	76,173,424		76,173,424
Intergovernmental	249,656,935		249,656,935
Charges for services	36,270,268		36,270,268
Fines and forfeits	16,815,188		16,815,188
Interest	858,092	149,173	1,007,265
Miscellaneous	4,375,832		4,375,832
Total revenues	465,291,894	149,173	465,441,067
Expenditures:			
General government	51,186,319	12,329	51,198,648
Judicial	24,601,623		24,601,623
Public safety	313,046,613		313,046,613
Public works	12,433,825		12,433,825
Health	3,563,429		3,563,429
Culture and recreation	45,569,377		45,569,377
Economic development and assistance	2,147,368		2,147,368
Total expenditures	452,548,554	12,329	452,560,883
Excess of revenues over expenditures	12,743,340	136,844	12,880,184
Other financing sources (uses):			
Transfers in	9,387,721		9,387,721
Transfers out	(20,565,567)		(20,565,567)
Sale of capital assets	229,475		229,475
Total other financing sources (uses)	(10,948,371)		(10,948,371)
Net changes in fund balances	1,794,969	136,844	1,931,813
Fund balances, July 1	106,982,815	12,762,336	119,745,151
Fund balances, June 30	$ 108,777,784	$ 12,899,180	$ 121,676,964

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

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CITY OF LAS VEGAS, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 80,695,000	$ 80,695,000	$ 81,142,155	$ 447,155
Licenses and permits	75,761,977	75,761,977	76,173,424	411,447
Intergovernmental	242,921,561	242,921,561	249,656,935	6,735,374
Charges for services	37,938,227	37,938,227	36,270,268	(1,667,959)
Fines and forfeits	20,716,249	20,716,249	16,815,188	(3,901,061)
Interest	1,000,000	1,000,000	858,092	(141,908)
Miscellaneous	3,500,000	3,500,000	4,375,832	875,832
Total revenues	462,533,014	462,533,014	465,291,894	2,758,880
Expenditures:				
General government:				
Legislative	3,183,272	3,183,272	3,297,806	(114,534)
Executive	8,326,753	8,326,753	8,873,009	(546,256)
Financial administration	19,469,816	19,469,816	17,633,323	1,836,493
Other	27,166,014	25,166,014	21,382,181	3,783,833
Total general government	58,145,855	56,145,855	51,186,319	4,959,536
Judicial:				
Municipal courts	20,944,960	20,944,960	20,196,083	748,877
City attorney-criminal division	3,990,055	3,990,055	3,914,068	75,987
Public defender	492,400	492,400	491,472	928
Total judicial	25,427,415	25,427,415	24,601,623	825,792
Public safety:				
Police	130,201,204	130,201,204	130,322,202	(120,998)
Fire	112,071,740	113,871,740	113,726,194	145,546
Corrections	48,855,163	48,855,163	50,058,578	(1,203,415)
Protective inspection	5,878,130	5,878,130	3,193,415	2,684,715
Other protection	15,141,080	15,141,080	15,746,224	(605,144)
Total public safety	312,147,317	313,947,317	313,046,613	900,704
Public works:				
Administration	797,610	797,610	497,956	299,654
Engineering	9,502,940	9,502,940	9,418,045	84,895
Right of way	960,290	960,290	990,188	(29,898)
Paved streets	1,428,350	1,428,350	1,527,636	(99,286)
Total public works	12,689,190	12,689,190	12,433,825	255,365
Health:				
Animal control	3,723,755	3,723,755	3,417,886	305,869
Cemetery operation	150,000	150,000	132,033	17,967
Communicable disease control	15,000	15,000	13,510	1,490
Total health	3,888,755	3,888,755	3,563,429	325,326

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS - continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Culture and recreation:				
Culture and recreation administration	$ 8,912,181	$ 8,912,181	$ 8,195,882	$ 716,299
Participant recreation	18,359,236	18,359,236	17,728,159	631,077
Parks	21,062,490	21,062,490	19,645,336	1,417,154
Total culture and recreation	48,333,907	48,333,907	45,569,377	2,764,530
Economic development and assistance:				
Office of business development	1,000,000	1,000,000	468,202	531,798
Neighborhood services	1,654,368	1,654,368	1,679,166	(24,798)
Total economic development and assistance	2,654,368	2,654,368	2,147,368	507,000
Total expenditures	463,286,807	463,086,807	452,548,554	10,538,253
Excess (deficiency) of revenues over (under) expenditures	(753,793)	(553,793)	12,743,340	13,297,133
Other financing sources (uses):				
Transfers in	9,464,440	9,464,440	9,387,721	(76,719)
Transfers out	(18,400,000)	(18,600,000)	(20,565,567)	(1,965,567)
Proceeds from sale of capital assets			229,475	229,475
Total other financing sources (uses)	(8,935,560)	(9,135,560)	(10,948,371)	(1,812,811)
Net changes in fund balances	(9,689,353)	(9,689,353)	1,794,969	11,484,322
Fund balances, July 1	102,741,762	102,741,762	106,982,815	4,241,053
Fund balances, June 30	$ 93,052,409	$ 93,052,409	$ 108,777,784	$ 15,725,375

Reconciliation of budget basis reporting to GAAP reporting:	
Fund balance of fiscal stabilization special revenue fund (page 39)	12,899,180
Fund balances, June 30, GAAP basis	$ 121,676,964

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

CITY OF LAS VEGAS, NEVADA
FISCAL STABILIZATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Interest	$ 257,540	$ 257,540	$ 149,173	$ (108,367)
Expenditures:				
Current:				
General government	28,000	28,000	12,329	15,671
Deficiency of revenues under expenditures	229,540	229,540	136,844	(92,696)
Net changes in fund balances	229,540	229,540	136,844	(92,696)
Fund balances, July 1	13,127,241	13,127,241	12,762,336	(364,905)
Fund balances, June 30	$ 13,356,781	$ 13,356,781	$ 12,899,180	$ (457,601)

Note: See page 39 for a detailed reconciliation of budget to GAAP Reporting.

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CITY OF LAS VEGAS, NEVADA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
ASSETS					
Current assets:					
Pooled cash, cash equivalents and investments	$ 69,094,055	$ 13,811,274	$ 13,605,827	$ 96,511,156	$ 61,933,851
Other investments	15,472,192			15,472,192	4,935,000
Receivables (net of allowances for uncollectibles):					
Accounts	2,940,266	2,610	731,242	3,674,118	1,431,652
Interest	340,759		28,047	368,806	132,252
Loans			2,781,449	2,781,449	
Intergovernmental	9,136,222			9,136,222	1,082,703
Due from other funds					220,283
Inventories	3,075,952		36,516	3,112,468	588,809
Prepaid items	98,675	88,109	62,636	249,420	
Deposits			26,191	26,191	
Total current assets	100,158,121	13,901,993	17,271,908	131,332,022	70,324,550
Noncurrent assets:					
Capital assets:					
Land	12,525,633	30,095,189	3,326,130	45,946,952	
Land improvements	28,507,236		13,811,776	42,319,012	257,077
Sewer plant improvements	459,339,956			459,339,956	
Buildings	15,476,631		6,530,956	22,007,587	3,992,665
Building improvements	3,241,225		771,695	4,012,920	4,482,527
Sewer lines	397,701,176			397,701,176	
Machinery and equipment	1,946,010		2,043,896	3,989,906	5,079,088
Vehicles					35,464,137
Construction in progress	97,404,584		159,806	97,564,390	
Less accumulated depreciation	(357,418,553)		(13,960,299)	(371,378,852)	(39,006,814)
Total capital assets (net of accumulated depreciation)	658,723,898	30,095,189	12,683,960	701,503,047	10,268,680
Total assets	758,882,019	43,997,182	29,955,868	832,835,069	80,593,230
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refunding	1,360,539			1,360,539	

Continued

CITY OF LAS VEGAS, NEVADA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (continued)
JUNE 30, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
LIABILITIES					
Current liabilities:					
Accounts payable	$ 9,198,708	$ 76,950	$ 224,207	$ 9,499,865	$ 2,980,451
Salaries payable	316,483		113,241	429,724	426,907
Compensated absences payable	2,260,124		935,988	3,196,112	1,836,149
Deposits payable		100,000	19,624	119,624	23,391
Due to other funds					
Benefits payable					11,069,591
Claims and judgments payable					359,146
Unearned revenue			23,500	23,500	
General obligation revenue bonds payable	5,431,232		783,241	6,214,473	
Interest payable	341,014		13,683	354,697	
Contracts payable	1,016,378			1,016,378	
Intergovernmental payable		4,001	1,540	5,541	
Total current liabilities	18,563,939	180,951	2,115,024	20,859,914	16,695,635
Noncurrent liabilities:					
Compensated absences payable	1,227,722		508,437	1,736,159	997,413
General obligation revenue bonds payable	29,162,046		6,032,687	35,194,733	
Loans payable		15,185,011		15,185,011	
Unearned revenue			1,849,150	1,849,150	
Benefits payable					1,242,243
OPEB liability	6,179,243		2,671,138	8,850,381	5,395,353
Heart lung presumptive liability					7,170,951
Total noncurrent liabilities	36,569,011	15,185,011	11,061,412	62,815,434	14,805,960
Total liabilities	55,132,950	15,365,962	13,176,436	83,675,348	31,501,595
DEFERRED INFLOWS OF RESOURCES					
Deferred credits on refunding			7,448	7,448	
NET POSITION					
Net investment in capital assets	624,130,620	20,627,042	5,868,032	650,625,694	10,268,680
Unrestricted	80,978,988	8,004,178	10,903,952	99,887,118	38,822,955
Total net position	$ 705,109,608	$ 28,631,220	$ 16,771,984	$ 750,512,812	$ 49,091,635
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds (page 33).				(1,077,597)	
Net position of business-type activities (page 29)				$ 749,435,215	

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

CITY OF LAS VEGAS, NEVADA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
Operating revenues:					
Licenses and permits	$	$	$ 7,946,321	$ 7,946,321	$
Charges for services	54,064,878		3,997,138	58,062,016	199,473,989
Fines and forfeits			2,559,030	2,559,030	
Miscellaneous	55,704	222,751	1,941,875	2,220,330	1,042,287
Total operating revenues	54,120,582	222,751	16,444,364	70,787,697	200,516,276
Operating expenses:					
Salaries and employee benefits	23,519,320		8,121,872	31,641,192	158,431,245
Services and supplies	39,107,168	515,172	5,318,504	44,940,844	26,808,833
Cost of stores issued			85,906	85,906	3,717,859
Insurance claims					6,822,428
Insurance premiums					9,327,786
Depreciation	25,068,256		894,506	25,962,762	2,098,641
Total operating expenses	87,694,744	515,172	14,420,788	102,630,704	207,206,792
Operating income (loss)	(33,574,162)	(292,421)	2,023,576	(31,843,007)	(6,690,516)
Nonoperating revenues (expenses):					
Interest revenue	1,586,448		139,842	1,726,290	878,234
Interest expense	(1,781,884)		(169,282)	(1,951,166)	
Sewer connection charges	6,637,427			6,637,427	
Arbitrage (expense) credit	(1,125)			(1,125)	
Gain (loss) on sale of capital assets	(40)	2,467,466		2,467,426	271,848
Intergovernmental revenue	16,923,327			16,923,327	
Intergovernmental expense	(1,648,770)		(36,954)	(1,685,724)	(1,761,683)
Total nonoperating revenues (expenses)	21,715,383	2,467,466	(66,394)	24,116,455	(611,601)
Income (loss) before capital contributions and transfers	(11,858,779)	2,175,045	1,957,182	(7,726,552)	(7,302,117)
Capital contributions	8,710,956			8,710,956	
Transfers in			2,529,616	2,529,616	33,243
Transfers out		(1,079,000)	(2,454,275)	(3,533,275)	(2,400,306)
Changes in net position	(3,147,823)	1,096,045	2,032,523	(19,255)	(9,669,180)
Net position, July 1	708,257,431	27,535,175	14,739,461		58,760,815
Net position, June 30	$ 705,109,608	$ 28,631,220	$ 16,771,984		$ 49,091,635
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(175,618)	
Changes in net position of business-type activities (page 31)				$ (194,873)	

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

CITY OF LAS VEGAS, NEVADA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
Cash flows from operating activities:					
Cash received from customers	$ 70,976,233	$ 222,675	$ 15,390,311	$ 86,589,219	$ 7,241,592
Cash received from internal services provided					192,039,795
Cash payments to suppliers for goods and services	(37,774,239)	(424,132)	(7,296,788)	(45,495,159)	(42,574,426)
Cash payments to employees for salaries and benefits	(23,255,574)		(8,204,386)	(31,459,960)	(157,979,228)
Net cash provided by (used in) operating activities	9,946,420	(201,457)	(110,863)	9,634,100	(1,272,267)
Cash flows from noncapital financing activities:					
Cash advanced to other funds		(19,641)		(19,641)	
Reimbursements from other governments	6,858,241			6,858,241	
Transfers in from other funds			2,529,616	2,529,616	33,243
Transfers out to other funds		(1,079,000)	(2,454,275)	(3,533,275)	(2,400,306)
Subsidies paid to other governments					(1,761,683)
Contributions to other governments	(2,173,612)		(36,954)	(2,210,566)	
Net cash provided by (used in) noncapital financing activities	4,684,629	(1,098,641)	38,387	3,624,375	(4,128,746)
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(89,153,109)		(263,440)	(89,416,549)	(2,115,783)
Sewer connection charges	6,637,427			6,637,427	
Payment to refunded bond escrow agent			(400)	(400)	
SNWA infrastructure fund	8,735,903			8,735,903	
Principal paid on bonds	(5,130,000)		(755,000)	(5,885,000)	
Arbitrage rebate paid	(1,125)			(1,125)	
Interest paid	(1,656,438)		(179,313)	(1,835,751)	
Proceeds from sale of capital assets		2,510,113		2,510,113	291,449
Net cash provided by (used in) capital and related financing activities	(80,567,342)	2,510,113	(1,198,153)	(79,255,382)	(1,824,334)
Cash flows from investing activities:					
Interest and dividends on investments	1,881,377		166,575	2,047,952	964,278
Proceeds of investment securities					2,914,881
Net cash provided by investing activities	1,881,377		166,575	2,047,952	3,879,159
Net change in pooled cash, cash equivalents and investments	(64,054,916)	1,210,015	(1,104,054)	(63,948,955)	(3,346,188)
Pooled cash, cash equivalents and investments, July 1	133,148,971	12,601,259	14,709,881	160,460,111	65,280,039
Pooled cash, cash equivalents and investments, June 30	$ 69,094,055	$ 13,811,274	$ 13,605,827	$ 96,511,156	$ 61,933,851

Continued

CITY OF LAS VEGAS, NEVADA
STATEMENT OF CASH FLOWS (continued)
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	$ (33,574,162)	$ (292,421)	$ 2,023,576	$ (31,843,007)	$ (6,690,516)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	25,068,256		894,506	25,962,762	2,098,641
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	16,855,651	(76)	(729,972)	16,125,603	221,461
Decrease in loans receivable					11,250
Increase in intergovernmental receivable					(1,044,241)
(Increase) decrease in due from other funds		11,000		11,000	(139,781)
(Increase) decrease in inventories	79,364		(9,821)	69,543	(250)
(Increase) decrease in prepaid items	4,027	18,400	(45,203)	(22,776)	
Decrease in deposits			413	413	105,515
Increase (decrease) in accounts payable	1,249,538	61,640	(1,837,422)	(526,244)	249,723
Increase in salaries payable	95,800		41,840	137,640	139,734
Increase (decrease) in compensated absences payable	(68,642)		(123,751)	(192,393)	208,857
Decrease in deposits payable					(272,328)
Increase in benefits payable					3,693,932
Increase in claims and judgments payable					42,310
Decrease in unearned revenue			(324,494)	(324,494)	
Increase in intergovernmental payable			68	68	
Increase (decrease) in OPEB liability	236,588		(603)	235,985	103,426
Net cash provided by (used in) operating activities	$ 9,946,420	$ (201,457)	$ (110,863)	$ 9,634,100	$ (1,272,267)
Schedule of noncash investing, capital, and financing activities:					
Contributions of capital assets from developers	$ 8,710,956			$ 8,710,956	
Increase in fair value of investments					$ 63,143
Decrease in fair value of investments					(45,342)

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

CITY OF LAS VEGAS, NEVADA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2014

	Total Agency Funds
ASSETS	
Pooled cash, cash equivalents and investments	$ 20,668,714
Receivables (net of allowances for uncollectibles):	
Interest	44
Total assets	$ 20,668,758
LIABILITIES	
Accounts payable	$ 13,877
Deposits payable	15,742,192
Intergovernmental payable	2,981,017
Outstanding bail payable	1,795,799
Unclaimed monies payable	31,929
Arbitrage rebate payable	103,944
Total liabilities	$ 20,668,758

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

1. Summary of significant accounting policies

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. *Governmental activities,* which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting entity

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

In evaluating how to define the financial reporting entity, management considered all potential component units using the standards prescribed under GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34.* Component units would include any legally separate organizations for which the City Council is financially accountable. Financial accountability would result where the City Council appoints a voting majority of the organization's governing body and (1) is able to impose its will on that organization, or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. Financial accountability may also result where an organization is fiscally dependent on the City. Based upon these criteria, no component units or other reportable organizations other than those discussed below were identified.

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

Blended component units

On March 5, 1986, the Official Redevelopment Plan was adopted to facilitate urban redevelopment efforts for the downtown area. The City of Las Vegas Redevelopment Agency (Agency) has the same elected governing board as the City, comprised of the six city council persons and the City mayor. The management of the City also manage the activities of the Agency in essentially the same manner as it manages the city's activities. The Agency exists to benefit the City and its citizens through redevelopment and revitalization of the city's downtown areas. This revitalization is based on the City's redevelopment plan which aligns the Agency's efforts with the City's vision for downtown.

1. Summary of significant accounting policies (continued)

B. Reporting entity (continued)

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

Discretely presented component unit

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

Complete financial statements of the Agency, the Nonprofit Corporations and the Commission can be obtained from the City of Las Vegas Department of Finance, 4th Floor, 495 South Main Street, Las Vegas, Nevada 89101.

C. Basis of presentation - government-wide and fund financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the City has one discretely presented component unit. While the Commission for the Las Vegas Centennial is not considered to be a major component unit, it is, nevertheless, shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's sanitation and municipal parking functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

1. Summary of significant accounting policies (continued)

D. Basis of presentation – fund financial statements (continued)

The City reports the following major governmental funds:

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

The City of Las Vegas Redevelopment Agency – Component Unit (the Agency). This fund accounts for the financial activity of the Agency, which derives its revenue from property tax that will be used to rehabilitate the various redevelopment districts.

The road and flood capital projects fund. This fund is used to account for major infrastructure improvements to the City's arterial street system and floodwater conveyance systems. Financing is provided primarily by Clark County, the Regional Transportation Commission and the Clark County Regional Flood Control District.

The City reports the following major enterprise funds:

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

The *nonprofit corporations fund* promotes the health and welfare of the City and its citizens through the acquisition and disposition of property, exclusively for public purposes.

Additionally, the City reports the following fund types:

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

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

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers among the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, transfers among the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

1. Summary of significant accounting policies (continued)

E. Measurement focus, basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the 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 and fiduciary fund financial statements, except agency funds that have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

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

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

The City reports unearned revenue in the fund financial statements. Unearned revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenues are recorded when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

The proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* The agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

1. Summary of significant accounting policies (continued)

F. Budgetary information

1. Budgetary basis of accounting

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

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

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

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

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

For the fiscal year ended June 30, 2014, funds were augmented and realigned between functions to provide for additional expenditures for new and expanded programs. Non-appropriated budgets for proprietary type funds were augmented and filed with the Nevada Department of Taxation for informational purposes, according to Nevada law. The following governmental funds were augmented from actual beginning fund balance in excess of the original budgeted amount to increase total appropriations (expenditures, other financing uses).

	Original Budget	Adjustment	Final Budget
City Facilities Capital Projects Fund	$ 19,599,371	$ 1,726,000	$ 21,325,371
Cemetery Operations Permanent Fund	2,426,258	30,000	2,456,258

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

1. Summary of significant accounting policies (continued)

F. Budgetary information (continued)

2. Excess of expenditures over appropriations

The City of Las Vegas Redevelopment Agency Debt Service Fund expenditures exceeded appropriations in debt service by $7,105 due to payments of interest. Nevada Revised Statue 354.626(1) states that expenditures for debt repayment does not constitute a violation of law.

The Employee Benefit Internal Service Fund expenditures exceeded appropriations by $1,933,029. The excess was for expenditures associated with employee benefits.

The Liability Insurance and Property Damage Internal Service Fund expenditures exceeded appropriations by $268,211. The excess was for expenditures associated with insurance contracts.

The Sanitation Enterprise Fund expenditures exceeded appropriations by $1,434,770. An appropriated budget is not required for this fund according to the State of Nevada Department of Taxation.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Pooled cash, cash equivalents and investments

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

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

Investments include short-term investments that are easily converted to cash and long-term investments with maturity dates ranging from six months to forty-seven years. Investments are stated at fair value, determined by using quoted market prices provided by a nationally recognized independent bank, or amortized cost for investments that have a remaining maturity at time of purchase of one year or less.

The City’s cash equivalents are considered to be cash on hand and short-term investments with original maturities of three months or less from the date of acquisition.

1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

2. Receivables and payables

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

Receivables are reported at their gross value and, where appropriate, are shown net of an allowance for uncollectible accounts. General fund accounts receivable consists of $5.2 million and capital projects of $0.7 million. Accounting operations division reviews outstanding receivables twice a year to determine uncollectable receivables. Accounts deemed uncollectable are then written off. The allowance for uncollectable accounts for the General Fund was $2.4 million at June 30, 2014.

3. Inventories and prepaid items

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

Payments made to vendors for services that will benefit future periods are recorded as prepaid items in both government-wide and fund financial statements. In fund financial statements, a portion of fund balance equal to total prepaid items is reflected as nonspendable.

4. Restricted assets

Cemetery Operations Permanent Fund - Restricted assets in this fund are derived from the endowment care portion of the fee charged for a cemetery lot. The monies are invested and the interest income is used for the perpetual care and maintenance of the cemetery in accordance with the cemetery system's lease agreement (Note 9A1). An independent trustee manages the fund. At June 30, 2014, the restricted assets consisted of investments of $2,306,442.

5. Capital assets

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

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

1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

5. Capital assets (continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property and equipment acquired by proprietary funds are reported in those funds at cost or estimated fair value at the time of donation. In enterprise funds, interest expense on bonds issued for construction of capital assets is netted against interest revenue earned on the investment of bond proceeds, and if determined to be immaterial will not be capitalized.

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

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

6. Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three resources: property taxes, special assessments and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Compensated absences

It is the City's policy to permit employees to accumulate earned, but unused vacation (including TILO and Executive Severance) and sick pay benefits which are collectively referred to as compensated absences. Compensated absences paid or accrued due to employment terminations within the current year are reported as an expenditure in governmental fund types. The estimated long-term liability of vested or accumulated compensated absences that is not expected to be liquidated within the current year is accounted for in the government-wide financial statements. Vested or accumulated compensated absences of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to the employees.

1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

8. Long-term obligations

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

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

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

The City and Clark County (a joint venture) both provide financing for the Las Vegas Metropolitan Police Department Self Insurance internal service fund. At June 30, 2014, the Las Vegas Metropolitan Police Department Self Insurance fund had a deficit balance. In the City's government-wide financial statements, the City's portion of the deficit is reported as unfunded Metropolitan Police OPEB liability in governmental activities.

9. Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts of net position to report as restricted and unrestricted in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

10. Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Unassigned fund balance is applied last.

1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

11. Fund balance components

The fund balance amounts for governmental funds are classified in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as follows:

- *Non-spendable* fund balances include items that cannot be spent. This includes amounts that are not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed or assigned) and amounts that are legally or contractually required to remain intact, such as a principal balance in a permanent fund.

- *Restricted* fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or state enabling legislation.

- *Committed* fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action of the Mayor and City Council, the city's highest level of decision-making authority. This formal action is the passage of ordinances creating, modifying, or rescinding committed resources.

- *Assigned* fund balances include amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. The City's Chief Financial Officer is authorized to assign amounts to a specific purpose based on the City's policy (see below).

- *Unassigned* fund balances are the residual amount not included in the four categories described above. The general fund is the only fund that can report a positive unassigned fund balance and any deficit fund balances with the other governmental fund types are reported as unassigned.

It is the City's policy when both restricted and unrestricted resources are available for specific resources, restricted resources are considered spent before unrestricted resources. Within unrestricted resources, committed and assigned are considered spent (if available) before unassigned amounts.

It is the City's fiscal policy to maintain a total ending fund balance in the General Fund of at least 12 percent of General Fund operating revenues.

1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

11. Fund balance components (continued)

The following schedule shows the composition of the fund balances of the governmental funds for the year ended June 30, 2014:

	Major Governmental Funds			Non Major Governmental Funds				
	General Fund	Redevelopment Agency	Road and Flood	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Total
Fund Balances								
Nonspendable:								
Inventories	$ 2,448,757	$	$	$	$	$	$	$ 2,448,757
Prepaid items	95,855			24,517				120,372
Noncurrent loans receivable	27,378,562							27,378,562
Land/Property held for resale		4,258,265		19,482,415				23,740,680
Loans receivable		836,534						836,534
Cementery perpetual care							2,306,442	2,306,442
Endowment principal				750,000				750,000
Total nonspendable	29,923,174	5,094,799		20,256,932			2,306,442	57,581,347
Restricted:								
Debt Service		8,500,273		400,000	25,930,000			34,830,273
Econ Dev and Assistance				12,771,822				12,771,822
General Government				33,904				33,904
Culture and Recreation				948,755				948,755
Performing Arts Center				5,630,882				5,630,882
Centennial Park						11,737,702		11,737,702
LED Streetlights						698,958		698,958
Energy Efficiency Retro Fits						208,544		208,544
Solar Project						795,195		795,195
Public Works				13,598,463				13,598,463
Special Improvement						26,097,097		26,097,097
New City Hall and						3,906,885		3,906,885
Traffic Signals						3,867,042		3,867,042
Symphony Park						663,839		663,839
Infrastructure				63,027				63,027
Fire Stations						603,381		603,381
Fire Equipment						6,581,254		6,581,254
Deccan CAD System						281,860		281,860
Public Safety				1,674,587				1,674,587
Roadway Improvements			3,673,438			2,412,885		6,086,323
Other Capital Projects						550,000		550,000
Total Restricted		8,500,273	3,673,438	35,121,440	25,930,000	58,404,642		131,629,793
Committed:								
Parks construction						4,702,194		4,702,194
Public Safety				243,609				243,609
Culture and Recreation				168,786				168,786
Debt Service				1,952,178		677,283		2,629,461
Special Improvement				13,175,767				13,175,767
Total Committed				15,540,340		5,379,477		20,919,817
Assigned:								
Debt Service					5,103,360			5,103,360
Culture and Recreation				400,928				400,928
Jail Isolation Addition						9,006,024		9,006,024
Infrastructure				728,375				728,375
New City Hall						617,140		617,140
Atrium Building Improvements						91,664		91,664
Emergency Management Center						5,300,000		5,300,000
Fire Station						406,259		406,259
Fire Equipment						50,639		50,639
West Side School Retrofit						1,000,000		1,000,000
Ogden Underpass Pedesterin Imp						2,308,215		2,308,215
Artifical Turf Replacement						3,519,238		3,519,238
Solar Energy Improvement Project						1,916,812		1,916,812
Economic Develop and Assistance		15,132						15,132
Symphony Park Projects						907,118		907,118
Fuel Tanks						393,520		393,520
Street Landscape Median Enhancement						1,023,964		1,023,964
Land for a Business Park						9,000,000		9,000,000
Roadway Improvements			11,461,132			11,304,579		22,765,711
Flood Channel Projects			1,151,724			1,813,395		2,965,119
Control System Retrofit						2,434,998		2,434,998
Other Capital Projects						10,824,013		10,824,013
Fiscal Stabilization	12,899,180							12,899,180
Total Assigned	12,899,180	15,132	12,612,856	1,129,303	5,103,360	61,917,578		93,677,409
Unassigned	78,854,610							78,854,610
	$ 121,676,964	$ 13,610,204	$ 16,286,294	$ 72,048,015	$ 31,033,360	$ 125,701,697	$ 2,306,442	$ 382,662,976

1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

12. Estimates

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

13. Grant portion of intergovernmental revenues

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

14. Interfund transactions

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

15. Fiscal Stabilization Fund

The City Council through Resolution established a special revenue fund whose purpose is to provide for the stabilization of operations during periods of economic downturn, or for the mitigation of the effects of disasters in accordance with NRS 354.6115. The ending fund balance of the Fiscal Stabilization Special Revenue Fund at June 30, 2014 was $12,899,180.

A transfer of available revenue from the general fund, special revenue funds, internal service funds and capital project funds was used to establish the fund. The fund will maintain a fund balance not to exceed ten percent (10%) of the prior year's general fund expenditures. The general fund transfer will be 20% of the excess actual audited ending fund balance over the budgeted ending fund balance to the fund until such time as the maximum fund balance is reached.

The fund balance will not be used to finance routine operations. Revenues will be realized only through transfers in from other funds and interest earnings. Expenditures will be limited to transfers out to other funds to provide for the stabilization of operations under the following conditions:

A) If the total actual revenue of the City falls short of the total anticipated revenue in the general fund for the fiscal year in which the local government uses that money, and

   1. The revenue shortfall is the result of an economic event that could not be anticipated, and
   2. The resulting general fund balance will fall below 10% of the anticipated expenditures, or

B) To pay expenses incurred by the City to mitigate the effects of a natural disaster or act of terrorism.

At June 30, 2014, based on the requirements of GASB 54, the City's Fiscal Stabilization Special Revenue Fund did not meet the reporting requirements to be presented as a special revenue fund, and is, therefore, presented as part of the City's General Fund. However, the City budgeted this Fund as a Special Revenue Fund (see reconciliation at page 36).

1. Summary of significant accounting policies (continued)

H. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Proprietary funds operating and nonoperating revenues and expenses

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

2. Reconciliation of government-wide and fund financial statements

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

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains, "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of the $712,747,096 difference are as follows:

Bonds Payable	$543,891,115
Less: Original issue discount (to be amortized over the life of the bonds as interest expense and fiscal charges)	(3,306,014)
Add: Original issue premiums (to be amortized over the life of the bonds as interest income)	4,658,456
Less: Deferred charges on refunding (to be amortized as interest expense and fiscal charges)	(992,438)
Accrued interest payable	7,464,400
Arbitrage rebate payable	71,085
Las Vegas Metropolitan Police Department OPEB liability	29,903,754
Compensated absences	38,856,059
City OPEB liability	42,123,832
Heart Lung Presumptive liability	50,076,847
Net adjustment to reduce fund balance - total governmental funds	$712,747,096

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of the ($21,756,453) difference are as follows:

Capital outlay	$	90,334,267
Depreciation expense (Note 7)		(112,090,720)
Net adjustment to increase net changes in fund balance - total governmental	$	(21,756,453)

Another element of that reconciliation states that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of the $14,076,816 difference are as follows:

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	$	14,218,376
The statement of activities reports losses from the disposal or trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on the trade-in of capital assets.		(141,560)
Net adjustment to decrease net changes *in fund balance - total governmental funds to arrive at changes in net position - governmental activities.*	$	14,076,816

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this $24,069,932 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	$ (31,269,000)
Principal repayments:	
General obligation debt	51,098,932
Tax incremental debt	4,240,000
Net adjustment to decrease *net changes in fund balance total governmental funds* to arrive at *changes in net position - governmental activities*	$ 24,069,932

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

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

Another element of the reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this $60,116,773 difference are as follows:

City OPEB liability	$ (939,487)
Heart Lung Presumptive liability	(10,823,815)
Compensated absences	(1,219,043)
Las Vegas Metropolitan Police Department OPEB Liability	59,919,186
Accrued interest	145,059
Arbitrage rebate payable	(71,085)
Amortization of bond discounts	3,743,876
Amortization of bond premiums	934,111
Amortization of debt refunding	(326,096)
Net adjustment to decrease *net changes in fund balance – total governmental funds to arrive at changes in net position – governmental activities*	$ 51,362,706

Another element of the reconciliation states that some revenue reported in the statement of activities does not provide current financial resources and therefore is not reported as revenue in governmental funds. The details of this ($662,066) difference are as follows:

Deferred loan proceeds	$ (41,440)
Property tax revenue	(45,691)
Special assessments	(574,935)
Net adjustment to increase *net changes in fund balance - total governmental funds to arrive at changed in net position - governmental activities*	$ (662,066)

Another element of the reconciliation states that internal service funds are used by management to charge the costs of a variety of services: fleet, graphic reproduction, purchase and maintenance of computers, maintenance of radios and telephones, employee benefits, property damage, facilities maintenance and fire equipment acquisition to individual funds. The net revenue of certain activities of internal service funds is reported with government activities. The details of this ($9,493,562) difference are as follows:

Change in net position of the internal services funds	$ (9,669,180)
Gain from charges to business-type activities	175,618
Net adjustment to increase *net changes in fund balance - total governmental funds to arrive at changes in net position - governmental activities*	$ (9,493,562)

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

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

The proprietary fund statement of net position includes a reconciliation between *net position - total enterprise funds* and *net position of business-type* activities as reported in the government-wide statement of net position. The description of the sole element of that reconciliation is "Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds." The details of this ($1,077,597) difference are as follows:

Internal receivable representing charges in excess of cost to business-type activities - prior years	$ (901,979)
Internal receivable representing charges in excess of cost to business-type activities - current year	(175,618)
Net adjustment to decrease *net position - total enterprise funds to* arrive at	
Net position - business-type activities	$(1,077,597)

3. Pooled cash, cash equivalents and investments

As of June 30, 2014, the City had the following pooled cash, cash equivalents and investments:

Pooled cash and investments reconciled to government-wide financial statements:

Total cash equivalents and investments	$ 428,234,816
Add: Cash in checking accounts	44,815,601
	473,050,417
Less: Cash and cash equivalents in agency funds	(20,668,714)
Pooled cash, cash equivalents and investments - government-wide	$ 452,381,703

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

Type of Investments	Book Value	Fair Value	Total Value	Weighted-Average Maturity (Year)
U.S. Treasury	$	$ 85,230,027	$ 85,230,027	2.004
U.S. Agencies	26,971,608	90,910,655	117,882,263	1.900
Corporate Bonds		47,924,005	47,924,005	1.819
Commercial Paper				
Money Market Fund		110,874,140	110,874,140	0.003
NVEST Program:				
U.S. Treasury		1,291,831	1,291,831	0.997
U.S. Agencies		42,932,297	42,932,297	2.768
Asset Backed Securities				
Collateralized Mortgage Obligations		16,962,443	16,962,443	1.829
Money Market Fund		5,137,810	5,137,810	0.003
Total value	$ 26,971,608	$ 401,263,208	$ 428,234,816	
Portfolio weighted-average maturity				1.479

3. Pooled cash, cash equivalents and investments (continued)

		Investment Maturities				
Type of Investments	Amount	1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days to 5 Years	5 Years to 10 Years
U.S. Treasury	$ 85,230,027	$	$	$ 10,151,200	$ 75,078,827	$
U.S. Agencies	117,882,263		18,472,789	18,542,319	80,867,155	
Corporate Bonds	47,924,005	2,355,805		10,154,700	35,413,500	
Commercial Paper						
Money Market Fund	110,874,140	110,874,140				
NVEST Program:						
U.S. Treasury	1,291,831			1,291,831		
U.S. Agencies	42,932,297			1,268,230	38,904,933	2,759,134
Asset Backed Securities						
Collateralized	16,962,443			2,909,373	14,053,070	
Mortgage Obligation						
Money Market Fund	5,137,810	5,137,810				
Total Investments	$ 428,234,816	$118,367,755	$ 18,472,789	$44,317,653	$244,317,485	$ 2,759,134

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

Some of the U.S. agency investments have call options which, if exercised, could shorten the maturity of these investments. The asset-backed securities are backed by mortgages that are subject to prepayment risk which could also shorten the maturity of these investments.

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

As of June 30, 2014, more than 5% of the City's investments are in Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Morgan Stanley Institutional Money Market Fund and U.S. Treasuries. These investments are 11%, 20%, 11%, and 20% respectively, of the total investments.

As of June 30, 2014, the City was holding $250,000 par value security of Lehman Brothers Holdings in the Darling Foundation special revenue fund. Although rated as "A", Lehman Brothers filed for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code on September 18, 2008. During the current fiscal year, the value of the investment was written down by $3,597 to $49,375, which was the market value as determined by the City's investment custodian.

3. Pooled cash, cash equivalents and investments (continued)

				Rating as of Year End				
Type of Investments	Amount	Minimum Legal Rating	Exempt From Disclosure	AAA	AA	A	A-1/P-1	Not Rated
U.S. Treasury	$ 85,230,027	N/A	$ 85,230,027	$	$	$	$	$
U.S. Agencies	117,882,263	N/A			99,409,474			18,472,789
Corporate Bonds	45,617,575	A			40,517,000	5,051,200		49,375
Corporate Bonds-Cemetery	2,306,430	N/A						2,306,430
Commercial Paper		A-l/P-l						
Money Market Funds	110,874,140	AAA		110,874,140				
NVEST Program:								
U.S. Treasury	1,291,831	N/A	1,291,831					
U.S. Agencies	42,932,297	N/A		646,819				42,285,478
Collateralized Mortgage Obligations	16,962,443	AAA		16,962,443				
Money Market Fund	5,137,810	AAA		5,137,810				
Total Investments	$ 428,234,816		$ 86,521,858	$ 133,621,212	$ 139,926,474	$ 5,051,200		$ 63,114,072

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

Related Party Investment: The Sanitation Enterprise fund holds an investment in the Redevelopment Agency, which is a blended Component Unit of the City. The Redevelopment Agency Tax Increment Revenue Subordinate Lien Bond Series 2011 is due February 17, 2021. The investment is for $15,472,192. This investment is eliminated and reflected in the internal balances in the Statement of Net Position.

4. Property taxes

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

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

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

	2014	2013
General	0.6765	0.6765
Special	0.0950	0.0950
Total Tax	0.7715	0.7715

Amounts per $100 of assessed value

5. Intergovernmental receivables

The following schedule details the intergovernmental receivables as of June 30, 2014:

	Governmental Activities					Business-type Activities	
	Major Governmental Funds		Other Non-Major Governmental Funds	Internal Service Funds	Total	Enterprise Funds	Government Wide Total
	General Fund	Road and Flood					
495 Main Corporation	$ 4,001	$	$	$	$ 4,001	$	$ 4,001
City of Boulder	2,364				2,364		2,364
City of Henderson	2,075				2,075		2,075
City of North Las Vegas	1,003,569				1,003,569		1,003,569
Clark County	324,042		2,742,340	968,969	4,035,351		4,035,351
Clark County Regional Flood Control District		15,248,954			15,248,954	2,393,752	17,642,706
Clark County Regional Transportation Commission		5,516,449	412,493		5,928,942		5,928,942
College of Southern Nevada				8,750	8,750		8,750
Commission for the Las Vegas Centennial				45	45		45
Neon Museum				319	319		319
Nevada Department of Motor Vehicles			1,370,031		1,370,031		1,370,031
Nevada Dept of Transportation		419,774	1,089,164		1,508,938		1,508,938
Southern Nevada Health District			24,533		24,533		24,533
Southern Nevada Regional Housing Authority	154,367			104,620	258,987		258,987
Southern Nevada Water Authority						6,742,470	6,742,470
State of Nevada			4,105,403		4,105,403		4,105,403
U.S. Department of Commerce			40,091		40,091		40,091
U.S. Department of Housing and Urban Development			1,764,707		1,764,707		1,764,707
U.S. Department of Interior (Bureau of Land Management)			4,450,258		4,450,258		4,450,258
U.S. Marshals Service	883				883		883
	$ 1,491,301	$ 21,185,177	$ 15,999,020	$ 1,082,703	$ 39,758,201	$ 9,136,222	$ 48,894,423

Payments of intergovernmental receivables are expected to be received and available soon enough after year-end to finance expenditures of the year ended June 30, 2014. In addition, the City has resources available from the U.S. Department of Housing and Urban Development through the Community Development Block Grant Program totaling $2,759,337, the Housing Opportunities for Persons With AIDS totaling $407,832, HOME Investment Program totaling $3,619,931, Emergency Solutions Grant totaling $183,279 and Neighborhood Stabilization Program totaling $2,454,607, which are available to reimburse the City for qualifying expenditures.

6. Joint venture

A. Las Vegas Metropolitan Police Department (Metro)

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

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

	2014	2013
Assets	$ 34,850,746	$ 71,625,746
Liabilities	(20,451,275)	(31,585,965)
Deferred inflows	(1,893,726)	
Fund balance	$ 12,505,745	$ 40,039,781
Revenues	$ 275,306,818	$ 272,329,946
Expenditures	(501,431,063)	(489,613,998)
	(226,124,245)	(217,284,052)
Other financing sources	198,590,209	202,907,207
Change in fund balance	$ (27,534,036)	$ (14,376,845)
Political Subdivision Funding Percentage:		
Clark County	62.1%	62.2%
City of Las Vegas	37.9%	37.8%

7. Capital assets

Capital asset activity for the year ended June 30, 2014, was as follows:

Primary Government

	Balance June 30, 2013	Additions	Transfers	Deletions	Balance June 30, 2014
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 1,181,388,855	$ 1,574,029	$	$	$ 1,182,962,884
Construction in progress	267,029,287	48,708,028	(191,814,612)	(22,102)	123,900,601
Total capital assets, not being depreciated	1,448,418,142	50,282,057	(191,814,612)	(22,102)	1,306,863,485
Capital assets, being depreciated:					
Land improvements	400,684,539	13,838,968	84,766,627		499,290,134
Buildings	680,778,555	7,718,364	6,344,360		694,841,279
Building improvements	162,561,153	1,910,840	12,566,765		177,038,758
Machinery and equipment	52,016,170	465,388	166,168	(1,752,751)	50,894,975
Vehicles	68,821,225	5,079,518		(4,026,901)	69,873,842
Roadways	1,312,060,978	18,212,896	62,125,039		1,392,398,913
Traffic pavement markers	2,449,406	38,630			2,488,036
Traffic signals and lighting	180,842,769	2,608,376	1,027,414		184,478,559
Traffic signage	2,679,411	134,646	5,608		2,819,665
Storm drain	718,441,274	6,888,276	24,812,631		750,142,181
Total capital assets, being depreciated	3,581,335,480	56,895,902	191,814,612	(5,779,652)	3,824,266,342
Less accumulated depreciation for:					
Land improvements	(138,420,356)	(20,602,499)			(159,022,855)
Buildings	(87,501,313)	(17,016,499)			(104,517,812)
Building improvements	(49,347,930)	(7,879,152)			(57,227,082)
Machinery and equipment	(34,145,418)	(2,795,555)		1,632,729	(35,308,244)
Vehicles	(54,512,422)	(3,690,960)		4,008,615	(54,194,767)
Roadways	(611,730,180)	(41,551,836)			(653,282,016)
Traffic pavement markers	(2,072,008)	(218,622)			(2,290,630)
Traffic signals and lighting	(124,654,882)	(5,608,473)			(130,263,355)
Traffic signage	(1,200,648)	(242,121)			(1,442,769)
Storm drain	(146,208,923)	(14,584,395)			(160,793,318)
Total accumulated depreciation	(1,249,794,080)	(114,190,112)		5,641,344	(1,358,342,848)
Total capital assets, being depreciated, net	2,331,541,400	(57,294,210)	191,814,612	(138,308)	2,465,923,494
Governmental activities capital assets, net	$ 3,779,959,542	$ (7,012,153)	$	$ (160,410)	$ 3,772,786,979

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

Governmental activities:	
General government	$ 9,464,104
Judicial	12,174
Public safety	13,263,824
Public works	56,358,195
Health	45,279
Culture and recreation	31,603,485
Economic development	1,342,718
Transit systems	941
Sub Total	112,090,720
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets	2,099,392
Total depreciation expense-governmental activities	$ 114,190,112

7. Capital assets (continued)

	Balance June 30, 2013	Additions	Transfers	Deletions	Balance June 30, 2014
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 45,989,599	$	$	$ (42,647)	$ 45,946,952
Construction in progress	97,783,422	69,796,029	(70,015,061)		97,564,390
Total capital assets, not being depreciated	143,773,021	69,796,029	(70,015,061)	(42,647)	143,511,342
Capital assets, being depreciated:					
Land improvements	42,319,012				42,319,012
Sewer plant improvements	390,002,128	2,214,000	67,123,828		459,339,956
Buildings	22,007,587				22,007,587
Building improvements	3,944,920	68,000			4,012,920
Sewer lines	374,803,475	20,036,656	2,861,045		397,701,176
Machinery and equipment	3,924,959	90,101	30,188	(55,342)	3,989,906
Total capital assets, being depreciated	837,002,081	22,408,757	70,015,061	(55,342)	929,370,557
Less accumulated depreciation for:					
Land improvements	(10,707,860)	(2,004,238)			(12,712,098)
Sewer plant improvements	(221,843,182)	(15,413,179)			(237,256,361)
Buildings	(7,972,025)	(496,480)			(8,468,505)
Building improvements	(2,707,313)	(103,514)			(2,810,827)
Sewer lines	(100,228,644)	(7,634,302)			(107,862,946)
Machinery and equipment	(2,012,368)	(311,049)		55,302	(2,268,115)
Total accumulated depreciation	(345,471,392)	(25,962,762)		55,302	(371,378,852)
Total capital assets, being depreciated, net	491,530,689	(3,554,005)	70,015,061	(40)	557,991,705
Business-type activities capital assets, net	$ 635,303,710	$ 66,242,024	$	$ (42,687)	$ 701,503,047

Business-type activities:	
Sanitation	$ 25,068,256
Municipal Parking	149,734
Municipal Golf Course	743,682
Building and Safety	1,090
Total depreciation expenses business-type activities	$ 25,962,762

7. Capital assets (continued)

Construction Commitments

The City of Las Vegas has active construction projects as of June 30, 2014. The projects include buildings, building improvements, land improvements (associated with various parks), machinery and equipment (mainly associated with upgrades to our technology in progress), roadways, storm sewers (widening, construction of new and existing streets and detention basin and drainage facilities), traffic signals and streetlights in progress. The City is also in the process of constructing sewer plant improvements and sanitary sewer lines. At year end, the City commitments with contractors are as follows:

Projects - Governmental funds	Spent to date	Remaining Commitment
Buildings	$ 5,856,437	$ 1,522,226
Building improvements	1,076,230	3,060,344
Land improvements	11,517,082	7,004,348
Machinery and equipment	2,024,958	1,837,951
Roadways	62,867,291	27,868,656
Vehicles	1,704,335	
Storm drains	35,472,874	33,941,137
Traffic signals, lighting, signs and markers	5,085,730	3,747,802
	$ 125,604,937	$ 78,982,464
Projects - Proprietary funds		
Buildings	$ 7,760	$ 101,073
Building Improvements	51,203	
Land Improvements	700,821	821,729
Machinery and equipment	159,806	445,704
Sanitation plant improvements	59,700,976	32,872,934
Sanitation sewer lines	36,943,825	18,125,063
	$ 97,564,391	$ 52,366,503

The major financing for roadways and storm sewer projects includes reimbursements from the Regional Transportation Commission of Southern Nevada (RTC), Clark County, Clark County Regional Flood Control District, Nevada Department of Transportation, Motor Vehicle Fuel Tax, special assessments, and bond issuances. Sanitation sewer lines and sanitation plant improvements are financed by sewer revenues. Reimbursements from federal (i.e., SNPLMA) and local governments (i.e., RTC) and bond proceeds finance solar energy project in the General Capital Projects Fund, building and land improvements, mainly in the Parks and leisure activities and City facilities capital projects funds.

8. Defined benefit pension plan

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

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

Members of the JRS system who retire at age 65 with 5 years of service; at 60 with 10 years of service, or at any age with 30 or more years of service are entitled to a retirement benefit payable monthly for life. For each year of service in the JRS earned after July 1, 2005, retirees receive benefits equal to 3.4% of average compensation. For PERS' transferred service, retirees receive 2.5% for each year of service prior to July 1, 2001, and 2.67% for each year completed after July 1, 2001. The maximum accrual is 75 percent for all service. Average compensation is the average of an employee's 36 consecutive months of highest compensation.

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

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

	Contribution Rate			
Fiscal Year	Judicial Members	Regular Members	Police/Fire Public Safety Employees	Total Contributions
2014	15.25%	25.75%	40.50%	$ 59,192,694
2013	21.75%	23.75%	39.75%	54,912,520
2012	21.75%	23.75%	39.75%	57,272,765

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

9. Lease commitments

A. The City (lessor) leases various buildings and a cemetery under non-cancelable operating leases. The major asset class and accumulated depreciation at June 30, 2014 are as follows:

	Cost	Accumulated Depreciation	Net Book Value
Woodlawn Cemetery			
Land	$ 23,810	$	$ 23,810
Building and improvements	1,244,838	1,190,901	53,937
	1,268,648	1,190,901	77,747
Atrium Building			
Land	2,600,000		2,600,000
Building and improvements	35,239,954	3,886,933	31,353,021
	37,839,954	3,886,933	33,953,021
Carson Parking Garage			
Land	1,457,500		1,457,500
Building and improvements	1,322,202	1,322,202	
	2,779,702	1,322,202	1,457,500
Ogden Parking Garage			
Land	783,583		783,583
Building and improvements	1,370,642	1,370,642	
	2,154,225	1,370,642	783,583
	$ 44,042,529	$ 7,770,678	$ 36,271,851

1. Woodlawn Cemetery

On May 19, 2000, the City (lessor) entered into a systems lease agreement with a private company to manage and operate Woodlawn Cemetery. The initial term of the agreement was for 10 years, which expired on May 13, 2010. The City agreed to two of three five-year renewal options beginning on May 14, 2010 and expiring on May 13, 2020. The following is a schedule of future rental income for the years ending June 30:

Year Ended June 30	Amount
2015	$ 69,143
2016	69,143
2017	69,143
2018	69,143
2019	69,143
2020	60,051

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

9. Lease commitments (continued)

2. Ogden and Carson Parking Garages:

The City (lessor) leases two off-street parking garages in the downtown area to private companies on a long-term basis. The agreements require monthly payments. The leases run for 50 years from their inception and rental rates are subject to change at five-year intervals based on changes in the consumer price index. The Ogden lease has been renegotiated and will be extended to 2058.

The following is a schedule of future rental income for the years ending June 30:

Year Ended June 30	Amount	Year Ended June 30	Amount
2015	$ 1,051,741	2020-2023	$ 6,098,000
2016	1,124,721	2024-2028	6,170,985
2017	1,124,721	2029-2033	6,170,985
2018	1,124,721	2034-2038	6,170,985
2019	1,124,721	2039-2043	6,170,985
		2044-2048	5,999,936
		2049-2053	2,750,000
		2054-2058	2,200,000

3. Atrium Building:

The City (lessor) owns an office building and leases office space and areas on the roof for cell towers. The lease terms vary in length from two to fifteen years and the rental income is adjusted annually based on various percentages.

The following is a schedule of future rental income for the year ended June 30:

Year Ended June 30	Amount
2015	$ 298,251
2016	277,750
2017	121,500
2018	79,755
2019	38,759

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

A. Defeasance of debt

In May 2006, the City issued $50,745,000 in general obligation tax exempt various purpose bonds series 2006B. Of the proceeds, $21,745,000 was used to defease $20,905,000 of then outstanding general obligation parking bonds series 2002A. The bonds were defeased to take advantage of lower interest rates in order to achieve a debt service savings. The outstanding balance on the defeased 2002A general obligation parking bonds was $20,905,000 at June 30, 2013. The 2002A bonds were called and paid in full on December 3, 2013. Accordingly, at June 30, 2014, there is no outstanding balance in defeased debt.

B. Changes in long-term obligations

	Original Issue	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Governmental Activities:						
Bonds payable:						
General obligation Revenue Bonds:						
Variable rate general obligation various purpose refunding Bonds Series 2013, due 06/01/2036	$ 30,025,000	$	$ 30,025,000	$ (725,000)	$ 29,300,000	$ 760,000
Variable rate general obligation various purpose Bonds Series 2006C, due 6/1/2036	32,000,000	30,025,000		(30,025,000)		
3.0% to 5.0% Various purpose general obligation Refunding Bonds Series 2005B, due 06/01/2018	21,295,000	11,805,000		(2,130,000)	9,675,000	2,245,000
5.625% to 5.90% Taxable various purpose general obligation Bonds Series 2006A, due 05/01/2024	18,000,000	13,335,000		(945,000)	12,390,000	1,005,000
4.0% to 5.0% Various purpose general obligation Bonds Series 2006B, due 05/01/2036	50,745,000	50,745,000		(1,165,000)	49,580,000	1,215,000
5.0% to 7.0% General Obligation Performing Arts Center Bonds Series 2009, due 04/01/2039	101,220,000	98,025,000		(1,720,000)	96,305,000	1,810,000
2.0% General Obligation Fremont Street Experience refunding bonds Series 2012C, due on 07/01/2015	4,020,000	4,020,000		(1,285,000)	2,735,000	1,340,000
		207,955,000	30,025,000	(37,995,000)	199,985,000	8,375,000

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

B. Changes in long-term obligations (continued)

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

	Original Issue	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Governmental Activities (continued)						
General Obligation Medium-Term Bonds:						
2.0% to 3.6% Recreation General Obligation medium-term Bonds Series 2003, due 11/01/2013	$ 20,000,000	$ 2,330,000	$	$ (2,330,000)	$	$
2.5% to 5.00% General Obligation medium-term Bonds Series 2011A, due 12/01/2021	27,590,000	25,280,000		(2,405,000)	22,875,000	2,525,000
2.5% to 3.5% General Obligation medium-term Bonds Series 2011B, due 12/01/2019	3,545,000	3,145,000		(410,000)	2,735,000	425,000
2.0% to 3.0% General Obligation medium-term Bonds Series 2012A, due 05/01/2022	8,115,000	7,375,000		(755,000)	6,620,000	770,000
3.0% to 4.0% Recreation General Obligation medium-term Bonds Series 2004C, due 10/01/2014	20,000,000	4,505,000		(2,210,000)	2,295,000	2,295,000
4.0% to 4.25% Neighborhood Services General Obligation medium-term Bond Series 2007, due 11/01/2017	12,500,000	6,880,000		(1,265,000)	5,615,000	1,320,000
4.0% to 4.25% Fire Safety General Obligation medium-term Bond Series 2007, due 11/01/2017	10,000,000	5,495,000		(1,015,000)	4,480,000	1,055,000
2.0% to 4.0% General Obligation medium-term Main Street Parking Garage Bonds Series 2009, due 10/01/2019	15,000,000	12,015,000		(1,545,000)	10,470,000	1,595,000
		67,025,000		(11,935,000)	55,090,000	9,985,000
Certificates of Participation (COPs):						
Certificates of Participation 4.0% to 5.0% Tax exempt Certificates of Participation (City Hall Project) Series 2009A, due 09/01/2019	13,770,000	13,770,000			13,770,000	15,000
6.084% to 7.8% Taxable Certificates of Participation (City Hall Project) Series 2009B, due 09/01/2039	174,500,000	174,500,000			174,500,000	
		188,270,000			188,270,000	15,000
Installment Purchase:						
6.07% Installment Purchase Clean Renewable Energy Bonds Series 2011, due 05/01/2026	4,974,400	4,408,999		(291,387)	4,117,612	298,643
6.07% Installment Purchase Qualified Energy Conservation Bonds Series 2011, due 05/01/2026	5,874,300	5,206,614		(344,101)	4,862,513	352,669
		9,615,613		(635,488)	8,980,125	651,312

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

B. Changes in long-term obligations (continued)

	Original Issue	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Governmental Activities (continued)						
Revenue Bonds:						
3.0% Energy Conservation Revenue Bonds Series 2014 due 07/30/2028	$ 251,000	$	$ 251,000	$	$ 251,000	$ 7,280
3.0% Energy Conservation Revenue Bonds Series 2014 due 07/30/2028	463,400		463,400		463,400	13,439
3.0% Energy Conservation Revenue Bonds Series 2014 due 07/30/2028	529,600		529,600		529,600	15,359
			1,244,000		1,244,000	36,078
General Obligation Tax IncrementRevenue Bonds:						
3.00% to 5.00% Redevelopment Agency tax increment Revenue Refunding Bonds Series 2003A, due 06/15/2014	19,115,000	3,970,000		(3,970,000)		
3.00% to 4.50% Redevelopment Agency tax increment Refunding Bonds Series 2003B, due 06/15/2014	2,395,000	270,000		(270,000)		
6.0% to 8.0% Redevelopment Agency Tax Increment Revenue Bonds Series 2009A, due 06/15/2030	85,000,000	85,000,000			85,000,000	3,035,000
		89,240,000		(4,240,000)	85,000,000	3,035,000
Special Assessment Improvement Bonds:						
4.26% Special Assessment local improvement Bonds, due 06/01/2014	452,000	45,000		(45,000)		
4.126% Special Assessment local improvement Bonds, due 12/01/2016	444,000	66,000		(16,000)	50,000	16,000
3.625% to 5.00% Special Assessment local improvement Bonds Series 2003, due 12/01/2022	4,245,000	1,525,000		(125,000)	1,400,000	125,000
3.25 to 4.875% Special Assessment local improvement Bonds, due 06/01/2024	1,975,000	895,000		(90,000)	805,000	85,000
4.04% Special Assessment local improvement Bonds, due 12/01/2015	818,000	242,000		(94,000)	148,000	93,000
4.320% Special Assessment local improvement Bonds, due 06/01/2027	1,724,000	1,354,000		(72,000)	1,282,000	75,000

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

B. Changes in long-term obligations (continued)

	Original Issue	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Governmental Activities (continued)						
4.526% Special Assessment local improvement Bonds due, 06/01/2017	$ 320,000	$ 99,000	$	$ (24,000)	$ 75,000	$ 24,000
4.65% Special Assessment local improvement Bonds, due 06/01/2032	1,777,852	1,629,434		(67,444)	1,561,990	60,115
		5,855,434		(533,444)	5,321,990	478,115
Bonds payable subtotal		567,961,047	31,269,000	(55,338,932)	543,891,115	22,575,505
Deferred amounts						
Add: Issuance premiums		5,592,568		(934,112)	4,658,456	781,695
Less: Issuance discounts		437,861		(3,743,875)	(3,306,014)	(210,653)
		573,991,476	31,269,000	(60,016,919)	545,243,557	23,146,547
Compensated absences		40,261,721	25,465,024	(24,037,123)	41,689,622	27,014,875
Heart lung presumptive liability (Note 16D)		44,771,146	12,476,652		57,247,798	
Government activity long-term liabilities		$ 659,024,343	$ 69,210,676	$ (84,054,042)	$ 644,180,977	$ 50,161,422

Variable rate debt. In July 2013, the City issued $30,025,000 of General Obligation (limited tax) Adjustable Rate Various Purpose Refunding Bonds Series 2013 to refund the August 2006 outstanding $30,025,000 General Obligation Adjusted Rate Various Purpose Bonds Series 2006C, which bore interest at a variable rate. Pursuant to the bond ordinance, the new bonds have their interest rate determined on a daily basis. This daily rate is determined by the remarketing agent (Merrill Lynch), under the then existing market conditions, that would result in the sale of the bonds at a price equal to the principal amount, thereof, plus interest, if any accrued through the current date.

The interest requirements for the variable rate debt was computed using the maximum allowable rate effective at June 30, 2014.

Compensated absences. Included in the City's governmental long-term obligations is $41,689,622 of accrued compensated absences, of which $38,451,268 relates to the General fund, $2,833,563 to the Internal Service funds, $391,923 to the Special Revenue funds and $12,868 to the Capital Project funds.

Bond covenants. For the Fremont Street Experience general obligation revenue bonds, the City is required to maintain a reserve fund in the amount of $400,000. At June 30, 2014, the reserve is $400,000. For the Redevelopment Agency Tax Increment Revenue Bonds Series 2009A the Agency (a blended component unit) is required to maintain a reserve fund in the amount of $8,500,000. This amount at year end was $8,500,273 and was invested with a trustee bank.

Special Assessment Debt. Special assessment local improvement bonds are unique obligations of the City, payable primarily from the assessments levied in each district, and secondly from pledged and general fund revenues. The special assessment receivable balance at June 30, 2014, is $6,099,766.

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

C. Changes in long-term obligations – business type activities

	Original Issue	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Business-type Activities						
Major Funds:						
Bonds payable:						
Sanitation:						
General obligation revenue bonds:						
3.0 to 4.0% Sewer general obligation Refunding Bonds Series 2004, due 11/01/2017	$ 21,050,000	$ $12,530,000	$	$ (2,310,000)	$ 10,220,000	$ 2,405,000
4.0 to 5.0% Sanitary Sewer general obligation Refunding Bonds Series 2006A, due 04/01/2021	31,920,000	26,600,000		(2,820,000)	23,780,000	2,935,000
		39,130,000		(5,130,000)	34,000,000	5,340,000
Business- type Activities						
Non-Major Funds:						
2.0% to 3.25% Golf Course refunding general obligation Revenue Bonds Series 2012B, due 06/01/2022	8,230,000	7,505,000		(755,000)	6,750,000	775,000
		46,635,000		(5,885,000)	40,750,000	6,115,000
Deferred amounts:						
Add: Issuance Premiums		758,679		(99,473)	659,206	99,473
		47,393,679		(5,984,473)	41,409,206	6,214,473
Compensated absences		5,124,664	2,996,924	(3,189,317)	4,932,271	3,196,112
Business-type activity long-term liabilities		$ 52,518,343	$ 2,996,924	$ (9,173,790)	$ 46,341,477	$ 9,410,585

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

C. Changes in long-term obligations – business type activities (continued)

The nonprofit corporations have interfund loans payable to the Municipal Parking enterprise fund for $2,781,449, the General Fund for $12,378,562 and Redevelopment Agency Special Revenue fund for $25,000.

Interfund loans payable of $2,781,449 between the Non-Profit Corporations and the Municipal Parking Fund were eliminated in the Government-wide Statement of Net Assets. The interfund loans payable to the Industrial Development Special Revenue fund and Redevelopment Agency Special Revenue fund are reflected in the internal balances in the Statement of Net Position.

Interfund 3.0% Redevelopment Agency Tax Increment Revenue Subordinate Lien Bond Series 2011 due February 17, 2021, for $15,472,192 payable between the Redevelopment Agency and the Sanitation Enterprise fund was eliminated and was reflected in the internal balances in the Statement of Net Position.

D. Payment requirements for debt service

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

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

	General Obligation Revenue Bonds		General Obligation Medium-Term Bonds		LVRA Tax Increment Revenue Bonds		Special Assessment Local Improvement Bonds	
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	$ 8,375,000	$ 12,755,048	$ 9,985,000	$ 1,708,773	$ 3,035,000	$ 6,434,088	$ 478,115	$ 238,151
2016	8,775,000	12,319,566	7,950,000	1,395,685	3,215,000	6,251,988	457,910	217,757
2017	7,760,000	11,875,423	8,225,000	1,128,261	3,415,000	6,051,050	410,836	198,649
2018	8,185,000	11,391,385	8,535,000	816,868	3,640,000	5,829,075	388,897	180,349
2019	5,905,000	10,878,055	6,070,000	543,476	3,885,000	5,583,375	391,101	162,488
2020-2024	33,870,000	48,232,646	14,325,000	603,319	24,045,000	23,291,100	1,978,022	526,739
2025-2029	35,285,000	37,433,142			35,000,000	12,336,600	858,661	186,463
2030-2034	49,440,000	23,782,450			8,765,000	701,200	358,448	33,860
2035-2039	42,390,000	7,127,000						
2040								
Total	$ 199,985,000	$ 175,794,715	$ 55,090,000	$ 6,196,382	$ 85,000,000	$ 66,478,476	$ 5,321,990	$ 1,744,456

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES (continued)

	Certificates of Partcipation Bonds		Installment Purchase		Revenue	
June 30	Principal	Interest	Principal	Interest	Principal	Interest
2015	$ 15,000	$ 13,882,361	$ 651,312	$ 545,093	$ 36,077	$ 18,660
2016	15,000	13,881,761	667,529	505,559	73,786	35,689
2017	4,295,000	13,774,086	684,150	465,040	76,017	33,458
2018	4,505,000	13,554,086	701,186	423,512	78,314	31,161
2019	4,735,000	13,323,086	718,646	380,950	80,681	28,794
2020-2024	27,230,000	61,871,052	3,870,721	1,228,289	441,493	105,882
2025-2029	34,200,000	51,023,191	1,686,581	154,193	457,632	35,005
2030-2034	43,865,000	35,964,015				
2035-2039	56,345,000	16,522,545				
2040	13,065,000	509,535				
Total	$ 188,270,000	$ 234,305,718	$ 8,980,125	$ 3,702,636	$ 1,244,000	$ 288,649

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

D. Payment requirements for debt service (continued)

	GOVERNMENTAL ACTIVITIES TOTAL BONDS		BUSINESS-TYPE ACTIVITIES TOTAL BONDS	
June 30	Principal	Interest	Principal	Interest
2015	22,575,504	35,582,174	6,115,000	1,616,425
2016	21,154,225	34,608,005	6,370,000	1,356,075
2017	24,866,003	33,525,967	6,640,000	1,084,275
2018	26,033,397	32,226,436	6,940,000	800,275
2019	21,785,428	30,900,224	4,410,000	559,625
2020-2024	105,760,236	135,859,027	10,275,000	639,057
2025-2029	107,487,874	101,167,594		
2030-2034	102,428,448	60,481,525		
2035-2039	98,735,000	23,649,545		
2040	13,065,000	509,535		
Total	$ 543,891,115	$ 488,510,032	$ 40,750,000	$ 6,055,732

E. Pledged Revenues

The City has pledged certain revenues for the payment of debt principal and interest. The following revenues were pledged as of June 30, 2014.

1. General Obligation Consolidated Tax Supported Bonds

These bonds are secured by a pledge of up to 15% of the consolidated taxes allocable to the City. These bonds also constitute direct and general obligations of the City, and the full faith and credit of the City is pledged for the payment of principal and interest. The following debt issuances are consolidated tax supported.

Bonds Issued	Maturity (Length of Pledge)
Various Purpose Refunding Bonds Series 2005B	06/01/2018
Various Purpose Refunding Bonds Series 2006A	05/01/2024
Various Purpose Series 2006B	05/01/2036
Adjustable Rate Various Purpose Refunding Bonds Series 2013	06/01/2036
Fremont Street Experience 2012C	07/01/2025

2. General Obligation Medium-Term Supported Bonds

These bonds are secured by a pledge of general fund revenues (primarily consolidated and property taxes). These bonds constitute direct and general obligations of the City, and the full faith and credit of the City is pledged for the payment of principal and interest. The ad valorem tax levy available to pay on the bonds is limited to the City's maximum operating levy.

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

E. Pledged Revenues (continued)

2. General Obligation Medium-Term Supported Bonds (continued)

Bonds Issued	Maturity (Length of Pledge)
Medium Term Recreation Bonds Series 2004C	10/01/2014
Medium Term Cultural/Stupak Community Center 2007	11/01/2017
Medium Term Public Safety Bonds 2007	11/01/2017
Medium Term Main Street Parking Garage Series 2009	10/01/2019
Medium Term Various Purpose Bonds Series 2011A	12/01/2021
Medium Term Various Purpose Bonds Series 2011B (taxable)	12/01/2019
Medium Term Bonds Series 2012 A (F Street)	05/01/2022

3. Downtown Room Tax Revenue Supported Bonds

The Fremont Street Experience Refunding Bond Series 2012C bonds with a maturity date of July 1, 2015, are secured from the proceeds derived from a one and two percent tax on the gross receipts from the rental of transient lodging within the specific boundaries in the City. The Downtown Room Tax proceeds are limited to receipts from the 1% (2% in the case of properties that front Fremont Street) tax imposed on hotels with 75 or more rooms located in a specified area.

4. General Obligation Sanitation and Flood Control Supported Bonds

These bonds are general obligation bonds additionally secured by an irrevocable pledge of the net revenue received by the City in connection with the ownership and operation of the City's sewer system. Pledged revenues consist of all fees, rates and other charges for the use of the sewer system remaining after deduction of operation and maintenance expenses is the sewer system.

The City covenants in its bond ordinances to fix and collect rates and other charges for the services or commodities pertaining to the utility system in amounts sufficient to pay the operation and maintenance expenses of the sewer system and any debt service of its outstanding sewer bonds.

Bonds Issued	Maturity (Length of Pledge)
Sewer Refunding Bonds Series 2004	11/01/2017
Sewer Refunding Bonds Series 2006A	04/01/2021

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

E. Pledged Revenues (continued)

5. General Obligation Golf Course Supported Bonds

The Golf Course Refunding Bonds Series 2012B bonds are secured by a pledge of revenue derived from the operation and use of the City's Durango Hills Golf Course.

The City covenants in its bond ordnance to set rates and charges for the use of the golf course at a sufficient level to produce gross revenues, which together with any other monies available therefore, will be sufficient to pay the operation and maintenance expenses of the golf course and 100% of debt service on the Golf Course Bonds in each year.

Bond Issued	Maturity (Length of Pledge)
Golf Course Refunding Bonds Series 2012B	06/01/2022

6. General Obligation Performing Arts Center Supported Bonds

The General Obligation Performing Arts Center Supported Bonds (Series 2009) revenue bonds are secured by a pledge of revenues defined in the bond ordinance as the "Pledged Rental Car Fees," as that term is defined in the Second Amended and Restated Interlocal Agreement Regarding the Distribution of Taxes for a Performing Arts Center dates as of April 1, 2008, between the City and Clark County (the "Interlocal Agreement").

The Interlocal Agreement defines "Rental Car Fee" as a fee imposed by Clark County ("the County") upon the lease of a passenger car by a short-term lessor in the County in the amount of not more than 2% of the total amount for which the passenger was leased, excluding any taxes or other fees imposed by a governmental entity.

The County imposed the Rental Car Fee in the amount of 2% pursuant to NRS 244A.860 and Sections 4.28.020 through 4.28.050 of the County Code (the "Rental Car Fee Ordinance"), effective July 1, 2005. The "Pledged Rental Car Fees" are amounts remaining after (i) a required distribution by the County of the initial $3 million of Rental Car Fee proceeds were distributed to the Culinary and Hospitality Academy of Las Vegas (the "Culinary Academy") for the planning, design and construction of a facility for vocational training in southern Nevada; and (ii) the reimbursement of the State Department of Taxation for its expense in collecting and administering the Rental Car Fee. The required distribution to the Culinary Academy has been made.

Bonds Issued	Maturity (Length of Pledge)
General Obligation Performing Arts Center Supported Bonds Series 2009	04/01/2039

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

E. Pledged Revenues (continued)

7. General Obligation Special Assessment Bonds

Special Assessment Bonds are secured by property assessments within the individual districts.

Bonds Issued	Maturity (Length of Pledge)
Special Assessment Bonds 1507	06/01/2032
Special Assessment Bonds 1463, 1470, 1471	12/01/2022
Special Assessment Bonds 1481	06/01/2024
Special Assessments Bank Loan 1487 and 1503	12/01/2015
Special Assessment Bonds 1506	06/01/2027
Special Assessment Bank Loan 1493	12/01/2016
Special Assessment Bonds 1490	06/01/2017

8. Certificates of Participation (COPS)

The City is using an Installment Purchase to finance the new City Hall project. Certificates of Participation (COPS) were sold to investors as Build America Bonds under the American Recovery and Reinvestment Act,which means the effective interest rate, after federal rebates, is about 5.2 percent. The bonds are supported by consolidated tax revenue, with a potential secondary payment support from the Redevelopment Agency tax increment revenue via an Interlocal Agreement between the City and the Agency. Through the Interlocal Agreement, the Agency has agreed to consider using future increment revenue (to the extent revenue is available) to make a partial payment toward the COPS payment.

Bonds Issued	Maturity (Length of Pledge)
COPS Tax Exempt City Hall Project Series 2009A	09/01/2019
COPS Taxable City Hall Project Series 2009B (Direct Pay Build America Bonds)	09/01/2039

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

E. Pledged Revenues (continued)

9. General Obligation Tax Increment Revenue Supported Bonds

The bonds are supported by pledged property tax revenues from the property located within the Redevelopment Agency.

Bonds Issued	Maturity (Length of Pledge)
Redevelopment Agency Tax Increment Revenue Refunding Bonds Series 2009A	06/15/2030

10. Installment Purchase Agreements

The American Recovery and Reinvestment Act of 2009 (ARRA) provided the City with low-cost financing to fund energy conservation and renewable energy projects. The City was designated by the U.S. Department of the Treasury to receive an allocation of Qualified Energy Conservation Bonds (QECB) and New Clean Renewable Energy Bonds (NCREB) to finance energy projects. The Treasury provided a subsidy of approximately 70% (based on a formula) of the amount of interest due on QECB and NCREB bonds. The bonds will be used on lighting improvements to outdoor streetlights and energy conservation retrofits to city buildings and solar panel installations at various city facilities, which are expected to reduce utility costs generating savings sufficient to repay the debt service on the Agreements.

Bonds Issued	Maturity (Length of Pledge)
Taxable Direct Pay Qualified Energy Conservations Bonds	05/01/2026
Taxable Direct Pay New Clean Renewable Energy Bonds	05/01/2026

11. Revenue Bonds

The City received funds from the State of Nevada. The bonds were from the State's Renewable Energy, Energy Efficiency and Energy Conservation loan funding. The Bonds are authorized to defray in part the cost to acquire, improve and equip building projects as defined in NRS 268.676, including without limitation, the prepayment of solar energy electricity for city buildings under the authority of, and in full conformity with, the constitution and laws of the State of Nevada. The City does not pledge its full faith and credit for the payment of the bonds. The Bonds are a special obligation of the City, payable and collectible solely out of and secured by the City's consolidated tax.

Bonds Issued	Maturity (Length of Pledge)
Revenue Bond Series 2014	07/30/2028
Revenue Bond Series 2014	07/30/2028
Revenue Bond Series 2014	07/30/2028

11. Developer special assessment debt

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

As of June 30, 2014, the City had released approximately $45.1 million of the construction funds for improvements, which included $5.4 million of interest income used. The outstanding balance on the bonds was $3,825,000 at June 30, 2014.

In February 2001, the City created Special Improvement District No. 808 for the Summerlin development area. In May 2001, the City issued $46 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2014, the City has released $39.9 million of the construction funds, which includes $3.1 million of interest income used. The outstanding balance on the bonds payable was $12,270,000 at June 30, 2014.

In May 2003, the City created Special Improvement District No. 809 for the Summerlin development area. In June 2003, the City issued $10 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping),together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2014, the City has released $10.5 million of the construction funds, which includes $798,000 in interest income used. The outstanding balance on the bonds payable was $4,950,000 at June 30, 2014.

In May 2004, the City created Special Improvement District No. 607 for the Providence development area. On June 3, 2004, the City issued $51,185,000 in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as the agent for the property owners in collecting the assessments and forwarding the collection to the bond holders. These transactions are accounted for in an agency fund. The Providence project consists of the acquisition of certain improvements developed by Cliffs Edge, LLC. These improvements, which are accounted for in a capital projects fund, include street, water, sewer, storm drainage and other improvements. The outstanding balance on the bonds payable was $27,580,000 at June 30, 2014.

In July 2007, the City created Special Improvement District No. 810 for the Summerlin development area. In September2007, the City issued $23.6 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2014, the City has released $4.2 million of the construction funds $8.1 million for refunding of District No. 808, and $4.4 million for bond costs and reserves. The outstanding balance on the bonds payable was $20,015,000 at June 30, 2014.

12. Unearned Revenues and deferred inflows of resources

The following schedule details unearned revenues at June 30, 2014 and the reasons for each:

	Major Governmental Funds		Nonmajor Governmental Funds					Uearned Revenue		
	General Fund	City of Las Vegas Redevelopment Agency	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Governmental Funds	Adjustments	Governmental Activities	Business-type Activities	Total Primary Government
Deferred inflows:										
Property taxes	$ 1,537,324	$	$ 233,542	$ 497,660	$	$ 2,268,526	$ (2,268,526)	$	$	$
Record sale of Old City Hall	15,000,000					15,000,000	(15,000,000)			
Special assessments					6,051,100	6,051,100	(6,051,100)			
Fremont Experience loan		5,703,391				5,703,391	(5,703,391)			
5th Street School loan		9,521,264				9,521,264	(9,521,264)			
Unearned revenue:										
Prepaid tuitions	656,216					656,216		656,216		656,216
Prepaid law enforcement programs			109,469			109,469		109,469		109,469
Prepaid SNPLM grant funding					3,917	3,917		3,917		3,917
Gift certificates									4,147	4,147
Prepaid parking garage rental									564,125	564,125
Prepaid building permits									1,304,378	1,304,378
	$ 17,193,540	$ 15,224,655	$ 343,011	$ 497,660	$ 6,055,017	$ 39,313,883	$ (38,544,281)	$ 769,602	$ 1,872,650	$ 2,642,252

13. Encumbrances / Commitments

Encumbrances:

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

The following schedule details encumbrances outstanding for the year ended June 30, 2014:

General Fund	$ 1,202,299
Special Revenue Funds	7,816,892
Capital Projects Funds	81,527,289
	$ 90,546,480

Commitments:

In October 1998, the City and Clark County entered into the Regional Justice Center Financing Agreement. The County has constructed a Regional Justice Center (RJC) for the Eighth Judicial District Court of the State of Nevada, Las Vegas Justice Court, and the Municipal Court of the City. In exchange for leasing a portion of the RJC, the City agreed to pay 25% of the project cost limited to a maximum of $29,000,000. On March 1, 1999, on behalf of the City, the County issued the $29,000,000 of Clark County, Nevada General Obligation (Limited Tax) Public Facilities Bonds (Additionally Secured by Interlocal Agreement Pledged Revenues) Series 1999C. Pursuant to the financing agreement, the City makes semi-annual payments to the County on December 1 and June 1, which are in-substance rent. For the year ended June 30, 2014, the City made $1,994,040 of in-substance lease payments per the agreement.

The County issued public safety bonds for the purpose of financing all or a portion of the cost of acquiring, constructing, improving, and equipping a police training academy and four area command substations for the Las Vegas Metropolitan Police Department. In March 2000, the City and Clark County entered into an interlocal financing agreement which requires the City to make semi-annual payments to the County to fund a portion of the outstanding balance of the public safety bonds ($6.4 million at June 30, 2014). The City's annual financial commitment varies based on the City's apportionment of the funding formula approved by the City and the County pursuant to NRS 280.190 (4) for the fiscal year in which such debt service payment is due and payable. For the year ended June 30, 2014, the City made $658,235 in payments.

14. Interfund transactions

A. Due to/from other funds

The following schedule details the amounts due from/to other funds at June 30, 2014:

Receivable Fund	Payable Fund	Amount
Non-major governmental	Non-major governmental	$ 154,671
Internal service	Redevelopment Agency	220,283
Total		$ 374,954

14. Interfund transactions (continued)

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

B. Interfund transfers

Interfund transfers are legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. Transfers between fund types during the year ended June 30, 2014, were as follows:

		TRANSFERS OUT						
	TRANSFERS IN	General Fund	Redevelopment Agency	Road and Flood	Non-Major Governmental	Non-Profit Corps	Non-Major Proprietary	Internal Service
General Fund	$ 9,387,721	$	$	$	$ 9,387,721	$	$	$
Redevelopment Agency	2,079,000	2,000,000				79,000		
Road and Flood	4,892,327				4,892,327			
Non-Major Governmental	68,605,945	17,365,567	986,500	550,000	43,849,297	1,000,000	2,454,275	2,400,306
Non-Major Proprietary	2,529,616	1,200,000			1,329,616			
Internal Service	33,243				33,243			
Total	$ 87,527,852	$ 20,565,567	$ 986,500	$ 550,000	$ 59,492,204	$ 1,079,000	$ 2,454,275	$ 2,400,306

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

15. Segment information

In a prior fiscal year, the City issued general obligation revenue bonds to finance construction of a golf course. Summary financial information for the Municipal Golf Course Enterprise Fund as of and for the years ending June 30, 2014 and 2013 is presented below.

CONDENSED STATEMENT OF NET ASSETS

	2014	2013
Assets:		
Current assets	$ 910,863	$ 1,064,075
Capital assets, net of accumulated depreciation	8,584,183	9,327,865
Total Assets	9,495,046	10,391,940
Liabilities:		
Current liabilities	803,682	1,295,386
Noncurrent liabilities	6,036,834	6,818,168
Total Liabilities	6,840,516	8,113,554
Deferred inflows of resources:		
Deferred credits on refunding	7,448	8,379
Net assets:		
Net investment in capital assets	1,768,255	1,748,696
Unrestricted	878,827	521,311
Total Net Position	$ 2,647,082	$ 2,270,007

15. Segment information (continued)

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

	2014	2013
Charges for services	$ 958,736	$ 816,674
Miscellaneous revenue	490,182	463,477
Depreciation expense	(743,682)	(762,687)
Other operating expenses	(1,332,153)	(2,141,977)
Operating loss	(626,917)	(1,624,513)
Non-Operating revenue (expenses):		
Interest revenue	10,215	9,122
Interest expense	(169,269)	(190,220)
Contributions to other governments	(36,954)	(36,878)
Loss before transfers	(822,925)	(1,842,489)
Transfers in	1,200,000	1,200,000
Change in net position	377,075	(642,849)
Beginning net position, July 1	2,270,007	2,912,496
Ending net position, June 30	$ 2,647,082	$ 2,270,007

CONDENSED STATEMENT OF CASH FLOWS

	2014	2013
Net cash provided (used) by:		
Operating activities	$ (452,834)	$ (326,430)
Noncapital financing activities	1,163,046	1,163,122
Capital and related financing activities	(934,700)	(949,673)
Investing activities	12,173	9,035
Net decrease	(212,315)	(103,946)
Beginning cash and cash equivalents	990,515	1,094,461
Ending cash and cash equivalents	$ 778,200	$ 990,515

16. Risk management and contingent liabilities

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

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

a. Certain types of claims may be filed in amounts far greater than those that can reasonably be expected to be agreed on by the City and the claimant or awarded by a court.
b. The time permitted between the occurrence of an event causing a claim and the actual filing of the claim may be lengthy.

16. Risk management and contingent liabilities (continued)

c. The time that may elapse between filing and ultimate settlement and payment of a claim may be extremely lengthy. Similarly, the adjudicated loss may be paid over a period of years after settlement.

A liability for claims will be reported if information is available prior to issuance of the basic financial statements and indicates it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. In addition, there are situations in which incidents occur before the balance sheet date but claims are not reported or asserted when the basic financial statements are prepared. These "incurred but not reported" claims have been estimated based upon the City's past experience, adjusted for current trends and an inflation factor. The claims are included in the appropriate liability accounts.

A. Self-Insurance programs

The City operates two self-insured programs – one for liability and property damage purposes and one for employee benefits including workers' compensation and group insurance as follows:

1. Liability Insurance and Property Damage Internal Service Fund

The fund was established December 15, 2004, by City Council Resolution. It is a consolidation of the Liability Insurance Internal Service Fund, established July 5, 1979, by City Council Resolution and modified August 7, 1985, and the Property Damage Insurance Fund, established October 6, 1993, by City Council Resolution. The fund's pooled cash and investments balance was $4,890,835 at June 30, 2014, and charges for services of $1,637,081 were made to the consolidated funds during the year ended June 30, 2014. The purpose of the fund is to pay for self-assumed losses. As of June 30, 2014, $359,146 has been accrued for claims and judgments payable, including incurred, but not reported claims, which are estimated to be payable within one year.

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

	Balance at beginning of fiscal year	Current year changes in estimates	Claim payments	Balance at end of fiscal year	Due within one year
2013	$ 859,619	$ 594,413	$ (1,137,196)	$ 316,836	$ 316,836
2014	316,836	1,136,997	(1,094,687)	359,146	359,146

2. Employee Benefit Internal Service Fund

The fund was established December 15, 2004, by City Council Resolution. It is a consolidation of the Workers' Compensation Insurance Internal Service Fund established August 21, 1985, by City Council Resolution and the Group Insurance Internal Service Fund. The resolution establishes a minimum cash balance not less than twenty-five percent of the prior year expenditures. The purpose of the fund is to provide employees and beneficiaries with compensation for occupational accidents and diseases and other insurance benefits, and is funded by an adjustable payroll allocation and payroll deductions. The City's maximum payment for industrial injuries as of June 30, 2014, ranges from $350,000 to $5,000,000 per claim, with excess insurance coverage provided by an insurance company. Settled claims have not exceeded this commercial coverage over the past three fiscal years. The City will be reimbursed $1,185,867 by an insurance company for payments on settled claims in excess of the self-insurance limits in effect at the time of the claims. The fund's pooled cash and investments and other investments at June 30, 2014, was $38,415,129 with a net position balance of $19,533,545. Current benefits payable totaled $11,069,591, including $3,407,432 of accrued general workers' compensation claims payable, $2,945,829 in heart lung (workers' compensation) presumptive claims PERS liability of $4,591,057 and employee withholding payable of $125,273.

16. Risk management and contingent liabilities (continued)

Noncurrent liabilities consisted of heart lung (workers' compensation) presumptive liability of $7,170,951, compensated absences of 688, and $1,242,243 of accrued general workers' compensation claims payable. There were charges for services of $145,154,721 made to the fund during the current year.

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

	Balance at beginning of fiscal year	Current year changes in estimates	Claim payments	Balance at end of fiscal year	Due within one year
2013	$ 12,028,523	$ 5,159,361	$ (5,744,075)	$ 11,443,809	$ 5,925,695
2014	11,443,809	9,063,398	(5,740,752)	14,766,455	6,353,261

B. Other Postemployment Benefits (OPEB) Plan

Background:

The City accounts for and reports its costs and estimated future liability related to postemployment healthcare and other non-pension benefits. Historically, the City's subsidy was funded on a pay-as-you-go basis. The City now accrues the cost of the retiree health subsidy and other postemployment benefits during the period of employees' active employment, while the benefits are being earned, and discloses the unfunded actuarial accrued liability in order to accurately account for the total future cost of postemployment benefits and the financial impact on the City. The net OPEB liability is reduced each year by the amount of employee contributions. Employee contributions equal the claim payments, administrative charges and state charged subsidies paid on behalf of retirees, less any retiree contribution premiums.

Plan Description:

The City sponsors a single-employer defined benefit healthcare plan. The plan options are: Sierra Health and Life (PPO); Health Plan of Nevada (HMO); and dental (MetLife) and vision plans (VSP). Each City plan provides medical, prescription drug, dental and vision benefits to retirees and their covered dependents. Retirees are eligible to participate at age 55 with 5 years of service or at any age with 30 years of service. Those retiring on or before September 1, 2008, also had the option of transferring to the State of Nevada Plan. This plan, the Public Employee Benefit Program (PEBP), is an agent multiple employer, defined benefit plan. PEBP benefit provisions are established by the Nevada State Legislature. For those retirees who selected the PEBP Plan, the City is obligated to pay a monthly subsidy to the PEBP for the coverage on those transferees. Information on the State plan can be obtained at Public Employee Benefits Plan, 901 South Stewart Street, Suite 101, Carson City, Nevada 89701, 1-800- 326-5496.

Funding Policy:

The City has a six-member Insurance Committee (three labor and three management) that reviews the insurance needs of the City. They make recommendations to City management, who then determines funding requirements and plan options. Insurance funding for the Las Vegas Police Officers Association/Correction Officers (POA), the Las Vegas Police Protection Association Marshals (PPA) and the International Association of Firefighters Local 1285 are governed by collective bargaining association contracts. The associations cover the OPEB insurance needs of these organizations based on contract funding with the City, therefore they are not included in the City OPEB liability and cost. The City is required to pay the PEBP a monthly subsidy based on the number of years of service with the City at retirement. For retirees who retired prior to January 1, 1994, the subsidy is $456 and does not vary by years of service at retirement. Otherwise, the subsidy level does vary by years of service, except in those instances where greater than 20 years of service is attained. In addition, subsidy levels do not vary by Medicare eligibility or by coverage tier. The subsidy contribution ranges from 5 years of service at $114 per month to 20 or more years of service at $627 per month. Approximately, 509 retirees are with the State Plan as of June 30, 2014. The City's current funding policy for its OPEB liability is pay as you go.

16. Risk management and contingent liabilities (continued)

B. Other Postemployment Benefits (OPEB) Plan (continued)

Annual OPEB Cost:

The annual OPEB cost for the City plan is calculated based on the annual required contribution (ARC) of the City, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City's annual OPEB cost for the current year and the related information is as follows:

	City	PEBP	Total
Annual Required Contribution (ARC)	$ 3,939,790	$ 1,336,128	$ 5,275,918
Interest on net OPEB obligation	2,157,072	19,009	2,176,081
Adjustments to ARC	(3,019,647)	(26,611)	(3,046,258)
Annual OPEB cost	3,077,215	1,328,526	4,405,741
Contributions	(1,355,000)	(1,771,843)	(3,126,843)
Increase (decrease) in net OPEB obligation	1,722,215	(443,317)	1,278,898
Net OPEB obligation, beginning of year	54,609,418	481,250	55,090,668
Net OPEB obligation, end of year	$ 56,331,633	$ 37,933	$ 56,369,566

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

Plan	Year End	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation
City of Las Vegas	June 30, 2012	$ 2,718,336	38.2%	$ 55,382,269
City of Las Vegas	June 30, 2013	2,688,893	128.7%	54,609,418
City of Las Vegas	June 30, 2014	3,077,215	44.0%	56,331,633
PEBP	June 30, 2012	1,632,884	120.0%	3,255,122
PEBP	June 30, 2013	1,638,613	269.3%	481,250
PEBP	June 30, 2014	1,328,526	133.4%	37,933

16. Risk management and contingent liabilities (continued)

B. Other Postemployment Benefits (OPEB) Plan (continued)

Funding Status and Funding Progress:

The funding status of the plan as of the most recent actuarial valuation date, July 1, 2013 is and follows:

	City	PEBP	Total
Actuarial accrued liability (AAL) (a)	$ 37,285,394	$ 27,946,263	$ 65,231,657
Actuarial value of Plan assets (b)	(6,271,969)	(4,700,985)	(10,972,954)
Unfunded actuarial accrued liability (UAAL)=(a)-(b)	$ 31,013,425	$ 23,245,278	$ 54,258,703
Funded ratio (b)/(a)	16.8%	16.8%	16.8%
Covered payroll (c)	$ 113,476,559	*	$ 113,476,559
UAAL as a percentage of covered payroll ([(a)-(b)]/(c))	27.3%	0.0%	47.8%

*PEBP closed to City participants as of September 1, 2008, therefore covered payroll is zero

Annualized pay of active employee (not waiving coverage) as of July 1, 2013

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

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

Significant methods and assumptions are as follows:

	City	PEBP	Total
Actuarial valuation date	July 1, 2013	July 1, 2013	
Actuarial cost method	Projected unit	Projected unit	
Amortization method	Level dollar on an open period amortization basis	Level dollar on an open period amortization basis	
Remaining amortization period	30 years	30 years	
Actuarial value of assets	$ 6,271,969	$ 4,700,985	$ 10,972,954
Valuation rate of return (Investment rate)	3.95%	3.95%	
Inflation rate	3.0%	3.0%	
Healthcare inflation trend rate years from measurement date	1 through 10	1 through 10	
Increase over prior year	7.5% initial through 5.25% ultimate	First year based on actual 2nd year 7.25% through 5.25% ultimate	

16. Risk management and contingent liabilities (continued)

B. Other Postemployment Benefits (OPEB) Plan (continued)

The City uses the Employee Benefit Internal Service fund to allocate OPEB cost to each fund based on a payroll benefit rate. Each fund incurs a charge for the service. (See Note 16 A2.)

C. OPEB Trust Fund

In a prior fiscal year, the City approved the creation of an OPEB Trust Fund. The assets of the OPEB Trust are intended to be invested in the Retirement Benefits Investment Fund (RBIF), which is managed through an intrastate interlocal agreement with the Retirement Benefits Investment Board, located at 693 W. Nye Lane, Carson City, Nevada 89703. The trust was established pursuant to NRS 355.220 and the investments are not allowed to violate Section 10 of Article 8 of the Constitution of the State of Nevada. The trust is intended to provide the means to fund post-retirement benefits provided by the employee benefit plans. The assets to fund retiree health benefits are to be held in trust and treated as wholly separate from the City's assets and are for the benefit of participants and beneficiaries. There are no tax consequences to the trust, and the income of the trust is tax exempt. The trust is subject to the usual rules applicable to health benefit plans. During the Fiscal Year ended June 30, 2014, the City made no contribution to the trust. The net market value of the trust at June 30, 2014, was $12,965,314.

D. Heart, Lung Presumptive Liability

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

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

The claims liability currently payable for indemnity claims is $2,945,829. Reported as noncurrent is $57,247,798 consisting of $7,170,951 of case reserves for existing claims and $50,076,847 of IBNR claims. IBNR is discounted and amortized over a 20 year period.

E. Litigation

The City is currently involved in litigation including tort actions, condemnations and civil rights allegations. The City Attorney is vigorously contesting each case. Since the minimum probable loss, if any, cannot be reasonably estimated, no provision for loss has been recorded in the accompanying basic financial statements.

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

The City and the County jointly fund Metro. The City funds 37.9% and is liable for $29,903,754 of the Metro net OPEB obligation. A liability has been established in the government-wide statement of net position for the City's portion (see Note 6A).

16. Risk management and contingent liabilities (continued)

G. Tax Increment Notes of the Redevelopment Agency

The Agency has entered into tax increment subordinate lien notes as part of various owner participation agreements related to development of land included in the various redevelopment districts. The indebtedness represented by the notes has been allocated to the land and improvements and is payable solely and exclusively from a predetermined percentage of site tax increment received by the Agency on the parcels, and is not payable from any other source. Because the requirements to repay the notes are contingent on the Agency receiving sufficient site tax increment on the specific parcels, and the obligation is subordinate to the Agency's pre-existing and future debt, the potential future obligation of the Agency has not been reflected in the basic financial statements. The following is a summary of the terms of the various notes:

- Simon/Chelsea Las Vegas Development, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2004, in the amount of $1,837,360 (on June 18, 2008, the note was modified to add an additional $756,095 for a total of $2,593,455). Payments started June 30, 2004 and continue until March 5, 2016. Interest accrues at 7 percent per annum, beginning July 1, 2004. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. The note payments started June 30, 2008 and continue until June 30, 2016, with interest at 7 percent beginning accrual June 18, 2008. Also, the percentage of site tax increment from which the note is paid is 41%, and all unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year the Agency received site tax increment revenue and paid $138,505 in interest to Simon/Chelsea, which was charged to economic development and assistance. The combined outstanding balance at June 30, 2014 was $2,987,699 which includes $539,143 of accrued interest.

- WMCV Phase I, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2005, in the amount of $1,696,622. Payments started June 30, 2006, and continue until June 30, 2025. Interest accrues at 8.07 percent per annum, beginning July 1, 2005. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid $136,917 in interest to WMCV Phase I, LLC, which was charged to economic development and assistance. The outstanding balance was $1,833,540 at June 30, 2014, which includes $136,917 of accrued interest.

- WMCV Phase II, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2006, in the amount of $8,725,545. Payments started June 30, 2006, and continue until June 30, 2025, interest accrues at 8.04 percent per annum, beginning July 1, 2005. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid $65,330 in interest to WMCV Phase II, which was charged to economic development and assistance. The outstanding balance was $14,580,380 at June 30, 2014, which includes $5,854,835 of accrued interest.

- WMCV Phase III, LLC Note – Taxable tax increment subordinate Lien Note entered into June 18, 2008, in the amount of $14,268,157. Payments started June 30, 2008, and continue until June 30, 2025. Interest accrues at 7.90 percent per annum, beginning June 30, 2008. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid $292,051 in interest to WMCV Phase III, LLC, which was charged to economic development and assistance. The outstanding balance was $17,525,030 at June 30, 2014, which includes $3,698,137 of accrued interest.

16. Risk management and contingent liabilities (continued)

G. Tax Increment Subordinate Notes of the Redevelopment Agency (continued)

- SP Sahara Development, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2008, in the amount of $20,912,094. Payments started June 30, 2008, and continue for nineteen years until June 30, 2027, interest accrues at 7.9 percent beginning June 30, 2008. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid $300,077 in interest to SP Sahara Development, LLC, which was charged to economic and development assistance. The outstanding balance at June 30, 2014 was $29,149,626 which includes $8,537,950in accrued interest.

- PH ASA, LLC Note – Taxable tax increment subordinate Lien Note entered into April 24, 2006, in the amount of $995,510. Payments started June 30, 2006, and continue until June 30, 2026. Interest accrues at 7 percent per annum, beginning April 24, 2006. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid $36,749 in interest to PH ASA, LLC, which was charged to economic development and assistance. The outstanding balance at June 30, 2014 was $1,357,753 which includes $362,243 of accrued interest.

- WMCV Phase 3, LLC Note—Taxable tax increment subordinate Lien Note entered into June 17, 2009, in the amount of $12,321,620. Payments started June 30, 2009, and continue until June 30, 2025. Interest accrues at 7.57% per annum, beginning June 30, 2009. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid $391,472 in interest to WMCV Phase 3, LLC, which was charged to economic development and assistance. The outstanding balance was $13,905,276 at June 30, 2014, which includes $1,583,656 of accrued interest.

- WMCII Associates, L LC Note – Taxable tax increment subordinate Lien Note entered into June 17, 2009, in the amount of $2,663,073, payments starting June 30, 2009 upon the payment of property taxes and continuing for seventeen years until June 30, 2025, interest at 7.57% beginning June 30, 2009. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid $70,022 in interest to WMCII Associates, LLC, which was charged to economic development and assistance. The outstanding balance was $3,364,477 at June 30, 2014, which includes $701,404 of accrued interest.

- The Redevelopment Agency on June 15, 2011 entered into an Interlocal Cooperative Agreement between the City of Las Vegas and the Agency. This Agreement is for the purpose of transferring to the City a portion of the real estate taxes attributable to the Las Vegas Metropolitan Police Department Metroplex that are distributed to and received by the Agency. The Agency will transfer to the City sixty percent (60%) of the Agency share only of real estate taxes as defined in the Metro Interlocal Agreement between Clark County and the City of Las Vegas each year in connection with the Metroplex. The transfer will be annually commencing on the first anniversary of the date of a Certificate of Occupancy issued for the Metroplex and will continue thereafter until the County either closes escrow on the purchase of the Metroplex or March 5, 2031, whichever comes first. During the year ended June 30, 2014 the RDA was not obligated to transfer real estate taxes to the City of Las Vegas for Metroplex taxes.

17. Nonprofit Corporations

The corporations were established to promote the health and welfare of the City through the acquisition and disposition of property located within the City. The following schedule presents the financial information for each of the nonprofit corporations that comprise the nonprofit corporations on the Statement of Net Position-Proprietary Funds for the year ended June 30, 2014:

	City Parkway V. Inc.	495 Main Corporation	Total
Assets:			
Pooled cash, cash equivalents and investments	$ 13,807,231	$ 4,043	$ 13,811,274
Accounts receivable	2,610		2,610
Due from other funds			
Prepaid insurance	87,810	299	88,109
Land	30,095,189		30,095,189
Total Assets	$ 43,992,840	$ 4,342	$ 43,997,182
Liabilities and Net Position			
Accounts payable	$ 76,950	$	$ 76,950
Deposits	100,000		100,000
Due to other funds		4,001	4,001
Loans payable	15,185,011		15,185,011
Net position	28,630,879	341	28,631,220
Total Liabilities and Net Position	$ 43,992,840	$ 4,342	$ 43,997,182

17. Nonprofit Corporations (continued)

	City Parkway V, Inc.	495 Main Corporation	Total
Changes in Net Position			
Revenues			
Rentals	$ 9,210	$	$ 9,210
Other reimbursements	213,541		213,541
Total revenues	222,751		222,751
Expenses:			
Association fees	52,771		52,771
Premiums paid (insurance)	44,376	3,925	48,301
Professional services	38,662		38,662
Legal services	343,178		343,178
Other services and supplies	32,160	100	32,260
Total expenses	511,147	4,025	515,172
Operating loss	(288,396)	(4,025)	(292,421)
Nonoperating revenues (expenses):			
Transfer out	(1,079,000)		(1,079,000)
Gain on sale of land	2,467,466		2,467,466
Net nonoperating revenues	1,388,466		1,388,466
Change in Net Position	1,100,070	(4,025)	1,096,045
Net Position - July 1, 2013	27,530,809	4,366	27,535,175
Net Position - June 30, 2014	$ 28,630,879	$ 341	$ 28,631,220

18. Prior Period Adjustments

Beginning in March 2009, the City received funding from the U.S. Department of Housing and Urban Development for a Neighborhood Stabilization Program (NSP). The NSP program was authorized by Title III of the Housing and Economic Recovery Act of 2008 (HERA). HERA obligated federal funds to facilitate the purchase and, if necessary the rehabilitation of foreclosed or abandoned properties. Municipalities experiencing urban blight as a result of the recession were given funding to help combat it. Under the terms of the program, 25% of program funds were to be dedicated to the purchase of properties to be held for long term rental. The remaining 75% of program funds were to be used for the purchase, rehabilitation if necessary, and resale of eligible properties. Eligible properties were defined as households with incomes at or below 120 percent, and at a minimum, 25 percent of eligible households must be at or below 50 percent of the area median income for the jurisdiction.

As directed by program guidelines, the City used 25% of funds to purchase long term rental property. After rehabbing the property, the rentals were transferred to the Southern Nevada Regional Housing Authority (Housing Authority) to manage. The City retains title to the property. The Housing Authority retains all rental income collected from the properties for maintenance and upkeep with the City receiving no direct financial benefit from them. Properties were also purchased for resale to eligible households after performing any necessary rehabilitation on them. A prior period adjustment was made to reflect beginning net position of properties purchased between March 2009 and June 30, 2013 previously expensed as follows:

	Non-Major Governmental Fund Housing Program Special Revenue Fund
Net Position of Fund Balance as Previously Reported	$14,305,797
Adjustment:	
Record Property Held for Resale	13,894,341
Net Position of Fund Balance as Restated	$28,200,138

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE 2015B BOND ORDINANCE

The following is a brief summary of certain provisions of the 2015B Bond Ordinance and is qualified in its entirety by the provisions of the 2015B Bond Ordinance itself.

Definitions

As used in the 2015B Bond Ordinance, the following terms shall, for all purposes, have the following meanings unless the context clearly requires otherwise. The term “Bonds” as used in this Appendix B refers to the 2015B Bonds.

"Bond Requirements" means the principal of, interest on and any prior redemption premiums due in connection with the Bonds.

"Bond Year" means the 12-month period commencing on the second day of the month of the date of delivery of the Bonds of a calendar year and ending on the first day of the month of the date of delivery of the Bonds of the following calendar year.

"Commercial Bank" means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation, including without limitation "trust bank" as defined in the 2015B Bond Ordinance.

"Cost of the Project," or any phrase of similar import, means all or any part designated by the City Council of the City (the "Council") of the cost of the Project which cost, at the option of the Council (except as limited by law), may include all or any part of the incidental costs pertaining to the Project, including, without limitation:

(a) Preliminary expenses advanced by the City from funds available for use therefor or any other source, so including any interfund loan of the City, or advanced with the approval of the City from funds available therefor or from any other source, or any combination thereof;

(b) The costs in the making of surveys, audits, preliminary plans, other plans, specifications, estimates or costs, and other preliminaries;

(c) The costs of premiums for builders risk insurance and performance bonds, or a reasonable allocable share thereof;

(d) The costs of appraising, printing, estimates, advice, services of engineers, architects, financial consultants, attorneys at law, clerical help, or other agents or employees;

(e) The costs of making, publishing, posting, mailing, and otherwise giving any notice in connection with the Project, the filing or recordation of instruments, the taking of options, the issuance of Bonds pertaining to the Project, the purchase or other acquisition of Federal Securities or other investments in connection therewith, and bank fees and other expenses;

(f) The costs of contingencies;

(g) The costs of the capitalization with the proceeds of the Bonds of any interest on the Bonds for any period not exceeding the period of time estimated by the Council to effect the Project plus two years, and of any discount on the Bonds, of any replacement expenses (except as proscribed by law), and of any other cost of the issuance of the Bonds; and

(h) All other expenses necessary or desirable and pertaining to the Project including all other expenses as estimated or otherwise ascertained by the Council.

"Federal Government" means the United States, or any agency, instrumentality or corporation thereof.

"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.

"General Taxes" means general (ad valorem) taxes levied by the City against all taxable property within the boundaries of the City (unless otherwise qualified).

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

(a) Except any bond or other security canceled by the City, the Paying Agent, or otherwise on the City's behalf, at or before such date;

(b) Except any bond or other security for the payment or the redemption of which moneys at least equal to its Bond Requirements to the date of maturity or to any Redemption Date shall have heretofore been deposited with a trust bank in escrow or in trust for that purpose, as provided in the 2015B Bond Ordinance; and

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

"Parity Securities" means securities of the City payable from and secured by all or a portion of the Pledged Revenues on a parity with the Bonds, to the extent issued in accordance with the terms, conditions and limitations of the 2012C Bond Ordinance.

"Paying Agent" means The Bank of New York Mellon Trust Company, N.A. or any successor thereto as paying agent for the Bonds designated by the Chief Financial Officer.

"Person" means a corporation, firm, other body corporate (including, without limitation, the Federal Government, the State or any other body corporate and politic other than the City), partnership, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

"Pledged Distributed Local Tax Act" means, collectively, NRS 360.698, and each act which authorizes or imposes one or more of the taxes or other impositions that generate revenues distributed to the City pursuant to NRS 360.680, 360.690 or 360.700 and authorized to be pledged to the Bonds by NRS 360.698, as amended from time to time.

"Pledged Revenues" means the Sale Tax Revenues.

"Redemption Date" means a date fixed for the redemption prior to their respective maturities of any Bonds or other designated securities payable from any Pledged Revenues in any notice of prior redemption or otherwise fixed and designated by the City.

"Redemption Price" means, when used with respect to a Bond or other designated security payable from any Pledged Revenues, the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof prior to the stated maturity date of such Bond or other security on a Redemption Date in the manner contemplated in accordance with the security's terms.

"Registrar" means The Bank of New York Mellon Trust Company, N.A. or any successor thereto as registrar for the Bonds designated by the Chief Financial Officer.

"Sales Tax Revenues" means a 15% portion of all income and revenue derived by the City from the Pledged Distributed Local Tax Act and distributed thereto pursuant to NRS 360.698, as amended from time to time. The Sales Tax Revenues means all or a portion of the Sales Tax Revenues. 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. "Sales Tax Revenues" includes income derived from any additional sources if the Council is authorized to include and elects to include the additional sources in "Sales Tax Revenues" for the remaining term of the Bonds.

"Subordinate Securities" means securities of the City payable from and secured by all or a portion of the Pledged Revenues and subordinate and junior to the pledge thereof to the Bonds, to the extent issued in accordance with the terms, conditions and limitations of the 2015B Ordinance.

"Superior Securities" means securities of the City payable from and secured by all or a portion of the Sales Tax Revenues and superior and prior to the pledge thereof to the Bonds, to the extent issued in accordance with the terms, conditions and limitations of the 2015B Bond Ordinance.

"Tax Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds, and the applicable regulations and rulings thereunder.

Application of Proceeds

Net proceeds from the sale of the Bonds will be deposited in the Interest Fund, the Escrow Account and the Expense Account as described below. First, there shall be credited to the Interest Fund all monies received by the City, if any, as a premium and as accrued interest on the Bonds from the date of the Bonds to the date of their delivery to the initial purchaser of the

Bonds, if not needed for the cost of the Project, to apply to the payment of interest on the Bonds as the same becomes due after their delivery. Second, net proceeds, together with other available moneys of the City, in an amount sufficient to establish an initial cash balance and to purchase the Federal Securities designated in the Escrow Agreement shall be deposited into the Escrow Account held by the Escrow Bank to be used as provided in the Escrow Agreement and the balance of the proceeds derived from the sale of the Bonds to be used to pay the costs of the Project including the payment of all incidental expenses as may be necessary or otherwise pertain to the financing, and the costs of issuing the Bonds. See "SOURCES AND USES OF FUNDS."

Flow of Funds

So long as any Bonds shall be Outstanding, the Pledged Revenues upon their receipt from time to time by the City, shall be set aside and credited immediately to a separate account heretofore created in the treasury of the City and designated as the "City of Las Vegas Sales Tax Revenue Fund" (the "Revenue Fund").

Under the 2015B Bond Ordinance, the Revenue Fund will be administered and the moneys on deposit therein will be applied in the following manner:

(d) First, from any moneys thereafter remaining in the Revenue Fund, i.e., from the Pledged Revenues, there shall be transferred and credited to the Interest Fund, and to any other fund or account established for the payment of interest on any other Parity Securities monthly, commencing the first day of the month immediately succeeding the delivery to the Purchaser of the Bonds, the amount necessary to accumulate by substantially equal monthly installments (together with any other moneys from time to time available therefor from whatever sources) the amount necessary to pay the installment of interest next due on the Bonds and such Parity Securities.

(e) Second, from any moneys thereafter remaining in the Revenue Fund, there shall be transferred and credited to the Principal Fund, and to any other fund or account established for the payment of principal or sinking fund installments on any other Parity Securities monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds to the Purchaser, the amount necessary to accumulate by substantially equal monthly installments (together with any other moneys from time to time available therefor from whatever sources) to pay the installment of principal next due on the Bonds and such Parity Securities.

(f) Third, from any moneys thereafter remaining in the Revenue Fund, there shall be transferred and credited to the rebate funds created by the ordinances authorizing the issuance of the Outstanding Parity Securities to pay the costs of rebates to the United States under Section 148 of the Tax Code.

(g) Fourth, any moneys thereafter remaining in the Revenue Fund may be used by the City for the payment of the principal of and interest on Subordinate Securities; and may be used to create reasonable reserves and to pay rebate for such securities.

(h) Fifth, any moneys thereafter remaining in the Revenue Fund may be used by the City at the end of any fiscal year of the City, or whenever there shall have been credited all

amounts required to be deposited in the respective foregoing separate accounts for all of that fiscal year, for any lawful purposes of the City, as the City Council may from time to time determine.

No payment need be made into the Interest Fund or Principal Fund if the amounts in those funds total a sum at least equal to the entire amount of the Outstanding Bonds as to all Bond Requirements to their respective maturities.

If at any time the City shall for any reason fail to pay into the Interest Fund, the Principal Fund, or the 2015 Rebate Fund the full amount above stipulated from the Pledged Revenues, then an amount shall be paid into the Interest Fund and Principal Fund at such time equal to the difference between that paid from the Pledged Revenues and the full amount so stipulated. If securities (other than the Bonds) are Outstanding, the payment of which are secured by a lien on all or a portion of the Pledged Revenues which lien is on a parity with the lien hereon of the Bonds, and if the proceedings authorizing issuance of those securities require the replacement of moneys in an interest fund, principal fund, reserve fund or rebate fund therefor, then the moneys replaced in such funds shall be replaced on a pro rata basis related to the principal amount of the then Outstanding Bonds and the then Outstanding other Parity Securities, as moneys become available therefor, first into all of such interest, principal, and reserve funds and second into all such rebate funds.

Additional Superior and Parity Securities

Nothing in the 2015B Bond Ordinance permits the City to issue Superior Securities secured by and payable solely from the Sales Tax Revenues and having a lien thereon prior and superior to the lien thereon of the Bonds.

The City may issue additional securities payable from Pledged Revenues and constituting a lien thereon on a parity with the lien thereon of the Bonds, provided, however, that the following are express conditions to the authorization and issuance of any such Parity Securities:

(a) At the time of adoption of the instrument authorizing the issuance of the additional Parity Securities, the City shall not be in default in the payment of principal of or interest on the Bonds.

(b) The Pledged Revenues (subject to adjustments as hereinafter provided) projected by the City Chief Financial Officer, the Director of Public Works or an independent accountant or consulting engineer to be derived in the later of (i) the Fiscal Year immediately following the Fiscal Year in which the facilities to be financed with the proceeds of the additional Parity Securities are projected to be completed or (ii) the first Fiscal Year for which no interest has been capitalized for the payment of any Parity Securities, including the Parity Securities proposed to be issued, will be sufficient to pay at least an amount equal to the principal (or redemption price) and interest requirements (to be paid during that Fiscal Year) of the Outstanding Bonds, any other Outstanding Parity Securities of the City and the Parity Securities proposed to be issued (excluding any reserves therefor) (the "Earnings Test").

In determining whether or not additional Parity Securities may be issued in accordance with the Earnings Test, the respective annual principal (or redemption price) and interest

requirements shall be reduced to the extent such requirements are scheduled to be paid 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.

A written certificate or written opinion by the City's Chief Financial Officer, the City's Director of Public Works, or an independent accountant or consulting engineer that the Earnings Test is met, will be conclusively presumed to be accurate in determining the right of the City to authorize, issue, sell and deliver additional Parity Securities.

Subordinate Securities

The City may issue Subordinate Securities payable from Sales Tax Revenues and constituting a lien thereon subordinate to the lien thereon of the Bonds and any Outstanding Parity Securities.

Refunding Securities

Refunding bonds or other refunding securities issued will enjoy complete equality of lien with the portion of any securities of the same issue which is not refunded, if there is any; and the owner or owners of the refunding securities will be subrogated to all of the rights and privileges enjoyed by the owner or owners of the unrefunded securities of the same issue partially refunded by the refunding securities.

If only a part of the Outstanding Bonds and other Outstanding securities of any issue or issues payable from the Pledged Revenues is refunded, then such securities may not be refunded without the consent of the owner or owners of the unrefunded portion of such securities:

(a) Unless the refunding bonds or other refunding securities do not increase for any Bond Year the aggregate principal and interest requirements evidenced by the refunding securities and by the Outstanding securities not refunded on and before the last maturity date or last Redemption Date, if any, whichever is later, of the unrefunded securities, and unless the lien of any refunding bonds or other refunding securities on the Pledged Revenues is not raised to a higher priority than the lien thereon of the Bonds or other securities thereby refunded; or

(b) Unless the lien on any Pledged Revenues for the payment of the refunding securities is subordinate to each such lien for the payment of any securities not refunded; or

(c) Unless the refunding bonds or other refunding securities are issued in compliance with the requirements listed above under "Additional Parity Securities."

Amendment of the 2015B Bond Ordinance

(a) The 2015B Bond Ordinance may be amended or supplemented by instruments adopted by the City, without receipt by the City of any additional consideration, but with the written consent of the insurer of the Bonds, if any, or the owners of 66% in aggregate principal amount of the Bonds outstanding at the time of the adoption of the amendatory or supplemental instrument, excluding Bonds which may then be held or owned for the account of the City, but including such refunding securities as may be issued for the purpose of refunding any of the

Bonds if the refunding securities are not owned by the City. No such instrument will permit without the consent of the insurer of the Bonds, if any, or all of the bond owners adversely affected thereby:

(b) A change in the maturity or in the terms of redemption of the principal or any installment thereof of any Outstanding Bond or any installment of interest thereon;

(c) A reduction in the principal amount of any Bond or the rate of interest thereon, without the consent of the owner of the Bond; or

(d) A reduction of the principal amount or percentages or otherwise affecting the description of Bonds, the consent of the owners of which is required for any modification or amendment; or

(e) The establishment of priorities as between Bonds issued and Outstanding under the provisions of the 2015B Bond Ordinance; or

(f) The modification of, or other action which materially and prejudicially affects the rights or privileges of the owners of less than all of the Bonds then Outstanding.

Whenever the City proposes to amend or modify the 2015B Bond Ordinance, it will cause notice of the proposed amendment to be mailed by first class mail within 30 days to the insurer of the Bonds, if any, or each registered owner of each registered Bond. The notice will briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory instrument is on file in the office of the City Clerk for public inspection.

Whenever at any time within one year from the date of such notice there shall be filed in the office of the City Clerk an instrument or instruments executed by the insurer of the Bonds, if any, or the owners of at least 66% in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments refer to the proposed amendatory instrument described in the notice and specifically consent to and approve the adoption of the instrument; the Council may adopt the amendatory instrument and the instrument will become effective.

If the insurer of the Bonds, if any, or the owners of at least 66% in aggregate principal amount of the Bonds Outstanding, at the time of the adoption of the amendatory instrument, or the predecessors in title of such owners, have consented to and approved the adoption thereof, no owner of any Bond, whether or not the owner shall have consented thereto, shall have any right or interest to object to the adoption of the amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin the City from taking any action pursuant to the provisions thereof. Any consent given by the insurer of the Bonds, if any, or the owner of a Bond pursuant to the provisions of the 2015B Bond Ordinance shall be irrevocable.

Replacement of Registrar or Paying Agent

If the Registrar or Paying Agent shall resign, or if the Council shall reasonably determine that said Registrar or Paying Agent has become incapable of performing its duties hereunder, or if for any other reason the City determines to retain a successor Registrar or Paying Agent, the

Council may, as directed by the Chief Financial Officer, upon notice mailed to each owner of any Bond at his address last shown on the registration records, appoint a successor Registrar or Paying Agent. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same person or institution serve as Registrar and Paying Agent thereunder, but the City shall have the right to have the same person or institution serve as Registrar and Paying Agent. Any successor Registrar and Paying Agent must be an officer or employee of the City or a commercial bank authorized to execute trust powers. Any successor by merger with the Registrar and Paying Agent is automatically appointed as Registrar and Paying Agent hereunder without any further action of the Council, as long as the successor otherwise is qualified to act as Registrar and Paying Agent pursuant to the 2015B Bond Ordinance. Any bank, trust company or national banking association into which the Registrar and/or Paying Agent or its successor may be converted, merged or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust business shall be the successor of the Registrar and/or Paying Agent under the 2015B Bond Ordinance with the same rights, powers, duties and obligations and subject to the same restrictions, limitations, and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto, anything in the 2015B Bond Ordinance to the contrary notwithstanding.

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the 2015 Bonds. The 2015 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 certificate will be issued for each maturity of each series of the 2015 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 a Standard & Poor's rating of AA+. 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.

Purchases of 2015 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2015 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2015 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 2015 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 2015 Bonds, except in the event that use of the book-entry system for the 2015 Bonds is discontinued.

To facilitate subsequent transfers, all 2015 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 2015 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 2015 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2015 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 2015 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2015 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2015 Bond documents. For example, Beneficial Owners of 2015 Bonds may wish to ascertain that the nominee holding the 2015 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2015 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. However, see "THE 2015 Bonds – Redemption Provisions - Pro Rata Selection of 2015 Bonds."

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2015 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2015 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the 2015 Bonds will be made to Cede& Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the 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 City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2015 Bonds at any time by giving reasonable notice to the City or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2015 Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2015 Bond certificates will be printed and delivered to DTC.

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

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Las Vegas, Nevada (the "Issuer") in connection with the issuance of the City of Las Vegas, Nevada, of its General Obligation (Limited Tax) Medium-Term Recreation Projects Bonds, Series 2015A and the General Obligation (Limited Tax) Taxable Various Purpose Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2015B (the "Bonds"). The Bonds are being issued pursuant to the bond ordinance of the City Council of the Issuer adopted on August 19, 2015 (the "Ordinance"). The Issuer covenants and agrees as follows:

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

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

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

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

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

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

"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 Issuer shall, or shall cause the Dissemination Agent to, not later than March 31 following the end of the Issuer's fiscal year of each year, commencing March 31 following the end of the Issuer's fiscal year ending June 30, 2015, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

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

(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 Issuer at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(iii) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

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

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

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

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available

to the public on the MSRB's Internet Web Site or filed with the SEC. The Issuer shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The Issuer shall file or cause to be filed with the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the events listed below with respect to the Bonds:

a. Principal and interest payment delinquencies;

b. Non-payment related defaults, if material;

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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

g. Modifications to rights of bondholders, if material;

h. Bond calls, if material, and tender offers;

i. Defeasances;

j. Release, substitution or sale of property securing repayment of the Bonds, if material;

k. Rating changes;

l. Bankruptcy, insolvency, receivership or similar event of the obligated person[1];

m. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

n. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

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

As of the date of this Disclosure Certificate, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved,

[1] For the purposes of the event identified in subparagraph (b)(5)(i)(C)(12) of the Rule, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and official or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

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

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

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

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

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

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

DATE: _____, 2015

CITY OF LAS VEGAS, NEVADA

_____

Chief Financial Officer

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Las Vegas, Nevada

Name of Bond Issue: City of Las Vegas, Nevada, of its General Obligation (Limited Tax) Medium-Term Recreation Projects Bonds, Series 2015A and General Obligation (Limited Tax) Taxable Various Purpose Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2015B

CUSIP:

Date of Issuance: September 15, 2015

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Bond Ordinance adopted on August 19, 2015, and the Continuing Disclosure Certificate executed on September 15, 2015 by the Issuer. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

CITY OF LAS VEGAS, NEVADA

By:_____
Title:_____

EXHIBIT B

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

(see page -iv- of the Official Statement)

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APPENDIX E

FORMS OF APPROVING OPINIONS OF BOND COUNSEL

[Closing Date]

City of Las Vegas, Nevada
495 South Main Street
Las Vegas, Nevada 89101

$26,000,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM RECREATION PROJECTS BONDS
SERIES 2015A

Ladies and Gentlemen:

We have acted as bond counsel to the City of Las Vegas, Nevada (the "City"), in connection with its issuance of the above-captioned bonds (the "Bonds") pursuant to an authorizing ordinance of the City Council of the City adopted on August 19, 2015 (the "Bond Ordinance"). In such capacity, we have examined the City's certified proceedings and such other documents and such law of the State of Nevada (the "State") and of the United States of America as we have deemed necessary to render this opinion letter. Except as otherwise expressly defined herein, capitalized terms used herein have the meanings ascribed to such terms in the Bond Ordinance.

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

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

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

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

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

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and representations contained in the City's certified proceedings and in certain other documents and certain other certifications furnished to us.

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

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

The obligations of the City pursuant to the Bonds and the Bond Ordinance are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

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

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

Respectfully submitted,

[Closing Date]

City of Las Vegas, Nevada
495 South Main Street
Las Vegas, Nevada 89101

$11,090,000
CITY OF LAS VEGAS, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
TAXABLE VARIOUS PURPOSE REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2015B

Ladies and Gentlemen:

We have acted as bond counsel to the City of Las Vegas, Nevada (the "City"), in connection with its issuance of the above-captioned bonds (the "Bonds") pursuant to an authorizing ordinance of the City Council of the City adopted on August 19, 2015 (the "Bond Ordinance"). In such capacity, we have examined the City's certified proceedings and such other documents and such law of the State of Nevada (the "State") and of the United States of America as we have deemed necessary to render this opinion letter. Except as otherwise expressly defined herein, capitalized terms used herein have the meanings ascribed to such terms in the Bond Ordinance.

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

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

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

2. All of the taxable property in the City is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the Constitution and laws of the State.

3. As provided in the Bond Ordinance and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the City (i.e., the State, the City, and any other political subdivision therein) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State and the City) for all other purposes (subject to any exception implied by law in the exercise of the police power) where reduction is necessary in order to comply with NRS 361.453.

4. The Bonds are additionally secured by and payable from the Pledged Revenues. The Bond Ordinance creates a valid lien on the Pledged Revenues pledged therein for the security of the Bonds on a parity with any Parity Securities outstanding or hereafter issued which have a lien on all or a portion of the Pledged Revenues that is on a parity with the lien thereon of the Bonds, and subordinate to any Superior Securities outstanding or hereafter issued which have a lien on all or a portion of the Pledged Revenues that is superior to the lien thereon of the Bonds. The Bond Ordinance also creates a

valid lien on the Bond Fund. Except as described in this paragraph, we express no opinion regarding the priority of the lien on the Pledged Revenues or on the funds and accounts created by the Bond Ordinance.

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

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

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

The obligations of the City pursuant to the Bonds and the Bond Ordinance are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

In expressing the above opinions, 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 or upon prior redemption, all principal of, any prior redemption premiums, and interest on the Refunded Bonds.

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

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

Respectfully submitted,