

THE CITY OF
LAS VEGAS
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

City Hall
City of Las Vegas, Nevada
300 Stewart Avenue

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2011**

**MOVING
SERVICE**





**THE CITY OF
LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2011**

**PREPARED BY:
THE DEPARTMENT OF FINANCE**

CANDACE FALDER, DIRECTOR

**CITY OF LAS VEGAS
400 STEWART AVENUE
LAS VEGAS, NEVADA 89101**



**THE CITY OF
LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FINANCIAL SERVICES DIVISION

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THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**INTRODUCTORY
SECTION**



CITY OF LAS VEGAS, NEVADA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

January 11, 2012

LAS VEGAS CITY COUNCIL

CAROLYN G. GOODMAN
MAYOR

STAVROS S. ANTHONY
MAYOR PRO TEM

STEVE WOLFSON
LOIS TARKANIAN
STEVEN D. ROSS
RICKI Y. BARLOW
BOB COFFIN

ELIZABETH N. FRETWELL
CITY MANAGER

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the city of Las Vegas for the fiscal year ended June 30, 2011.

This report consists of management's representations concerning the finances of the City of Las Vegas (City). Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, we have established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Kafoury, Armstrong & Company, a public accounting firm licensed and qualified to perform audits of state and local governments, issued an unqualified "clean" opinion on the City's financial statements for the year ended June 30, 2011. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving administration of federal awards. These reports are available in the Single Audit Section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City was founded in 1905 and incorporated in 1911; it is located in the southern part of the state, and has been among the nation's leading communities in population growth, economic development, and business expansion. The City currently occupies a land area of 133.2 square miles and serves a population 586,536. Within statutory limits, the City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

CITY OF LAS VEGAS
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The City has operated under the council-manager form of government since January 1, 1944. According to the City Charter, adopted by the State Legislature and in force during the fiscal year, the citizens elect six City Council members and a Mayor who comprise the "Council." The Council is elected on a non-partisan basis. Council members serve four-year staggered terms, with three members elected every two years. All voters of the City elect the Mayor "at large," and each Council member is elected from one of six wards in the City. The Mayor and Council members are constitutionally limited to serving not more than 12 years. Policymaking and legislative authority are vested in the Council. The Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring the City Manager, City Attorney, and City Auditor. The City Manager is responsible for carrying out the policies of the Council, and along with two Deputy City Managers and a Chief Urban Redevelopment Officer, oversees the day-to-day operations of the City, including twelve major departments and four support offices. Departments are further divided into divisions to perform their respective functions. The City provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events.

This report also includes the financial activities of the City's blended component units: the City of Las Vegas Redevelopment Agency and the City's three Nonprofit Corporations. These component units are legally separate entities for which the City is financially accountable. The report also includes one discretely presented component unit: the Commission for the Las Vegas Centennial for which the City is legally and operationally separated. For additional information, see the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. All departments and agencies of the City are required to submit requests for appropriation to the government's Finance & Business Services Department Director on or before the first Wednesday in February each year. These requests are used as the starting point for developing a proposed budget. The proposed budget is presented to Council for review prior to April 30. The Council is required to hold public hearings on the proposed budget and adopt a final budget by no later than June 1. The appropriated budget is prepared by fund, function (e.g., public safety), activity (e.g., fire) and department (e.g., Fire and Rescue). Department heads may make transfers of appropriations within a department. Transfers of appropriations between functions, however, require the approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 40-41 and 90-98, and other major governmental funds on pages 99-100. For governmental funds, other than the general fund, other major governmental funds, and proprietary funds, with appropriated annual budgets, this comparison is presented in the combining and individual funds statements and schedules subsection of this report, which starts on page 116 and 154, respectively.

Budgetary controls are maintained at the line item level on a departmental basis through the use of a purchase order and encumbrance system. Additional controls consist of the following: a) on-going monitoring of vacant positions; b) on-going monitoring of expenditures; and c) monthly analysis of departmental cost versus budget trends. Revenue monitoring may lead to curtailment of certain expenditures such as new hires, travel or capital outlay. If new programs have been initiated or existing programs change or unanticipated revenue 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 the State Department of Taxation.

Local Economy

While the U.S. economy continues its slow, ongoing recovery, Southern Nevada has continued to lag. Nevada's economy has begun to show some improvement, but many signs of weakness remain, the chief of which is unemployment which tends to be a lagging indicator. Although the Las Vegas Metro unemployment rate has fallen from 15.6% in September 2010 to 13.6% in September 2011, we are cautiously optimistic as to what this means in the long run.

Standard and Poors Case-Shiller Home Price Index indicates that Las Vegas Metro area home prices have declined by 5.8% from one year ago. This continued decline has significantly impacted the City's property tax revenues due to the corresponding decrease in assessed valuation. Additionally, we are anticipating Fiscal Year 2013 to show a decline, but at a smaller rate.

Notwithstanding Southern Nevada's economic challenges, there are some positive signs from key areas. Taxable sales continue to stabilize. Improved taxable sales continue to drive consolidated Tax (CTX) revenues, which resulted in the city having an increase of 3.2% for Fiscal Year 2011, which is the first yearly increase since Fiscal Year 2006 including five straight quarters of positive growth. Additionally, the Las Vegas Convention and Visitor Authority has reported increases in visitor volumes and the average daily room rate year-over-year increases of 4.7% and 10.7%, respectively.

Unlike recoveries Las Vegas has experienced in the past, this recovery has been a slow one. A full recovery is years away.

Long-term Financial Planning

Detailed requirements for the City's budget are set forth in State statutes. The City's budget process begins with strategic planning. The City Council has adopted the City's vision, mission, priorities, and values. Under the direction of the City Manager, each department within the City prepares an individual Strategic Business Plan (an "SBP") that addresses strategic issues within their programs and operations. Included in the plan are performance measures relative to input, output, efficiencies, and most importantly, results. The SBPs include revenue and expenditure data used in the determination of resource allocation relative to program priorities. The SBPs reflect the City's commitment to provide services that enhance the quality of life for its citizens and visitors while ensuring fiscal integrity and smart growth. Strategic planning is the cornerstone of the budget preparation process, and is used to create focus, consistency and purpose for City departments. The SBPs were used by the City to execute a Fundamental Service Review, which to date has resulted in approximately \$115.2 million in cumulative general fund budget reductions through fiscal year ended June 30, 2011.

The City Manager's Office and management of each department are involved to ensure that the scope and quality of the services to be funded via the budget are aligned with the needs and desires of the community as reflected in the Strategic Plan, and that the expenditures required are within the resources available to the City. The Mayor and City Council participate in an annual workshop designed to fine-tune the resource alignment, and the final budget is approved and adopted by the City Council and filed with the City Clerk, the County Clerk, and the Nevada Department of Taxation (the "Department of Taxation") by June 1 of each year.

As part of the budget and planning process, a five-year financial forecast model (the model) has been developed to evaluate the impact of changing economic conditions, revenue and expenditure trends, and the impact of possible action strategies. An independent citizen panel was formed that includes financial leaders from both the private and public sectors called the Financial Oversight Committee; they assist with the planning process. This committee provides insight in formulating and reviewing the assumptions used in the model, particularly the revenue forecasts. The model is reviewed with the City Council semi-annually. City management actively uses this model to assist in negotiations with collective bargaining units, managing vacant positions, and evaluating possible strategies as the City strives to maintain fiscal integrity through sound financial policies.

Budgets for salaries, benefits, services and supplies are controlled at the departmental level. The departments monitor vacant positions and expenditures. Increase or decrease in revenues may lead to changes in expenditures, such as new hires, travel or capital outlay. If new programs are initiated or existing programs changed, or if unanticipated revenue is realized, it may be necessary to realign or revise the budget. The City formalizes this procedure by preparing an augmented budget, which reflects both revenue and expenditure adjustments. Following a public hearing, the augmentation is filed with the Department of Taxation.

Major Initiatives

The City continues to feel the impact of the economic downturn. Despite federal pronouncements that the national recession is over, our revenues are continuing to decline due to high unemployment, slumping tourism and gaming, and a struggling housing market. Management continues to monitor all legislative actions with a sharp focus on those that impact the city. Revenue streams are analyzed monthly to ensure we have the most current information and projections. The city is moving into a cost-containment mode and will continue to make efficiency changes and monitor (not enhance) service levels. The city continues to "think forward" to meet the goals and objectives of the

City Council in the most effective and efficient manner. The "Think Forward" initiative is designed to keep the city on the cutting edge of providing sustainable and outstanding service to our residents, visitors and the business community. By better aligning operations with priorities of the City Council, the city will be better positioned to take advantage of the eventual rebound in our economy, which will allow the city to continue to provide the best in service to our citizens.

The city has cut approximately \$115.2 million in operating expenses since fiscal year 2008, a 20 percent reduction. The city could not have taken such swift action to help manage our budget were it not for our agreements with the collective bargaining groups. Those agreements are expected to save the city more than \$36 million over the next two fiscal years, representing between 3.5 percent and 10.8 percent in reductions of pay and benefits. In large part, this is due to new hires having newly structured pay and benefits, which will result in even more savings.

The city also reorganized the management and administration of the city, cutting staff in these areas by 25 percent. Executive positions have been reduced by 28 percent, and their average compensation has dropped over the last several years by nearly 8 percent. The key to the new structure is the creation of four chief positions that oversee a super department of interrelated disciplines. The idea is to get departments that have a natural nexus working together to improve synergy and improve the way the city does business.

As the city of Las Vegas continues to develop into a "World Class City," the City Council, with the support of city management is leading initiatives to ensure continuous improvements. The city is committed to celebrating diversity, ensuring sustainability and providing efficient and effective services to the residents and visitors to the city. These three initiatives, Diversity, Sustainability and Performance Plus, are in full effect; the impacts of which will be evident through enhanced services to the public.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) 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, 2010. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last 31 consecutive years (fiscal years 1980-2010). The City believes that this current comprehensive annual financial report continues to conform to the Certificate of Achievement program requirements, and is submitting it to the GFOA.

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the staff of the Finance and Business Services Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Credit also must be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Elizabeth N. Fretwell
City Manager



Candace Falder, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Las Vegas
Nevada

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

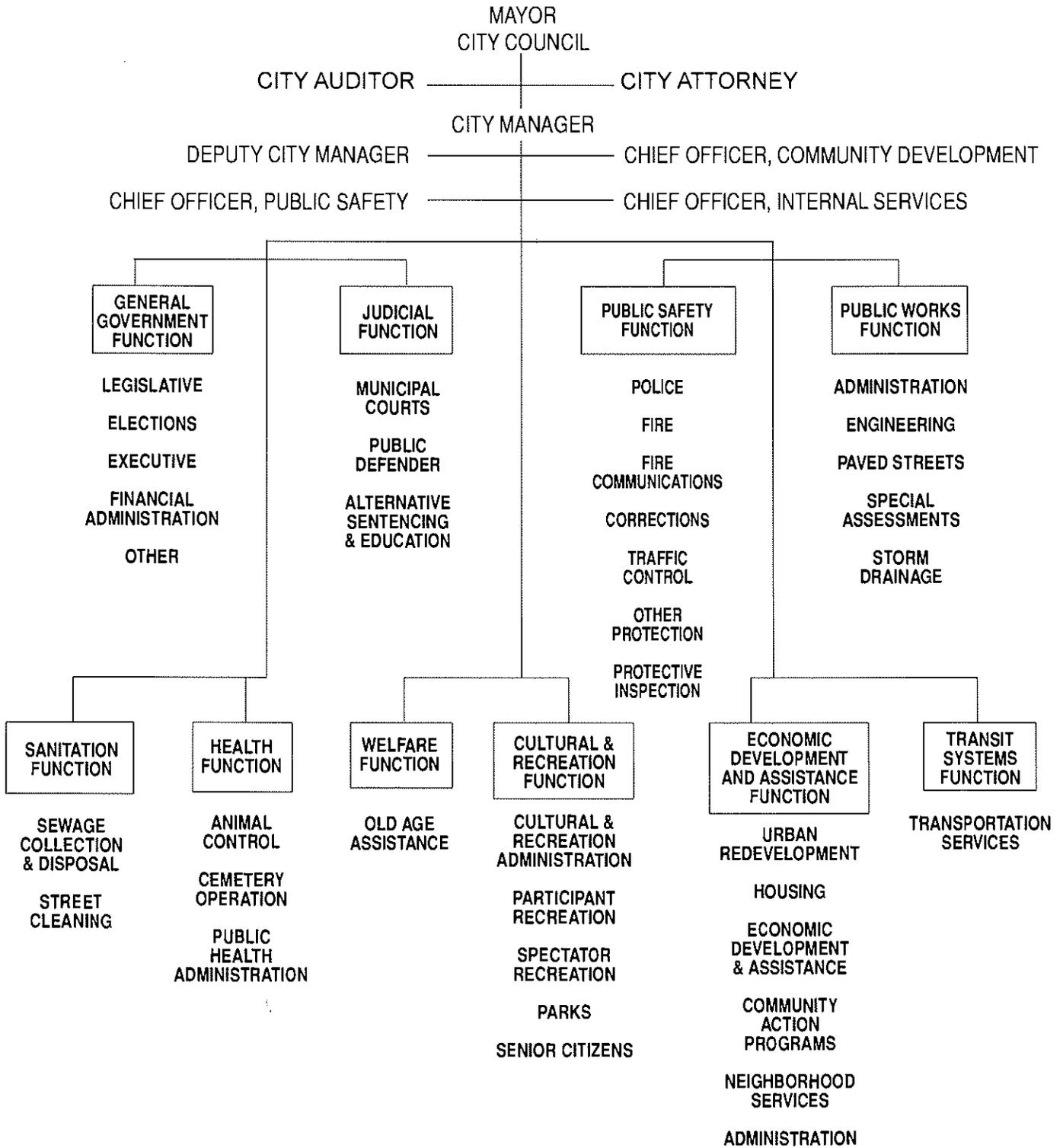


President

Executive Director

CITY OF LAS VEGAS

TABLE OF ORGANIZATION BY FUNCTION AND ACTIVITY



CITY OF LAS VEGAS

OFFICIALS



Mayor
CAROLYN G. GOODMAN
Elected At Large



Councilmember
Mayor Pro-Tem
STAVROS S. ANTHONY
WARD 4



Councilmember
STEVE WOLFSON
WARD 2



Councilmember
LOIS TARKANIAN
WARD 1



Councilmember
STEVEN D. ROSS
WARD 6



Councilmember
RICKI Y. BARLOW
WARD 5



Councilmember
BOB COFFIN
WARD 3

City Manager
ELIZABETH N. FRETWELL

CITY OF LAS VEGAS
ALL DEPARTMENTS
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THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FINANCIAL
SECTION**





KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Las Vegas, Nevada, (the "City"), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Las Vegas, Nevada, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) on pages 15 through 25 and the schedule of funding progress for postemployment healthcare plans on page 99 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 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 MD&A and schedule of funding progress because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual fund statements and schedules, governmental capital assets and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual fund statements and schedules, governmental capital assets and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Kafoway, Armstrong & Co.

Las Vegas, Nevada
January 11, 2012

CITY OF LAS VEGAS, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

As management of the City of Las Vegas, Nevada (City), we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City of Las Vegas as of and for the year ended June 30, 2011. 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 of the City exceeded its liabilities at the close of fiscal year ended June 30, 2011, by \$4,187,976,322. Governmental activities represent \$3,464,336,542 of the total net assets and \$723,639,780 are from business-type activities. Of this amount, \$3.7 billion is investment in capital assets, net of related debt \$109.4 million is restricted for various purposes, and unrestricted net assets are \$362.4 million. Unrestricted net assets may be used to meet the city's ongoing obligation to citizens and creditors.
- Government-wide total governmental expenses were \$671,309,297. The major expense functions were Public Safety at \$365,184,987, Public Works at \$72,439,093, General Government at \$69,375,968, and Culture and Recreation at \$63,203,521. Business-type activities (*proprietary funds*) operating and non-operating expenses totaled \$98,510,745.

Fund level:

- For the year ended June 30, 2011 the city implemented GASB Statement 54, which provides new fund balance classifications for governmental funds. The previous reserved and unreserved classifications have been replaced with nonspendable, restricted, committed, assigned and unassigned. Additional information on the city's fund balances can be found in Note 1 D 9 in the notes to the basic financial statements.
- At the close of Fiscal Year 2011, the city's governmental funds reported combined ending fund balances of \$568,078,935. Of this amount \$25,280,140 is nonspendable, \$263,973,228 is restricted, \$22,244,907 is committed, \$172,493,899 is assigned and \$84,086,761 is unassigned.
- The general fund had a total fund balance of \$151,960,834 at June 30, 2011, which represented 34 percent of total General Fund revenues. The assigned and unassigned fund balance was \$137,118,879. It is the City's fiscal policy to maintain a total ending fund balance in the general fund of at least 12 percent of operating revenues.
- The City's primary revenue sources are ad valorem (property) taxes of \$122,486,783 and consolidated taxes of \$207,962,167. Combined, these two sources represent 42 percent of the total governmental activities revenue of \$786,793,696 from the statement of activities.

Long-term Debt:

- The City's total debt had a net decrease of \$18,254,300. Contributing factors were the issuance \$10,848,700 in Clean Renewable Energy and Qualified Energy Conversation Bonds offset by \$29,103,000 from debt payments during the current fiscal year.

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.

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

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

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

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

Additional information on the joint ventures can be found in the notes to the government-wide financial statements on page 67 of this report. In addition to funding its share of the LVMPD, the City maintains its own detention facility and a small police force (City marshals) that has jurisdiction over City property, especially parks and recreation facilities.

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

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

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

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

The City maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, and the following capital project funds: Parks and Leisure Activities, Road and Flood, and City Facilities. 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.

CITY OF LAS VEGAS, NEVADA
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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 Parks and Leisure Activities, Road and Flood and City Facilities Capital Projects funds, also major governmental funds, and the other Non-major governmental funds are included in the Combining and Individual Fund Statements and Schedules subsection of this report.

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

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

1. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its municipal golf course, sewer, municipal parking, and building and safety (development services), as well as its non-profit corporations.
2. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the following activities:
 - Emergency dispatch services
 - Reprographics equipment and operations
 - Vehicle, computer and phone management
 - Self-insurance activities, including:
 - Liability insurance and property damage
 - Employee benefit
 - 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 proprietary fund financial statements provide separate information for the Sanitation Enterprise Fund and Non-Profit Corporations, which are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the Combining and Individual Funds Statements and Schedules subsections of this report.

The basic proprietary fund financial statements can be found on pages 44-48 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 49 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 50-98 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 102-201 of this report.

The Statistical section can be found on pages 203-224 of this report. This section includes schedules on statistical information provided on a trend basis for historical analysis.

CITY OF LAS VEGAS, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Other information. (continued)

The Compliance and Supplementary Information section can be found on pages 225-230 of this report. This section includes a schedule in compliance with state statutes.

The Single Audit section can be found on pages 231-243 of this report. This section presents a schedule of expenditures of federal awards for the City, related notes and a schedule of findings and questioned costs.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of City of Las Vegas, assets exceeded liabilities by \$4,187,976,322 at the close of the most recent fiscal year.

The largest portion of the net assets (89 percent) reflect its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.), less accumulated depreciation and any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Total net assets increased by 4 percent or \$149,443,863.

**City of Las Vegas Summary Schedule of Net Assets
As of June 30, 2011 and 2010**

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>FY2011</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2010</u>
Current and other assets	\$ 706,892,524	\$ 850,705,721	\$ 247,183,627	\$ 232,454,781	\$ 954,076,151	\$ 1,083,160,502
Net capital assets	3,643,110,318	3,384,756,119	562,944,016	553,013,366	4,206,054,334	3,937,769,485
Total assets	<u>4,350,002,842</u>	<u>4,235,461,840</u>	<u>810,127,643</u>	<u>785,468,147</u>	<u>5,160,130,485</u>	<u>5,020,929,987</u>
Long-term liabilities						
outstanding	810,687,099	786,854,459	70,860,224	79,629,634	881,547,323	866,484,093
Other liabilities	74,979,201	106,251,793	15,627,639	9,661,642	90,606,840	115,913,435
Total liabilities	<u>885,666,300</u>	<u>893,106,252</u>	<u>86,487,863</u>	<u>89,291,276</u>	<u>972,154,163</u>	<u>982,397,528</u>
Net assets:						
Invested in capital assets, net of related debt	3,218,014,271	3,059,630,104	498,051,836	479,204,046	3,716,066,107	3,538,834,150
Restricted	109,426,116	36,709,947			109,426,116	36,709,947
Unrestricted	136,896,155	246,015,537	225,587,944	216,972,825	362,484,099	462,988,362
Total net assets	<u>\$ 3,464,336,542</u>	<u>\$ 3,342,355,588</u>	<u>\$ 723,639,780</u>	<u>\$ 696,176,871</u>	<u>\$ 4,187,976,322</u>	<u>\$ 4,038,532,459</u>

The City's total net assets are \$4,187,976,322 of which \$362,484,099 are *unrestricted net assets*, which may be used to meet the City's ongoing obligations to citizens and creditors. An additional portion of the City's net assets represents resources that are subject to external restrictions on how they may be used. Of these restricted net assets, 84 percent is for construction and maintenance of capital projects, 4.2 percent is for repayment of long-term debt, and 6.4 percent in 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 net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Governmental activities. Governmental activities increased the City's net assets by \$121,980,954, thereby contributing to a 4 percent increase in total net assets of the City of Las Vegas. This is the result of basic budget policies, which include: appropriations for ongoing expenses will not exceed ongoing revenues; one-time revenues will only be used for one-time expenses; and the ending fund balance should equal at least 12 percent of operating revenues. Key elements of this increase are as follows:

CITY OF LAS VEGAS, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**City of Las Vegas Changes in Net Assets
For the Years Ended June 30, 2011 and 2010**

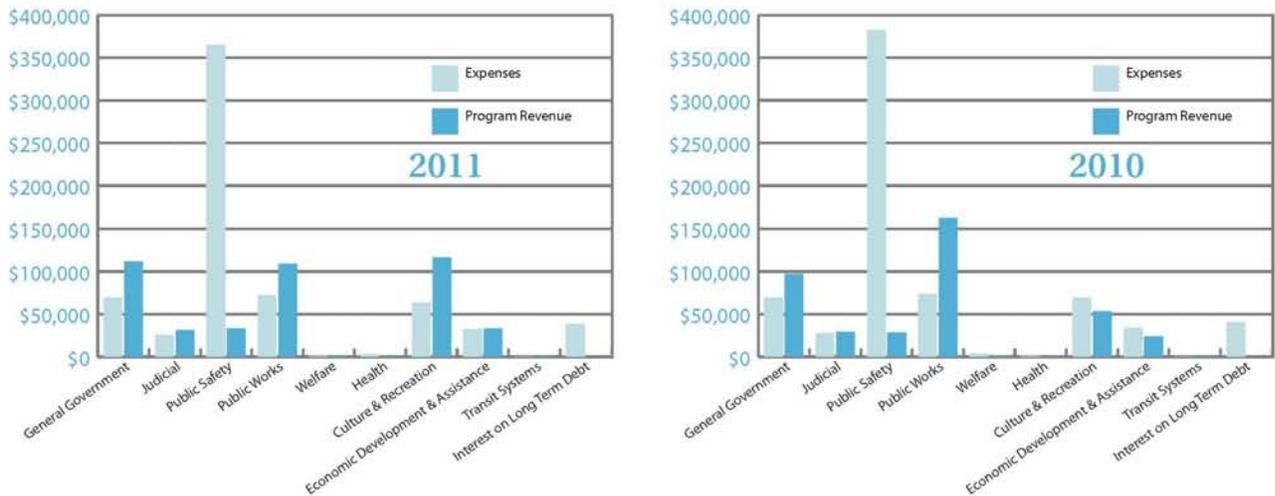
	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>FY2011</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2010</u>
Revenues:						
Program revenues:						
Charges for services	\$ 188,309,176	\$ 167,866,681	\$ 110,164,415	\$ 116,532,789	\$ 298,473,591	\$ 284,399,470
Operating grants and contributions	25,498,531	20,571,955	40,062	623,701	25,538,593	21,195,656
Capital grants and contributions	222,590,087	206,818,239	18,154,341	21,656,353	240,744,428	228,474,592
General revenues:						
Consolidated tax	207,962,167	201,518,649			207,962,167	201,518,649
Property taxes	122,486,783	158,782,704			122,486,783	158,782,704
Room tax	3,025,841	2,894,473			3,025,841	2,894,473
Residential construction tax	371,866	863,784			371,866	863,784
Motor vehicle fuel tax	7,316,165	7,185,058			7,316,165	7,185,058
Unrestricted investment earnings	7,917,970	13,065,141	4,111,391	5,257,285	12,029,361	18,322,426
Contributions not restricted to specific programs	43,324	58,954			43,324	58,954
Gain on disposal of capital assets	1,271,786	112,288			1,271,786	112,288
Total revenues	<u>786,793,696</u>	<u>779,737,926</u>	<u>132,470,209</u>	<u>144,070,128</u>	<u>919,263,905</u>	<u>923,808,054</u>
Expenses:						
General government	69,375,968	69,685,275			69,375,968	69,685,275
Judicial	25,892,956	27,789,531			25,892,956	27,789,531
Public safety	365,184,987	381,980,350			365,184,987	381,980,350
Public works	72,439,093	73,202,292			72,439,093	73,202,292
Welfare	1,056,530	1,027,396			1,056,530	1,027,396
Health	3,225,323	3,454,049			3,225,323	3,454,049
Culture and recreation	63,203,521	69,251,419			63,203,521	69,251,419
Economic development and assistance	32,614,077	33,941,373			32,614,077	33,941,373
Transit systems	15,383	180,750			15,383	180,750
Interest on long-term debt	38,301,459	40,269,651			38,301,459	40,269,651
Sanitation			83,375,927	88,060,392	83,375,927	88,060,392
Development services			6,719,970	7,761,192	6,719,970	7,761,192
Parking			3,696,342	3,935,957	3,696,342	3,935,957
Golf course			2,654,417	2,693,282	2,654,417	2,693,282
Video production				2,361,449		2,361,449
Land development			2,064,089	598,028	2,064,089	598,028
Total expenses	<u>671,309,297</u>	<u>700,782,086</u>	<u>98,510,745</u>	<u>105,410,300</u>	<u>769,820,042</u>	<u>806,192,386</u>
Change in net assets before transfers	115,484,399	78,955,840	33,959,464	38,659,828	149,443,863	117,615,668
Transfers in (out)	6,496,555	(7,857,187)	(6,496,555)	7,857,187		
Change in net assets	<u>121,980,954</u>	<u>71,098,653</u>	<u>27,462,909</u>	<u>46,517,015</u>	<u>149,443,863</u>	<u>117,615,668</u>
Net assets – July 1	<u>3,342,355,588</u>	<u>3,271,256,935</u>	<u>696,176,871</u>	<u>649,659,856</u>	<u>4,038,532,459</u>	<u>3,920,916,791</u>
Net assets – June 30	<u>\$ 3,464,336,542</u>	<u>\$ 3,342,355,588</u>	<u>\$ 723,639,780</u>	<u>\$ 696,176,871</u>	<u>\$ 4,187,976,322</u>	<u>\$ 4,038,532,459</u>

CITY OF LAS VEGAS, NEVADA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

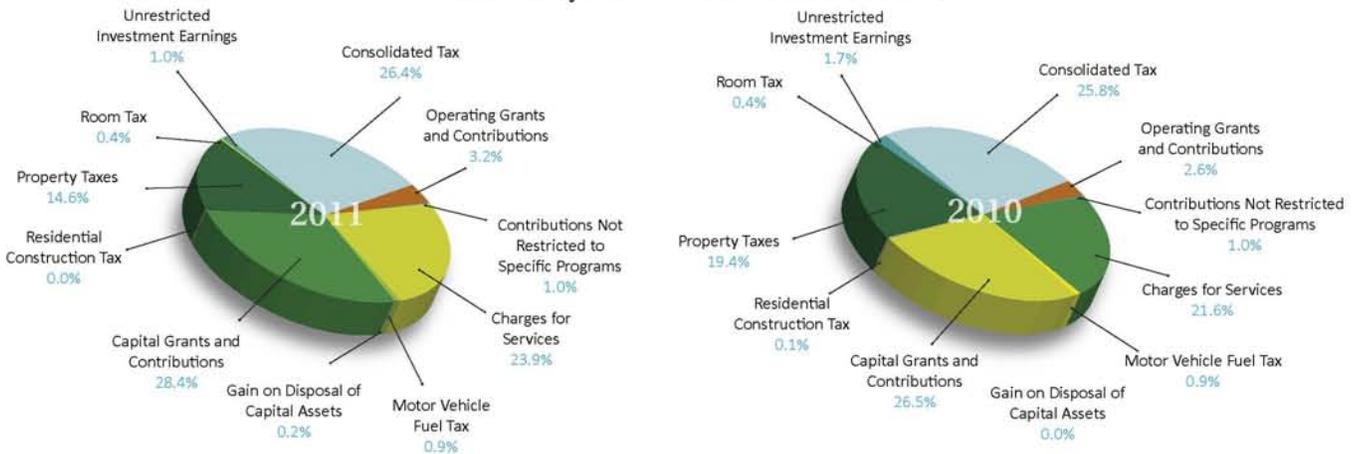
Program revenues for governmental activities include charges for services, licenses and permits, special assessments, inter-governmental fines and forfeitures, and both operating and capital grants and contributions. Program revenues of the governmental activities provided 65 percent of the resources necessary to pay the cost of providing program services. The remaining program costs were financed from general revenues. Operating grants and contributions increased by \$4.9 million, an increase of 24 percent. The major increase was \$4.6 million in federal funds for an Energy Block Grant and \$3.1 million for an ARRA JAG Grant Program. Capital grants and contributions increased by 7.6 percent, or approximately \$12.3 million. The main contributing factor was a \$75 million grant from the Donald W. Reynolds Foundation for construction costs on the Performing Arts Center. Other major additions were assets contributed by developers of \$29,424,034 for governmental activities and \$5,516,712 for business-type activities for a total of \$34,940,746 for storm drains, roadways and land.

The largest general revenues are consolidated tax of \$207,962,167 and Ad Valorem tax (property tax) of \$122,486,783, representing 42 percent of total governmental revenues. Consolidated tax increased 3.2 percent. Property taxes have decreased 23 percent during the year, attributable to a decrease in population, a 25 percent decrease in assessed property values offset by a continuing reduction in the tax abatement allowance for prior years in which property tax liabilities exceeded statutory increase limits.

Expenses & Program Revenues – Governmental Activities (in thousands)



Revenues by Source – Governmental Activities



CITY OF LAS VEGAS, NEVADA
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 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Expenses in public works of \$72,439,093 and public safety of \$365,184,987 represent 65 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 4 percent, or approximately \$16.8 million, due to labor concessions and staff reductions in the Metropolitan Police Department and the city's Public Works, Detention and Enforcement, and Fire and Rescue Departments.

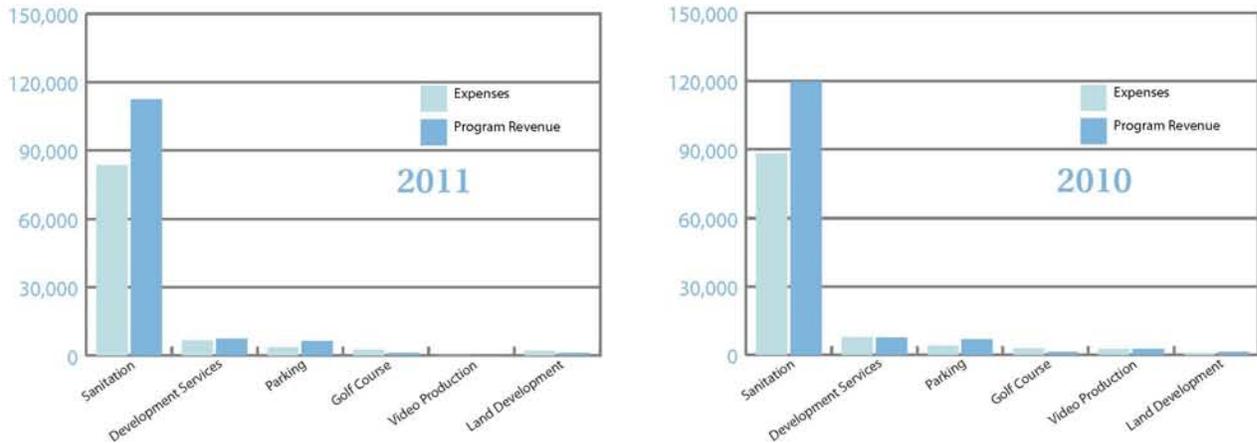
Business-type activities. Business-type activities increased the City's net assets by \$27,462,909. Key elements of this increase were decreases in sanitation and development services expenses as a result of labor concessions and staff reductions.

Of this increase in net assets, \$24.7 million is in the Sanitation Enterprise Fund. Seventy-seven percent of this increase is in the investment in capital assets, and 23 percent in unrestricted net assets. This results from increases in service fees and connection charges in anticipation of capital expansion needs to meet the demands for services in an area of continued dynamic population growth.

Sanitation-related expenses represent 84 percent of total expenses for business-type activities. These expenses decreased by 5 percent in 2011 as a result of an Interlocal Agreement with the City of North Las Vegas to contribute a portion of the City's sales tax allocation to them for new wastewater treatment plant construction, including a retroactive amount paid in 2010 for prior years and nominal increases in salaries and benefits expenses. These included operations at the water pollution control facility, maintenance of sewer lines and storm drainage, and street cleaning.

Business-type activities program revenues provided 130 percent of the resources to finance their operations.

Expenses & Program Revenues –Business type Activities



Revenues by Source – Business-type Activities



CITY OF LAS VEGAS, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
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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, assigned and 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 \$568.1 million, a decrease of \$84.6 million from the prior year. Approximately \$256.6 million, or 45.2 percent of the total fund balance, constitutes unreserved (assigned and unassigned) fund balance. Approximately \$311.5 million or 54.8 percent of the total fund balance constitutes reserved fund balance which includes \$25.3 million nonspendable, \$264 million restricted and \$22.2 million committed.

The general fund is the primary operating fund of the City. At the end of the current fiscal year, unreserved (assigned and unassigned) fund balance in the General Fund was \$137.1 million and total fund balance was \$152 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 29 percent of total fund expenditures and transfers out while total fund balance represents 33 percent of that same amount.

The general fund also has \$14.8 million in nonspendable fund balance, consisting of \$12.4 million in noncurrent loans receivable and \$2.4 million in inventories.

The fund balance of the City's General Fund increased by \$9.9 million during the current fiscal year. Key factors in this change are as follows:

- Total revenue decreased from the prior year by \$12.2 million or 3 percent. Changes were mixed among major categories, with the largest decrease seen in property taxes. In addition, transfers in increased from the prior year by \$20.1 million.
- Total expenditures of \$466.6 million decreased from the prior year by \$18.5 million or 4 percent. This decrease was driven primarily by reductions in public safety costs of \$13.2 million or 4.1 percent.

The Road and Flood capital projects fund has a total fund balance of \$8.9 million, \$8.5 million was assigned for construction projects for road improvements and flood channels and basins, \$4 hundred thousand was restricted for street landscaping. The net increase in fund balance during the current year was \$2.3 million. The fund received \$73.3 million in revenues from other governmental reimbursements and had expenditures for capital projects of \$73.5 million.

The Parks and Leisure Activities capital projects fund has a total fund balance of \$79.5 million. Eighty-four thousand was nonspendable for prepaid items, \$38.2 million was restricted, consisting of construction projects of \$5.1 million for the Stupak Community Center, Garside pool \$5 million and \$25.1 million for the Performing Arts Center, and \$3 million for various other capital projects. The City committed \$6.9 million for parks construction and improvements and assigned \$34.3 million, consisting of \$4.6 million for Freedom Park improvements, \$8.2 million for the Mob Museum, \$5 million for the Performing Arts Center and \$16.6 million for various other projects. The net decrease in fund balance during the current year was \$31.2 million. The fund received \$97.9 million in revenues, including of \$20.1 million from Southern Nevada Public Lands Management Act (SNPLMA) for parks, trails, and natural land management, \$75 million in other contributions for the Performing Arts Center and \$1.2 million in interest income. The fund had expenditures of \$140.5 million for various capital projects, with net transfers in of \$11.4 million.

City Facilities Capital Project fund has a total fund balance of \$128.7, \$104.1 million restricted for construction projects consisting of \$16.1 million for the Main Street Parking Garage, \$86.6 million for the new City Hall and \$1.4 million in various projects. There is \$24.6 million assigned consisting of \$18.6 million for construction of the new City Hall, and \$6 million of various other projects. The fund balance decreased by \$79.8 million from \$68.3 million in costs for the new City Hall project, and \$3.6 million in costs for the Main Street Parking Garage, and \$7.9 million in costs for the Development Service Center.

CITY OF LAS VEGAS, NEVADA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Other non-major governmental funds had a total fund balance of \$199 million, \$10.4 nonspendable, \$121.2 restricted, \$15.3 million committed and \$54.5 million assigned with a negative \$2.5 million unassigned. See Note 1 D 9 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 assets of the proprietary funds totaled \$723.6 million of which the Sanitation Fund had \$664.5 million in net assets. The total growth of the proprietary funds was \$27.5 million of which the growth in the Sanitation Fund was \$24.7 million. The Sanitation Fund was established to account for the City-owned and operated sewer system in the City of Las Vegas and service provided to North Las Vegas. However, the City of North Las Vegas has opened its own water pollution control facility and the city will no longer provide service to North Las Vegas beginning in fiscal year 2012. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City's business-type activities.

Internal Service Funds. The City's internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its computer services, communications, graphic arts 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 predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Other factors concerning the finances of the internal service funds have already been addressed in the discussion of the City's governmental activities.

General Fund Budgetary Highlights

There were no budget augmentations during the year for the general fund (see Note 3A). The actual General Fund operating revenues of \$439.8 million were \$7.6 million or 2 percent above budgeted operating revenues of \$432.2 million (see page 102). This increase is mostly attributable to consolidated tax collections received from the State of Nevada. City departments within the General Fund were required to analyze their budgets to find areas where spending could be reduced for cost savings resulting in \$21 million savings compared to the final budget amounts (see pages 102-110). Anticipating this trend in lower revenues could continue into the next fiscal years, cost saving measures were built into the Fiscal Year 2011 budget.

Capital Asset and Debt Administration

Capital assets. The City of Las Vegas and its blended component units' investment in capital assets for its governmental and business-type activities amounts to \$4,206,054,334 (net of accumulated depreciation of \$1,385,382,762) as of June 30, 2011. Capital assets include land, buildings, improvements, machinery & equipment and vehicles, wastewater systems, infrastructures (roadways, traffic signals and lighting, signage, pavement markers, storm drainage and sanitary sewer lines), and construction in progress. For the current fiscal year, the City's net increase in capital assets was 7.2 percent before depreciation (7.8 percent for governmental activities and 3.9 percent for business-type activities).

The City has an aggressive capital improvement program totaling over \$1.2 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 (\$288.3 million), sanitation facilities (\$303.6 million), road and flood construction (\$318 million), and city facilities (\$152.3 million).

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

Construction in progress (CIP) increased by a net \$183,730,932. Fiscal year 2011 addition to CIP was \$329,311,786. The major projects were \$58.9 million on the new City Hall Complex, \$101 million on the Performing Arts Center, \$31.1 million on various roadway projects, \$11.9 million on the Mob Museum, \$12.6 million for solar projects, \$8.6 million for the Atrium Building additions, \$46.7 million for storm drains, \$16 million for sewer improvements and \$1.3 million for a new Main Street Parking Garage. The City completed \$145,580,854 of projects and removed them from construction in progress. Other City projects added were \$22.6 million.

CITY OF LAS VEGAS, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Additional information on capital assets can be found in Note 9 on pages 68-70 of this report.

City of Las Vegas Capital Assets

(net of depreciation)

As of June 30, 2011 and 2010

	Governmental		Business-type		Total	
	FY2011	FY2010	FY2011	FY2010	FY2011	FY2010
Land	\$ 1,171,020,200	\$ 1,166,653,154	\$ 49,799,393	\$ 49,799,393	\$ 1,220,819,593	\$ 1,216,452,547
Construction in progress	863,499,970	682,225,977	34,897,282	32,492,316	898,397,252	714,718,293
Land improvements	193,828,170	173,881,618	9,067,261	9,773,946	202,895,431	183,655,564
Sewer plant improvements			190,446,672	184,343,712	190,446,672	184,343,712
Buildings	201,555,448	207,093,524	15,024,602	15,421,120	216,580,050	222,514,644
Building improvements	48,843,708	49,489,068	1,417,522	1,534,768	50,261,230	51,023,836
Sewer lines			261,540,404	258,684,053	261,540,404	258,684,053
Machinery and equipment	8,514,944	9,371,599	750,880	964,058	9,265,824	10,335,657
Vehicles	12,629,956	16,188,883			12,629,956	16,188,883
Roadways	609,588,504	579,273,033			609,588,504	579,273,033
Traffic pavement markers	574,483	705,116			574,483	705,116
Traffic signals and lighting	52,481,606	53,653,917			52,481,606	53,653,917
Traffic signage	966,403	990,744			966,403	990,744
Storm drainage	479,606,926	445,229,486			479,606,926	445,229,486
Total	\$ 3,643,110,318	\$ 3,384,756,119	\$ 562,944,016	\$ 553,013,366	\$ 4,206,054,334	\$ 3,937,769,485

Long-term debt. At the end of the current fiscal year, the City and its blended component units' total bonded debt outstanding was \$643,163,700, exclusive of deferred issuance costs, and premiums and discounts. Of this amount, \$293,565,000 comprises general obligation debt backed by the full faith and credit of the government, \$144,230,000 of general obligation debts additionally secured by specified revenue sources, \$6,250,000 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), and \$10,848,700 of Installment Purchases.

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, 2011 and 2010

	Governmental		Business-type		Total	
	FY2011	FY2010	FY2011	FY2010	FY2011	FY2010
General obligation medium-term bonds	\$ 47,070,000	\$ 57,255,000	\$	\$	\$ 47,070,000	\$ 57,255,000
General obligation tax increment revenue bonds	97,160,000	100,840,000			97,160,000	100,840,000
Certificates of Participation (COPS)	188,270,000	188,270,000			188,270,000	188,270,000
Installment Purchases	10,848,700				10,848,700	
Special assessment bonds	6,250,000	6,903,000			6,250,000	6,903,000
General obligation revenue bonds	227,310,000	232,755,000	66,255,000	75,395,000	293,565,000	308,150,000
Total	\$ 576,908,700	\$ 586,023,000	\$ 66,255,000	\$ 75,395,000	\$ 643,163,700	\$ 661,418,000

CITY OF LAS VEGAS, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

The City and its blended component units' total debt increased by a net \$10,848,700 during the current fiscal year. The increase resulted from the issuance of two new bonds (1) Installment Purchase Clean Renewable Energy Bonds for \$4,974,400. The Bond proceeds are to be used for solar energy projects and (2) Installment Purchase Qualified Energy Conservation Bonds. The proceeds are to be used for energy retrofit and street light improvements. The City's debt principal payments totaled \$29,103,000 for fiscal year ended June 30, 2011, resulting in a net decrease in total debt of \$18,254,300 .

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 \$2,763,956,000 (see page 218), 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 A.

Additional information on the City's long-term debt can be found in Note 12 on pages 73-84 of this report.

Economic Factors

For fiscal year 2012 the assessed valuation of the City is \$12,958,012,131 a decrease of \$760,822,350 over fiscal year 2011 with a combined tax rate of \$0.7715 apportioned to the City per \$100 of assessed value. The decrease is due to the downturn in the economy which has caused a dramatic decrease in property values in the City of Las Vegas.

Requests for Information

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

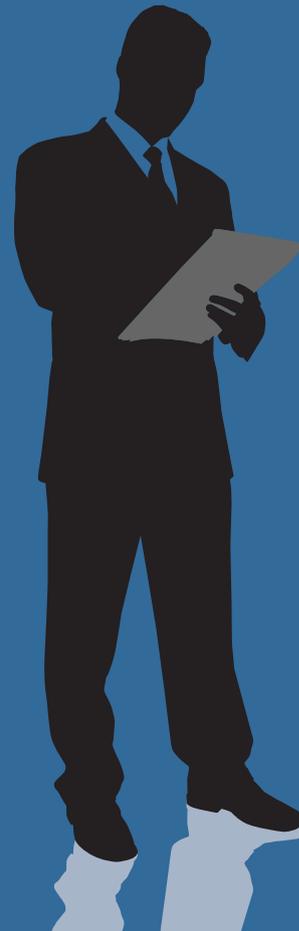
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THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**BASIC FINANCIAL
STATEMENT**





CITY OF LAS VEGAS
STATEMENT OF NET ASSETS
JUNE 30, 2011

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMMISSION FOR THE LAS VEGAS CENTENNIAL
ASSETS				
Pooled cash and investments	\$ 578,785,083	\$ 213,069,652	\$ 791,854,735	\$ 699,145
Other investments	8,574,720		8,574,720	
Receivables net of allowance:				
Property taxes	4,891,203		4,891,203	
Consolidated taxes	35,179,194		35,179,194	
Gaming tax	1,230		1,230	
Accounts	6,654,463	17,790,640	24,445,103	
Interest	2,033,796	1,150,589	3,184,385	
Loans	12,165,248	3,196,200	15,361,448	
Special assessments	6,013,727		6,013,727	
Intergovernmental	39,379,407	6,240,089	45,619,496	807,407
Internal balances	(1,881,455)	1,881,455		
Land held for resale	6,638,894		6,638,894	
Inventories	3,018,276	3,026,942	6,045,218	
Prepaid items	177,282	335,231	512,513	2,034
Deposits	105,515	26,191	131,706	
Deferred charges	3,110,469	466,638	3,577,107	
Restricted assets:				
Permanently restricted:				
Pooled cash and investments	2,045,472		2,045,472	
Capital assets:				
Land and construction in progress	2,034,520,170	84,696,675	2,119,216,845	
Depreciable improvements, buildings, machinery and equipment, and infrastructure, net of depreciation	1,608,590,148	478,247,341	2,086,837,489	
TOTAL ASSETS	4,350,002,842	810,127,643	5,160,130,485	1,508,586

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

CITY OF LAS VEGAS
STATEMENT OF NET ASSETS
JUNE 30, 2011

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL	BUSINESS-TYPE	TOTAL	COMMISSION FOR THE
	ACTIVITIES	ACTIVITIES		LAS VEGAS CENTENNIAL
LIABILITIES				
Accounts payable	\$ 33,802,122	\$ 11,951,327	\$ 45,753,449	\$
Salaries payable	7,348,381	708,215	8,056,596	
Deposits payable	1,593,400	121,679	1,715,079	
Interest payable	7,730,894	591,261	8,322,155	
Contracts payable	15,773,236	1,719,292	17,492,528	
Intergovernmental payable	2,206,321	535,865	2,742,186	3,690
Claims and judgments payable	457,049		457,049	
Unearned revenue	6,067,798		6,067,798	
Noncurrent liabilities:				
Current portion due or payable within one year:				
Bonds payable	19,633,511	9,487,140	29,120,651	
Special assessment debt with governmental commitment	635,620		635,620	
Benefits payable	8,661,513		8,661,513	
Compensated absences payable	31,985,421	3,777,592	35,763,013	
Unearned revenue		31,760	31,760	
Long-term portion due or payable after one year:				
Bonds payable	554,642,801	55,405,040	610,047,841	
Special assessment debt with governmental commitment	5,645,489		5,645,489	
Compensated absences payable	13,005,520	1,535,999	14,541,519	
Unearned revenue		622,693	622,693	
Arbitrage rebate payable	140,225		140,225	
Unfunded Metropolitan police OPEB liability	60,893,572		60,893,572	
OPEB liability	57,284,804		57,284,804	
Heart lung presumptive liability	58,158,623		58,158,623	
TOTAL LIABILITIES	885,666,300	86,487,863	972,154,163	3,690
NET ASSETS				
Invested in capital assets, net of related debt	3,218,014,271	498,051,836	3,716,066,107	
Restricted for:				
Debt service	11,051,848		11,051,848	
Capital projects	50,769,778		50,769,778	
Economic development and assistance	16,860,687		16,860,687	
Street maintenance	15,200,401		15,200,401	
Judicial	1,533,676		1,533,676	
Culture and recreation	8,029,935		8,029,935	
Public safety	2,649,294		2,649,294	
General government	308,943		308,943	
Welfare	197,157		197,157	
Darling tennis endowment	750,000		750,000	
Cemetery perpetual care-nonexpendable	2,074,397		2,074,397	
Unrestricted	136,896,155	225,587,944	362,484,099	1,504,896
TOTAL NET ASSETS	\$ 3,464,336,542	\$ 723,639,780	\$ 4,187,976,322	\$ 1,504,896

CITY OF LAS VEGAS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>PROGRAM OPERATING GRANT AND CONTRIBUTIONS</u>
Primary government:			
Governmental activities:			
General government	\$ 69,375,968	\$ 99,100,786	\$ 7,972,126
Judicial	25,892,956	30,657,718	292,488
Public safety	365,184,987	26,918,219	1,518,970
Public works	72,439,093	4,936,358	1,179,163
Welfare	1,056,530	672,006	149,704
Health	3,225,323	344,870	
Culture and recreation	63,203,521	15,150,287	550,852
Economic development and assistance	32,614,077	10,528,232	13,835,228
Transit systems	15,383	700	
Interest on long-term debt	38,301,459		
Total governmental activities	<u>671,309,297</u>	<u>188,309,176</u>	<u>25,498,531</u>
Business-type activities:			
Sanitation	83,375,927	94,153,310	40,062
Development services	6,719,970	7,306,724	
Parking	3,696,342	6,404,414	
Golf course	2,654,417	1,199,315	
Land development	2,064,089	1,100,652	
Total business-type activities	<u>98,510,745</u>	<u>110,164,415</u>	<u>40,062</u>
Total primary government	<u>\$ 769,820,042</u>	<u>\$ 298,473,591</u>	<u>\$ 25,538,593</u>
Component unit:			
Commission for the Las Vegas Centennial	\$ 3,547,125	\$ 486	\$ 1,680,697
Total component unit	<u>\$ 3,547,125</u>	<u>\$ 486</u>	<u>\$ 1,680,697</u>

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

REVENUES	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS				
	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNIT COMMISSION FOR THE LAS VEGAS CENTENNIAL
		GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
\$	5,012,862	\$ 42,709,806	\$	\$ 42,709,806	\$
		5,057,250		5,057,250	
	4,662,076	(332,085,722)		(332,085,722)	
	102,799,206	36,475,634		36,475,634	
		(234,820)		(234,820)	
		(2,880,453)		(2,880,453)	
	101,001,355	53,498,973		53,498,973	
	9,114,588	863,971		863,971	
		(14,683)		(14,683)	
		(38,301,459)		(38,301,459)	
	<u>222,590,087</u>	<u>(234,911,503)</u>		<u>(234,911,503)</u>	
	18,154,341		28,971,786	28,971,786	
			586,754	586,754	
			2,708,072	2,708,072	
			(1,455,102)	(1,455,102)	
			(963,437)	(963,437)	
	<u>18,154,341</u>		<u>29,848,073</u>	<u>29,848,073</u>	
\$	<u>240,744,428</u>	<u>(234,911,503)</u>	<u>29,848,073</u>	<u>(205,063,430)</u>	
\$					(1,865,942)
\$					(1,865,942)
General revenues:					
	Consolidated tax	207,962,167		207,962,167	
	Property taxes	122,486,783		122,486,783	
	Room tax	3,025,841		3,025,841	
	Residential construction tax	371,866		371,866	
	Motor vehicle fuel tax	7,316,165		7,316,165	
	Unrestricted investment earnings	7,917,970	4,111,391	12,029,361	6,257
	Contributions not restricted to specific programs	43,324		43,324	
	Gain on disposal of capital assets	1,271,786		1,271,786	
	Transfers	6,496,555	(6,496,555)		
	<u>Total general revenues and transfers</u>	<u>356,892,457</u>	<u>(2,385,164)</u>	<u>354,507,293</u>	<u>6,257</u>
	Change in net assets	121,980,954	27,462,909	149,443,863	(1,859,685)
	Net assets - July 1,	<u>3,342,355,588</u>	<u>696,176,871</u>	<u>4,038,532,459</u>	<u>3,364,581</u>
	Net assets - June 30,	<u>\$ 3,464,336,542</u>	<u>\$ 723,639,780</u>	<u>\$ 4,187,976,322</u>	<u>\$ 1,504,896</u>

CITY OF LAS VEGAS, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General	Parks and Leisure Activities	Road and Flood
ASSETS			
Pooled cash and investments	\$ 105,246,356	\$ 91,915,066	\$ 2,885,232
Receivables (net of allowances for uncollectibles):			
Property tax	3,069,818		
Consolidated tax	35,179,194		
Gaming tax	1,230		
Accounts	3,341,403		311,870
Interest	400,198	330,841	
Loans	17,578,562		
Special Assessments			
Intergovernmental	1,113,693	8,961,314	18,615,499
Due from other funds	2,494,669		
Land held for resale			
Inventories	2,415,694		
Prepaid items	47,699	83,930	
Permanently restricted:			
Pooled cash and investments			
Total assets	\$ 170,888,516	\$ 101,291,151	\$ 21,812,601
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,467,321	\$ 11,084,869	\$ 9,140,633
Salaries payable	5,465,241		
Due to other funds	500		
Deposits payable	845,488		
Contracts payable		10,710,660	3,638,843
Loans payable	811,534		
Intergovernmental payable	1,311,676		87,238
Deferred revenue	8,025,922		
Total liabilities	18,927,682	21,795,529	12,866,714
Fund balances:			
Nonspendable	14,841,955	83,930	
Restricted		38,223,216	378,941
Committed		6,901,976	
Assigned	50,560,760	34,286,500	8,566,946
Unassigned	86,558,119		
Total fund balances	151,960,834	79,495,622	8,945,887
Total liabilities and fund balances	\$ 170,888,516	\$ 101,291,151	\$ 21,812,601

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

	City Facilities	Other Non-Major Governmental Funds	Total Governmental Funds
\$	130,014,953	\$ 197,701,801	\$ 527,763,408
		1,821,385	4,891,203
			35,179,194
			1,230
		618,219	4,271,492
	375,009	589,992	1,696,040
		7,801,782	25,380,344
		6,013,727	6,013,727
	31,787	10,468,129	39,190,422
		811,089	3,305,758
		6,638,894	6,638,894
			2,415,694
		45,653	177,282
		2,045,472	2,045,472
\$	<u>130,421,749</u>	<u>234,556,143</u>	<u>658,970,160</u>
\$	1,462,930	\$ 8,400,891	\$ 32,556,644
		121,809	5,587,050
		4,762,551	4,763,051
		468,909	1,314,397
	275,436	1,145,929	15,770,868
		31,250	842,784
		807,407	2,206,321
		19,824,188	27,850,110
	<u>1,738,366</u>	<u>35,562,934</u>	<u>90,891,225</u>
		10,354,255	25,280,140
	104,142,907	121,228,164	263,973,228
		15,342,931	22,244,907
	24,540,476	54,539,217	172,493,899
		(2,471,358)	84,086,761
	<u>128,683,383</u>	<u>198,993,209</u>	<u>568,078,935</u>
\$	<u>130,421,749</u>	<u>234,556,143</u>	<u>658,970,160</u>

CITY OF LAS VEGAS, NEVADA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

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

Total fund balances - total governmental funds (page 33)	\$ 568,078,935
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 \$3,633,654,180 and internal service fund assets of \$9,456,138.	3,643,110,318
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(798,616,436)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	6,310,121
Internal service funds are used by management to charge the costs of various services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Total net assets in the internal service funds are \$53,723,324, plus \$1,186,418 to reflect consolidation of internal service fund activities to related enterprise funds; and less \$9,456,138 of internal service fund net capital assets reflected in governmental activities.	<u>45,453,604</u>
Net assets of governmental activities (page 29)	<u><u>\$ 3,464,336,542</u></u>

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

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CITY OF LAS VEGAS, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>General</u>	<u>Parks and Leisure Activities</u>	<u>Road and Flood</u>
Revenues:			
Taxes	\$ 92,913,317	\$ 371,866	\$
Licenses and permits	77,158,559		
Intergovernmental	211,563,252	20,865,439	73,299,766
Charges for services	34,959,537		6,529
Fines and forfeits	20,008,474		
Special assessments			
Interest	1,382,804	1,226,124	
Miscellaneous	3,031,206	75,405,547	26,588
Total revenues	<u>441,017,149</u>	<u>97,868,976</u>	<u>73,332,883</u>
Expenditures:			
Current:			
General government	46,167,240		
Judicial	22,679,577		
Public safety	310,409,067		
Public works	15,789,510		2,308,492
Health	3,191,898		
Welfare			
Culture and recreation	42,210,578	1,567,197	
Economic development and assistance	5,669,693		
Transit systems	14,442		
Debt service:			
Principal retirement			
Interest and fiscal charges			
Capital outlay:			
General government			
Public safety			
Public works			71,199,355
Culture and recreation		138,883,851	
Economic development and assistance			
Total expenditures	<u>446,132,005</u>	<u>140,451,048</u>	<u>73,507,847</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,114,856)</u>	<u>(42,582,072)</u>	<u>(174,964)</u>
Other financing sources (uses):			
Transfers in	34,114,286	29,685,082	3,207,000
Transfers out	(20,489,475)	(18,299,497)	(700,000)
Sale of capital assets	1,373,333		
Bonds issued			
Discounts			
Total other financing sources (uses)	<u>14,998,144</u>	<u>11,385,585</u>	<u>2,507,000</u>
Net changes in fund balances	9,883,288	(31,196,487)	2,332,036
Fund balances, July 1	<u>142,077,546</u>	<u>110,692,109</u>	<u>6,613,851</u>
Fund balances, June 30	<u>\$ 151,960,834</u>	<u>\$ 79,495,622</u>	<u>\$ 8,945,887</u>

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

<u>City Facilities</u>	<u>Other Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$ 33,380,741	\$ 126,665,924
	203,880	77,362,439
286,219	70,340,041	376,354,717
	5,486,706	40,452,772
	151,866	20,160,340
	3,438,013	3,438,013
881,439	2,655,551	6,145,918
	9,467,541	87,930,882
<u>1,167,658</u>	<u>125,124,339</u>	<u>738,511,005</u>
408,353	8,460,055	55,035,648
	2,289,519	24,969,096
	1,093,993	311,503,060
	7,949,495	26,047,497
	118,410	3,310,308
	1,039,650	1,039,650
	4,156,522	47,934,297
	25,148,186	30,817,879
		14,442
	19,963,000	19,963,000
	37,465,273	37,465,273
71,437,095	14,817,536	86,254,631
	6,093,969	6,093,969
	7,501,036	78,700,391
		138,883,851
	2,594,085	2,594,085
<u>71,845,448</u>	<u>138,690,729</u>	<u>870,627,077</u>
<u>(70,677,790)</u>	<u>(13,566,390)</u>	<u>(132,116,072)</u>
706,607	75,555,571	143,268,546
(9,812,500)	(74,354,733)	(123,656,205)
	313,632	1,686,965
	26,320,892	26,320,892
	(108,487)	(108,487)
<u>(9,105,893)</u>	<u>27,726,875</u>	<u>47,511,711</u>
(79,783,683)	14,160,485	(84,604,361)
<u>208,467,066</u>	<u>184,832,724</u>	<u>652,683,296</u>
\$ <u><u>128,683,383</u></u>	\$ <u><u>198,993,209</u></u>	\$ <u><u>568,078,935</u></u>

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, 2011

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

Net changes in fund balances - total governmental funds (page 37)	\$	(84,604,361)
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.		231,566,928
The net effect of various transactions involving capital assets (i.e., sales, trade-ins, transfers, and donations) is to increase net assets.		28,854,624
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.		5,331,692
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(6,198,908)
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.		(33,930,403)
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.		(19,038,618)
		<hr style="width: 100%;"/>
Change in net assets of governmental activities (page 31)	\$	<u><u>121,980,954</u></u>

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 BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Taxes	\$ 93,820,855	\$ 93,820,855	\$ 92,913,317	\$ (907,538)
Licenses and permits	80,965,472	80,965,472	77,158,559	(3,806,913)
Intergovernmental	201,984,721	201,984,721	211,523,476	9,538,755
Charges for services	28,535,774	28,535,774	34,816,648	6,280,874
Fines and forfeits	21,897,730	21,897,730	20,008,474	(1,889,256)
Interest	1,535,000	1,535,000	448,866	(1,086,134)
Miscellaneous	3,457,900	3,457,900	2,951,136	(506,764)
Total revenues	432,197,452	432,197,452	439,820,476	7,623,024
Expenditures:				
General government:				
Legislative	2,953,212	2,953,212	2,896,572	56,640
Elections	1,000,000	1,000,000	745,702	254,298
Executive	7,019,875	7,019,875	6,284,186	735,689
Financial administration	20,049,932	20,049,932	17,891,077	2,158,855
Other	22,471,057	22,471,057	18,301,408	4,169,649
Total general government	53,494,076	53,494,076	46,118,945	7,375,131
Judicial:				
Municipal courts	17,834,093	17,834,093	18,601,693	(767,600)
City attorney-criminal division	4,060,677	4,060,677	3,544,094	516,583
Public defender	559,749	559,749	533,790	25,959
Alternative sentencing & education	2,602,574	2,602,574		2,602,574
Total judicial	25,057,093	25,057,093	22,679,577	2,377,516
Public safety:				
Police	142,057,379	142,057,379	141,651,612	405,767
Fire	103,315,242	103,315,242	107,184,030	(3,868,788)
Corrections	50,282,223	50,282,223	44,772,969	5,509,254
Other protection	19,959,595	19,959,595	16,800,456	3,159,139
Total public safety	315,614,439	315,614,439	310,409,067	5,205,372
Public works:				
Administration	947,823	947,823	864,194	83,629
Engineering	14,441,011	14,441,011	13,473,279	967,732
Paved streets	1,483,705	1,483,705	1,452,037	31,668
Total public works	16,872,539	16,872,539	15,789,510	1,083,029
Health:				
Animal control	3,543,356	3,543,356	3,079,299	464,057
Cemetery operation	120,000	120,000	105,200	14,800
Communicable disease control	15,000	15,000	7,399	7,601
Total health	3,678,356	3,678,356	3,191,898	486,458

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Culture and recreation:				
Culture & recreation administration	\$ 5,930,478	\$ 5,930,478	\$ 5,270,278	\$ 660,200
Participant recreation	15,152,063	15,152,063	17,925,951	(2,773,888)
Spectator recreation	791,950	791,950		791,950
Parks	20,318,594	20,318,594	18,804,040	1,514,554
Senior citizens	3,398,793	3,398,793	129,765	3,269,028
Total culture and recreation	45,591,878	45,591,878	42,130,034	3,461,844
Economic development and assistance:				
Neighborhood services	5,595,345	5,595,345	4,584,176	1,011,169
Total economic development and assistance	5,595,345	5,595,345	4,584,176	1,011,169
Transit systems:				
Transportation services	15,000	15,000	14,442	558
Total transit systems	15,000	15,000	14,442	558
Total expenditures	465,918,726	465,918,726	444,917,649	21,001,077
Excess (deficiency) of revenues over expenditures	(33,721,274)	(33,721,274)	(5,097,173)	28,624,101
Other financing sources (uses):				
Transfers in	33,235,876	33,235,876	37,777,817	4,541,941
Transfers out	(19,200,000)	(19,200,000)	(20,489,475)	(1,289,475)
Total other financing sources (uses)	14,035,876	14,035,876	17,288,342	3,252,466
Net changes in fund balances	(19,685,398)	(19,685,398)	12,191,169	31,876,567
Fund balances, July 1	65,584,529	65,584,529	74,770,921	9,186,392
Fund balances, June 30	\$ 45,899,131	\$ 45,899,131	86,962,090	\$ 41,062,959
Reconciliation of budget basis reporting to GAAP Reporting				
Net change in fund balance			(2,307,881)	
Fund balances, July 1			67,306,625	
Fund balances, June 30, GAAP basis			\$ 151,960,834	

Note: See page 42 and 43 for a detailed reconciliation of budget to GAAP Reporting.

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

CITY OF LAS VEGAS, NEVADA
 RECONCILIATION TO COMBINE GENERAL FUND, USDC ECONOMIC DEVELOPMENT FUND,
 COMMUNITY LEISURE FUND, INDUSTRIAL DEVELOPMENT 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, 2011

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 (Statement 54) now 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, certain special revenue funds did not qualify as special revenue funds and were combined with the city's general fund as follows:

	General	Special Revenue	
		USDC Economic Dev	Community Leisure
Revenues:			
Taxes	\$ 92,913,317	\$	\$
Licenses and permits	77,158,559		
Intergovernmental	211,523,476		39,776
Charges for services	34,816,648		142,889
Fines and forfeits	20,008,474		
Interest	448,866		
Miscellaneous	2,951,136		36,746
Total revenues	<u>439,820,476</u>	<u>0</u>	<u>219,411</u>
Expenditures:			
General government	46,118,945		
Judicial	22,679,577		
Public safety	310,409,067		
Public works	15,789,510		
Health	3,191,898		
Culture and recreation	42,130,034		80,544
Economic development and assistance	4,584,176		
Transit systems	14,442		
Total expenditures	<u>444,917,649</u>	<u>0</u>	<u>80,544</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,097,173)</u>		<u>138,867</u>
Other financing sources (uses):			
Transfers in	37,777,817		
Transfers out	(20,489,475)		
Sale of capital assets			
Total other financing sources (uses)	<u>17,288,342</u>	<u>0</u>	<u>0</u>
Net changes in fund balances	12,191,169		138,867
Fund balances, July 1	<u>74,770,921</u>	<u>135,427</u>	<u>68,755</u>
Fund balances, June 30	<u>\$ 86,962,090</u>	<u>\$ 135,427</u>	<u>\$ 207,622</u>

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

Funds to General Fund			Total		Total
Industrial	Fiscal		General	Eliminations	General
Development	Stabilization	Total	Fund		Fund
\$	\$	\$	\$ 92,913,317	\$	\$ 92,913,317
			77,158,559		77,158,559
		39,776	211,563,252		211,563,252
		142,889	34,959,537		34,959,537
			20,008,474		20,008,474
26,172	907,766	933,938	1,382,804		1,382,804
43,324		80,070	3,031,206		3,031,206
<u>69,496</u>	<u>907,766</u>	<u>1,196,673</u>	<u>441,017,149</u>	<u>0</u>	<u>441,017,149</u>
	48,295	48,295	46,167,240		46,167,240
			22,679,577		22,679,577
			310,409,067		310,409,067
			15,789,510		15,789,510
			3,191,898		3,191,898
		80,544	42,210,578		42,210,578
1,085,517		1,085,517	5,669,693		5,669,693
			14,442		14,442
<u>1,085,517</u>	<u>48,295</u>	<u>1,214,356</u>	<u>446,132,005</u>	<u>0</u>	<u>446,132,005</u>
<u>(1,016,021)</u>	<u>859,471</u>	<u>(17,683)</u>	<u>(5,114,856)</u>		<u>(5,114,856)</u>
			37,777,817	(3,663,531)	34,114,286
	(3,663,531)	(3,663,531)	(24,153,006)	3,663,531	(20,489,475)
<u>1,373,333</u>	<u>(3,663,531)</u>	<u>1,373,333</u>	<u>1,373,333</u>	<u>0</u>	<u>1,373,333</u>
<u>1,373,333</u>	<u>(3,663,531)</u>	<u>(2,290,198)</u>	<u>14,998,144</u>	<u>0</u>	<u>14,998,144</u>
357,312	(2,804,060)	(2,307,881)	9,883,288		9,883,288
<u>13,737,623</u>	<u>53,364,820</u>	<u>67,306,625</u>	<u>142,077,546</u>		<u>142,077,546</u>
\$ <u>14,094,935</u>	\$ <u>50,560,760</u>	\$ <u>64,998,744</u>	\$ <u>151,960,834</u>	\$ <u>0</u>	\$ <u>151,960,834</u>

CITY OF LAS VEGAS, NEVADA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds		
ASSETS					
Current assets:					
Pooled cash and investments	\$ 194,909,151	\$ 14,460,759	\$ 19,171,934	\$ 228,541,844	\$ 51,021,675
Other investments					8,574,720
Receivables (net of allowances for uncollectibles):					
Accounts	17,788,498		2,142	17,790,640	2,382,971
Interest	1,065,856		84,733	1,150,589	337,756
Loans		3,196,200	2,781,449	5,977,649	31,250
Intergovernmental	6,240,089			6,240,089	188,985
Due from other funds					1,458,050
Inventories	3,004,698		22,244	3,026,942	602,582
Prepaid items	103,778	133,141	98,312	335,231	
Deposits			26,191	26,191	105,515
Total current assets	<u>223,112,070</u>	<u>17,790,100</u>	<u>22,187,005</u>	<u>263,089,175</u>	<u>64,703,504</u>
Noncurrent assets:					
Deferred charges-bond issuance costs	<u>423,441</u>		<u>43,197</u>	<u>466,638</u>	
Capital assets:					
Land	12,525,633	33,947,630	3,326,130	49,799,393	
Land improvements	4,464,232		13,275,003	17,739,235	257,077
Sewer plant improvements	383,129,390			383,129,390	
Buildings	15,471,049		6,530,956	22,002,005	3,986,315
Building improvements	3,191,225		703,695	3,894,920	4,482,527
Sewer lines	347,227,374			347,227,374	
Machinery and equipment	2,067,748		540,371	2,608,119	4,278,676
Vehicles					32,683,112
Construction in progress	34,896,834		448	34,897,282	
Less accumulated depreciation	<u>(286,840,784)</u>		<u>(11,512,918)</u>	<u>(298,353,702)</u>	<u>(36,231,569)</u>
Total capital assets (net of accumulated depreciation)	<u>516,132,701</u>	<u>33,947,630</u>	<u>12,863,685</u>	<u>562,944,016</u>	<u>9,456,138</u>
Total noncurrent assets	<u>516,556,142</u>	<u>33,947,630</u>	<u>12,906,882</u>	<u>563,410,654</u>	<u>9,456,138</u>
Total assets	<u>739,668,212</u>	<u>51,737,730</u>	<u>35,093,887</u>	<u>826,499,829</u>	<u>74,159,642</u>

Continued

CITY OF LAS VEGAS, NEVADA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS (continued)
JUNE 30, 2011

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds		
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 11,742,275	\$ 107,344	\$ 101,708	\$ 11,951,327	\$ 1,245,478
Salaries payable	534,139		174,076	708,215	1,761,331
Compensated absences payable	2,694,516		1,083,076	3,777,592	2,067,778
Deposits payable		100,000	21,679	121,679	279,003
Due to other funds		757		757	
Benefits payable					8,661,513
Claims and judgments payable					457,049
Unearned revenue			31,760	31,760	
General obligation revenue bonds payable	8,917,089		570,051	9,487,140	
Interest payable	550,810		40,451	591,261	
Contracts payable	1,719,292			1,719,292	2,368
Intergovernmental payable	534,425		1,440	535,865	
Total current liabilities	<u>26,692,546</u>	<u>208,101</u>	<u>2,024,241</u>	<u>28,924,888</u>	<u>14,474,520</u>
Noncurrent liabilities:					
Compensated absences payable	1,095,611		440,388	1,535,999	840,775
General obligation revenue bonds payable	47,432,056		7,972,984	55,405,040	
Loans payable		15,185,011		15,185,011	
Unearned revenue			622,693	622,693	
Heart lung presumptive liability					5,121,023
Total noncurrent liabilities	<u>48,527,667</u>	<u>15,185,011</u>	<u>9,036,065</u>	<u>72,748,743</u>	<u>5,961,798</u>
Total liabilities	<u>75,220,213</u>	<u>15,393,112</u>	<u>11,060,306</u>	<u>101,673,631</u>	<u>20,436,318</u>
NET ASSETS					
Invested in capital assets, net of related debt	459,783,556	24,446,983	4,320,650	488,551,189	9,456,138
Unrestricted	<u>204,664,443</u>	<u>11,897,635</u>	<u>19,712,931</u>	<u>236,275,009</u>	<u>44,267,186</u>
Total net assets	<u>\$ 664,447,999</u>	<u>\$ 36,344,618</u>	<u>\$ 24,033,581</u>	724,826,198	<u>\$ 53,723,324</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds (page 34).				<u>(1,186,418)</u>	
Net assets of business-type activities (page 29)				<u>\$ 723,639,780</u>	

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

CITY OF LAS VEGAS, NEVADA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds	Total	
Operating revenues:					
Licenses and permits	\$	\$	\$ 6,383,160	\$ 6,383,160	\$
Charges for services	94,128,500		3,621,049	97,749,549	206,394,115
Fines and forfeits			3,928,308	3,928,308	
Miscellaneous	24,810	1,100,652	977,936	2,103,398	794,819
Total operating revenues	<u>94,153,310</u>	<u>1,100,652</u>	<u>14,910,453</u>	<u>110,164,415</u>	<u>207,188,934</u>
Operating expenses:					
Salaries and employee benefits	23,311,840		7,204,968	30,516,808	162,913,406
Services and supplies	32,384,055	2,064,089	4,403,311	38,851,455	22,566,793
Cost of stores issued			65,542	65,542	3,249,891
Insurance claims					16,351,518
Insurance premiums					3,557,618
Depreciation	21,925,645		779,081	22,704,726	3,730,961
Total operating expenses	<u>77,621,540</u>	<u>2,064,089</u>	<u>12,452,902</u>	<u>92,138,531</u>	<u>212,370,187</u>
Operating income (loss)	<u>16,531,770</u>	<u>(963,437)</u>	<u>2,457,551</u>	<u>18,025,884</u>	<u>(5,181,253)</u>
Nonoperating revenues (expenses):					
Interest revenue	3,791,422	29,097	290,872	4,111,391	1,229,207
Interest expense	(2,892,824)		(498,317)	(3,391,141)	
Sewer connection charges	4,102,865			4,102,865	
Arbitrage (expense) credit	(1,000)			(1,000)	
Gain (loss) on sale of capital assets	(51,973)			(51,973)	11,929
Intergovernmental revenue	8,574,826			8,574,826	
Intergovernmental expense	(2,633,641)		(36,350)	(2,669,991)	(2,240,824)
Total nonoperating revenues (expenses)	<u>10,889,675</u>	<u>29,097</u>	<u>(243,795)</u>	<u>10,674,977</u>	<u>(999,688)</u>
Income (loss) before contributions and transfers	27,421,445	(934,340)	2,213,756	28,700,861	(6,180,941)
Capital contributions	5,516,712			5,516,712	
Transfers in		863,890	1,700,000	2,563,890	17,579,405
Transfers out	(8,362,345)		(698,100)	(9,060,445)	(30,695,191)
Changes in net assets	24,575,812	(70,450)	3,215,656	27,721,018	(19,296,727)
Net assets, July 1	<u>639,872,187</u>	<u>36,415,068</u>	<u>20,817,925</u>		<u>73,020,051</u>
Net assets, June 30	<u>\$ 664,447,999</u>	<u>\$ 36,344,618</u>	<u>\$ 24,033,581</u>		<u>\$ 53,723,324</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>(258,109)</u>	
Changes in net assets of business-type activities (page 31)				<u>\$ 27,462,909</u>	

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, 2011

	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	\$ 97,273,024	\$ 745,652	\$ 14,893,693	\$ 112,912,369	\$ 9,775,519
Cash received from internal services provided					195,461,007
Cash payments to suppliers for goods and services	(32,460,748)	(2,104,555)	(4,436,178)	(39,001,481)	(45,932,862)
Cash payments to employees for services	(23,217,164)		(7,215,815)	(30,432,979)	(163,195,243)
Net cash provided (used in) by operating activities	<u>41,595,112</u>	<u>(1,358,903)</u>	<u>3,241,700</u>	<u>43,477,909</u>	<u>(3,891,579)</u>
Cash flows from noncapital financing activities:					
Cash received from other funds	15,000,000			15,000,000	
Reimbursements from other governments	165,548			165,548	
Transfers in from other funds		863,890	1,700,000	2,563,890	17,579,405
Transfers out to other funds	(8,362,345)		(698,100)	(9,060,445)	(30,695,191)
Subsidies paid to other governments					(2,240,824)
Contributions to other governments	(5,811,437)		(36,350)	(5,847,787)	
Net cash provided by (used in) noncapital financing activities	<u>991,766</u>	<u>863,890</u>	<u>965,550</u>	<u>2,821,206</u>	<u>(15,356,610)</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(17,736,454)		(448)	(17,736,902)	(1,664,292)
Sewer connection charges	4,102,865			4,102,865	
SNWA infrastructure fund	8,462,213			8,462,213	
Principal paid on bonds	(8,605,000)		(535,000)	(9,140,000)	
Arbitrage rebate paid	(1,000)			(1,000)	
Interest paid	(2,657,851)		(501,929)	(3,159,780)	
Proceeds from sale of capital assets					11,929
Net cash provided by (used in) capital and related financing activities	<u>(16,435,227)</u>	<u>0</u>	<u>(1,037,377)</u>	<u>(17,472,604)</u>	<u>(1,652,363)</u>
Cash flows from investing activities:					
Interest and dividends on investments	3,644,565	48,741	291,971	3,985,277	1,408,464
Net cash provided by investing activities	<u>3,644,565</u>	<u>48,741</u>	<u>291,971</u>	<u>3,985,277</u>	<u>1,408,464</u>
Net increase (decrease) in cash and cash equivalents	29,796,216	(446,272)	3,461,844	32,811,788	(19,492,088)
Cash and cash equivalents, July 1	<u>165,112,935</u>	<u>14,907,031</u>	<u>15,710,090</u>	<u>195,730,056</u>	<u>70,513,763</u>
Cash and cash equivalents, June 30	<u>\$ 194,909,151</u>	<u>\$ 14,460,759</u>	<u>\$ 19,171,934</u>	<u>\$ 228,541,844</u>	<u>\$ 51,021,675</u>

Continued

CITY OF LAS VEGAS, NEVADA
STATEMENT OF CASH FLOWS (continued)
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds	
	Sanitation	Nonprofit Corporations	Other Non-Major Proprietary Funds		Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 16,531,770	\$ (963,437)	\$ 2,457,551	\$ 18,025,884	\$ (5,181,253)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	21,925,645		779,081	22,704,726	3,730,961
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	512,436		547	512,983	(1,577,483)
Decrease in loans receivable					9,626
Decrease in intergovernmental receivable	2,547,435			2,547,435	905,453
(Increase) in due from other funds					(1,112,537)
(Increase) decrease in inventories	(152,488)		1,547	(150,941)	(88,676)
(Increase) decrease in prepaid items	10,000	(117,510)	2,060	(105,450)	
Increase (decrease) in accounts payable	125,638	77,044	37,434	240,116	(131,430)
(Decrease) in salaries payable	(66,907)		(18,552)	(85,459)	(273,272)
Increase (decrease) in compensated absences payable	161,583		7,705	169,288	(8,565)
Increase (decrease) in deposits payable		(355,000)	4,251	(350,749)	(24,009)
Increase in contracts payable					2,368
(Decrease) in benefits payable					(17,063)
Increase in claims and judgments payable					18,133
(Decrease) in unearned revenue			(21,558)	(21,558)	(130,000)
(Decrease) in intergovernmental payable			(8,366)	(8,366)	(13,832)
Net cash provided by (used in) operating activities	<u>\$ 41,595,112</u>	<u>\$ (1,358,903)</u>	<u>\$ 3,241,700</u>	<u>\$ 43,477,909</u>	<u>\$ (3,891,579)</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets from developers	\$ 5,516,712				
Decrease in fair value of investments					66,385

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

CITY OF LAS VEGAS, NEVADA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	<u>Total Agency Funds</u>
 ASSETS	
Pooled cash and investments	\$ 27,176,214
Receivables (net of allowances for uncollectibles):	
Interest	<u>68</u>
 Total assets	 \$ <u><u>27,176,282</u></u>
 LIABILITIES	
Deposits payable	\$ 21,913,732
Intergovernmental payable	2,218,381
Outstanding bail payable	2,715,358
Unclaimed monies payable	328,808
Arbitrage rebate payable	<u>3</u>
 Total liabilities	 \$ <u><u>27,176,282</u></u>

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

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies

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

A. Reporting entity

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

The accompanying basic financial statements present the financial position of the City of Las Vegas (primary government) and its blended component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations. The blended component units discussed below are included in the City's reporting entity because of the significance of their operation or financial relationship with the City. The financial statements of component units have been included in the City's reporting entity as blended component units. The City's discretely presented component unit is reported in a separate column in the government-wide financial 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) is governed by a seven-member board comprised of the seven City councilpersons. For financial reporting purposes, the Agency is reported as if it were part of the City's operations because the governing body is one and the same, and the Agency's activities are so closely aligned with the City's.

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

Discretely presented component unit

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

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies (continued)

A. Reporting entity (continued)

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

B. Government-wide and fund financial statements

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

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

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

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

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

Government fund financial statements are reported using the *current financial 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, consolidated tax, room tax, residential construction tax, motor vehicle fuel tax), licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for and reports all financial resources of the general government, not accounted for and reported in another fund.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies (continued)

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

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

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

The *city facilities capital projects fund* accounts for the costs of capital improvements which are periodically required at the City Hall complex, its satellite facilities and the maintenance yards.

The government reports the following major proprietary funds:

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

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

Additionally, the government reports the following fund types:

Internal service funds account for a variety of services provided to other departments or agencies of the City on a cost reimbursement basis. These services include graphic reproduction, purchase and maintenance of personal computers, emergency dispatch services, purchase and maintenance of radios, pagers, cellular and telephone equipment, automotive operations, employee benefits, workers compensation insurance, liability and property damage insurance, City facilities and maintenance, and fire equipment acquisition fund, which was dissolved as of June 30, 2010 and moved into the fire services capital projects fund.

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

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

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

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

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies (continued)

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

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

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

D. Assets, liabilities and net assets or equity

1. Pooled cash 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 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.

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 \$3.3 million, special revenue funds for \$42,427 and capital projects of \$887,662. 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 \$2.2 million at June 30, 2011.

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.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies (continued)

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

2. *Receivables and payables (continued)*

The Nevada Department of Taxation provides the maximum allowable tax rates for operating purposes to local governments for inclusion in their budgets. Each local government that receives property taxes must file a budget on or before June 1, which provides for the allowed tax rate for the next fiscal year. The Nevada Tax Commission must certify all tax rates on June 25, the levy date, and property is liened on July 1. Property taxes are then payable to the County Treasurer in four equal installments, the first Monday of August, October, January and March. Apportionment of taxes by Clark County to the City of Las Vegas is made in the calendar quarters of September, December, March and June. The actual rates, which were levied for 2011, were General Fund 0.6765, and Special Revenue 0.0950, for a total tax rate of 0.7715 (amount per \$100 of assessed value).

3. *Inventories and prepaid items*

Inventories in the internal service and enterprise funds consist of expendable supplies held for consumption and are stated at cost, which approximates market 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 periods beyond June 30, 2011, 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 11A1). An independent trustee manages the fund. At June 30, 2011, the restricted assets consisted of cash and cash equivalents of \$32,645 investments of \$2,012,827 and interest receivable of \$28,925 for a total of \$2,074,397.

5. *Capital assets*

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

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

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

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

1. Summary of significant accounting policies (continued)

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

5. Capital assets (continued)

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

Storm drains	50 years	Building improvements	10-20 years
Roadways	30 years	Vehicles	3-10 years
Buildings	20-40 years	Traffic signage	10 years
Land 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. 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. Accumulated vacation and sick leave that is expected to be liquidated within the current year is reported as an expenditure in governmental fund types. The estimated long-term liability of vested or accumulated vacation and sick leave that is not expected to be liquidated within the current year is accounted for in the government-wide financial statements. Vested or accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to the employees.

7. Long-term obligations

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

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

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

The City of Las Vegas and Clark County (a joint venture) both provide financing for the Las Vegas Metropolitan Police Department Self Insurance internal service fund. At June 30, 2011, 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 the applicable governmental activities.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies (continued)

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

8. Net assets and fund equity

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

9. Fund balance components

The fund balance amounts for governmental funds have been reclassified in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. As a result, amounts previously reported as reserved and unreserved are now reported as nonspendable, restricted, committed, assigned, or unassigned.

- Nonspendable fund balances include items that cannot be spent. This includes activity that is 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 activity that is 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 operating revenues.

Each fund has been analyzed to classify the fund balance in accordance with GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies (continued)

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

9. Fund balance components (continued)

The following schedule shows the composition of the fund balances of the governmental funds for the year ended June 30, 2011:

	Major Governmental Funds				Non Major Governmental Funds				Total
	General Fund	Capital Projects Funds			Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	
		Parks and Leisure Activities	Road and Flood	City Facilities					
Fund Balances									
Nonspendable:									
Inventories	\$ 2,415,694	\$	\$	\$	\$	\$	\$	\$	\$ 2,415,694
Prepaid Items	47,699	83,930			45,653				177,282
Noncurrent loans receivable	12,378,562				845,311				13,223,873
Land held for resale					6,638,894				6,638,894
Principal					750,000			2,074,397	2,824,397
Total nonspendable	14,841,955	83,930			8,279,858			2,074,397	25,280,140
Restricted:									
Debt Service					8,900,212	2,176,052			11,076,264
Economic Development and Assistance					18,746,406				18,746,406
General Government					308,943				308,943
Welfare					197,157				197,157
Judicial					1,533,676				1,533,676
Culture and Recreation		10,164,786			2,652,633				12,817,419
Performing Arts Center		25,102,864			5,377,302				30,480,166
Public Works			378,941		15,200,401		15,211,214		30,790,556
Special Improvement Districts							27,002,719		27,002,719
New City Hall and Garage				102,791,663					102,791,663
Symphony Park Infrastructure							6,353,105		6,353,105
Fire Station and Equipment							7,374,261		7,374,261
Public Safety					2,649,294		2,063,152		4,712,446
Other Capital Projects		2,955,566		1,351,244			5,481,637		9,788,447
Total Restricted		38,223,216	378,941	104,142,907	55,566,024	2,176,052	63,486,088		263,973,228
Committed:									
Parks construction		6,901,976							6,901,976
Public Safety					30,270				30,270
Culture and Recreation					249,760				249,760
Debt Service					1,317,347				1,317,347
Special Improvement Districts					13,745,554				13,745,554
Total Committed		6,901,976			15,342,931				22,244,907
Assigned:									
Debt Service						4,259,091			4,259,091
Culture and Recreation		17,692,789			136,559				17,829,348
Public Works			8,566,946						8,566,946
Welfare					85,152				85,152
Symphony Park Infrastructure				1,744,948	667,082		4,334,497		6,746,527
New City Hall				18,572,234					18,572,234
Fire Station and Equipment							27,453,366		27,453,366
Public Works							13,326,106		13,326,106
Public Safety							3,459,898		3,459,898
Other Capital Projects		16,593,711		4,223,294			817,466		21,634,471
OPEB Contribution	46,686,054								46,686,054
Budget Shortfall	3,874,706								3,874,706
	50,560,760	34,286,500	8,566,946	24,540,476	888,793	4,259,091	49,391,333		172,493,899
Unassigned	86,558,119						(2,471,358)		84,086,761
	\$ 151,960,834	\$ 79,495,622	\$ 8,945,887	\$ 128,683,383	\$ 80,077,606	\$ 6,435,143	\$ 110,406,063	\$ 2,074,397	\$ 568,078,935

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of significant accounting policies (continued)

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

10. 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.

11. 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.

12. 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.

13. Stabilization Fund

The City Council through Resolution established a special revenue fund whose purpose is to provide for the stabilization of operations during period of economic downturn or for the mitigation of the effects of disasters in accordance with NRS 354.6115. The ending fund balance of the fund at June 30, 2011 was \$50,560,760.

The fund is to be known as the Fiscal Stabilization Special Revenue Fund effective as of February 1, 2009. 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 action of terrorism.

At June 30, 2011 based on the requirements of GASB 54, the City's Stabilization Fund special revenue fund did not meet the reporting requirements and was included in the City's General Fund.

14. Reclassifications

Certain amounts in the 2010 balances have been reclassified for comparability with the current year. Such reclassifications have no effect on previously reported results of operations.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

2. Reconciliation of government-wide and fund financial statements

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of the \$798,616,436 difference are as follows:

Bonds Payable	\$	576,908,700
Less: Original issue discount (to be amortized over the life of the bond as interest expense and fiscal charges)		(108,534)
Add: Original issue premiums (to be amortized over the life of the bond as interest income)		5,556,466
Less: Deferred charges for issuance costs (to be amortized over the life of the bonds as interest expense and fiscal charges)		(3,110,469)
Less: Unamortized debt refunding transaction (to be amortized)		(1,799,211)
Accrued interest payable		7,730,894
Las Vegas Metropolitan Police Department OPEB liability		60,893,572
Arbitrage rebate payable		140,225
Compensated absences		42,082,389
City of Las Vegas OPEB liability		57,284,804
Heart Lung Presumptive liability		53,037,600
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	\$	<u>798,616,436</u>

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 \$231,566,928 difference are as follows:

Capital outlay	\$	312,526,927
Depreciation expense (Note 9)		<u>(80,959,999)</u>
Net adjustments to increase net changes in <i>fund balance-total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	\$	<u>231,566,928</u>

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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 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 \$28,854,624 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.	\$ 29,424,034
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 a trade-in of capital assets.	<u>(569,410)</u>
Net adjustment to increase net changes <i>in fund balance - total governmental funds</i> to arrive at changes in net assets - governmental activities	<u>\$ 28,854,624</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$6,198,908 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (26,320,892)
Add premium	
Issuance costs	50,497
Less Discount	108,487
Principal repayments:	
General obligation debt	16,283,000
Tax Increment debt	<u>3,680,000</u>
Net adjustment to decrease <i>net changes in fund balance-total governmental funds</i> to arrive at changes in net assets - governmental activities	<u>\$ (6,198,908)</u>

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 \$33,930,403 difference are as follows:

City of Las Vegas OPEB liability	\$ (4,586,535)
Heart Lung Presumptive liability	(22,428,454)
Compensated absences	46,637
Las Vegas Metropolitan Police Department OPEB liability	(6,668,710)
Arbitrage rebate	507,191
Accrued interest	(16,764)
Amortization of issuance costs	(832,584)
Amortization of bond discounts	(224,021)
Amortization of bond premiums	542,845
Amortization of debt refunding	<u>(270,008)</u>
Net adjustment to decrease <i>net changes in fund balance - total governmental funds</i> to arrive at changes in net assets - governmental activities	<u>\$ (33,930,403)</u>

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

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 revenue reported in the statement of activities does not provide current financial resources and therefore are not reported as revenue in governmental funds. The details of this \$5,331,692 difference are as follows:

Deferred loan proceeds	\$ 6,465,314
Property tax revenue	(781,434)
Special assessments	<u>(352,188)</u>
Net adjustment to increase <i>net changes in fund balance - total governmental funds to arrive a changes in net assets - governmental activities</i>	<u>\$ 5,331,692</u>

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 \$19,038,618 differences are as follows:

Changes in net assets of the internal services funds	(19,296,727)
Loss from charges to business-type activities	<u>258,109</u>
<i>Net adjustment to decrease net changes in fund balance - total governmental funds to arrive a changes in net assets - governmental activities</i>	<u>\$ (19,038,618)</u>

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

The proprietary fund statement of net assets includes a reconciliation between *net assets - total enterprise funds* and *net assets of business-type* activities as reported in the government-wide statement of net assets. The description of the sole element of that reconciliation is “Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.” The details of this \$1,186,418 difference are as follows:

Internal receivable representing charges in excess of cost to business-type activities - prior years	\$ (928,309)
Internal receivable representing charges in excess of cost to business-type activities - current year	<u>(258,109)</u>
Net adjustment to decrease <i>net assets - total enterprise funds to arrive at net assets - business-type activities</i>	<u>\$ (1,186,418)</u>

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

3. Stewardship and legal compliance

A. Budgetary information

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

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

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

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

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

For the fiscal year ended June 30, 2011, 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
Las Vegas Convention and Visitors Authority	\$ 4,162,079	\$ 616,000	\$ 4,778,079
Street Maintenance Special Revenue Fund	15,723,790	3,100,000	18,823,790
Building and Safety Enterprise Fund	7,284,363	500,000	7,784,363
Employee Benefit Internal Service Fund	148,923,000	13,250,000	162,173,000
City Facilities Internal Service Fund	26,194,699	1,700,000	27,894,699
Cemetery Operations Permanent Fund	1,546,239	35,000	1,581,239

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

B. Excess of expenditures over appropriations—Governmental Funds

The multipurpose special revenue fund expenditures exceeded appropriations for welfare by \$10,301. The excess was for expenditures associated with the city Senior Law programs.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

3. Stewardship and legal compliance (continued)

B. Excess of expenditures over appropriations-Governmental Funds (continued)

The capital improvements capital projects fund receives intergovernmental revenues of \$178,919 and its expenditures exceeded appropriations for general government by \$69,974. The excess expenditure was due from the collection of the five cent special ad valorem tax levy per NRS 354.59815 and required to be remitted to Clark County through a interlocal agreement. Per NRS 354.626(k) the receipt by a local government of increased revenue that (1) was not anticipated in the preparation of the final budget of the local government, and (2) is required by statute to be remitted to another governmental entity does not constitute a violation of expenditure in excess of appropriations.

The green building capital projects fund received unbudgeted Federal Energy Conservation Block Grant revenues of \$4,648,504 and had excess expenditures of \$532,718. Per NRS 354.626(i) the receipt and proper expenditures of money received pursuant to a grant awarded by an agency of the Federal Government does not constitute a violation of expenditures in excess of appropriations.

4. Deposits and investments

As of June 30, 2011, the City had the following investments:

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

Total investments		\$	791,375,719
Add: Cash in checking accounts			38,275,422
			829,651,141
Less: Cash and cash equivalents in agency funds			(27,176,214)
Pooled cash investments-government-wide			\$ 802,474,927

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.

<u>Type of Investments</u>	<u>Book Value</u>	<u>Fair Value</u>	<u>Total Value</u>	<u>Weighted-Average Maturity (Year)</u>
U.S. Treasury	\$ 20,282,576	\$ 124,244,902	\$ 144,527,478	2.350
U.S. Agencies	59,493,935	200,309,025	259,802,960	1.304
Corporate Bonds		74,956,690	74,956,690	2.752
Commercial Paper	75,986,511		75,986,511	0.104
Money Market Funds		163,030,346	163,030,346	0.003
NVEST Program:				
U.S. Treasury		11,632,382	11,632,382	3.010
U.S. Agencies		50,652,430	50,652,430	3.232
Collateralized Mortgage Obligations		5,433,463	5,433,463	2.056
Money Market Fund		5,353,459	5,353,459	0.003
Total value	\$ 155,763,022	\$ 635,612,697	\$ 791,375,719	
Portfolio weighted-average maturity				1.552

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

4. Deposits and investments (continued)

Type of Investments	Amount	Investment Maturities				
		1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days To 5 Years	5 Years To 47 Years
U.S. Treasury	\$ 144,527,478			20,282,576	124,244,902	
U.S. Agencies	259,802,960	26,359,463	17,006,682	98,237,443	118,199,372	
Corporate Bonds	74,956,690	683,711			72,993,563	1,279,416
Commercial Paper	75,986,511	26,998,320	34,994,071	13,994,120		
Money Market Funds	163,030,346	163,030,346				
NVEST Program:						
U.S. Treasury	11,632,382				11,632,382	
U.S. Agencies	50,652,430		305,927	6,090,247	32,698,886	11,557,370
Collateralized Mortgage Obligations	5,433,463		236,419	761,408	4,293,338	142,298
Money Market Fund	5,353,459	5,353,459				
Total Investments	\$ 791,375,719	\$ 222,425,299	\$ 52,543,099	\$ 139,365,794	\$ 364,062,443	\$ 12,979,084

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, 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 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, 2011, more than 5% of the City’s investments are in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, General Electric Corporation, Blackrock Money Market Funds, First American Government Money Market Fund and U.S. Treasuries. These investments are 10%, 9%, 15%, 6%, 7%, 7% and 19%, respectively, of the total investments.

As of June 30, 2011, 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. At fiscal year end, the value of the investment was written down to \$65,313, which was the market value as determined by the City’s investment custodian.

Type of Investments	Amount	Mini- mum Legal Rating	Exempt From Disclosure	Rating as of Year End						
				AAA	AA	A	A-1	BBB- C	Not Rated	
U.S. Treasury	\$ 144,527,478	N/A	\$ 144,527,478	\$	\$	\$	\$	\$	\$	
U.S. Agencies	259,802,960	N/A		200,309,025					59,493,935	
Corporate Bonds	72,943,863	A		5,267,400	46,609,250	21,001,900			65,313	
Corporate Bonds- Cemetery	2,012,827	N/A						1,394,429	618,398	
Commercial Paper	75,986,511	A-1					75,986,511			
Money Market Funds	163,030,346	AAA		163,030,346						
NVEST Program:										
U.S. Treasury	11,632,382	N/A	11,632,382							
U.S. Agencies	50,652,430	N/A		1,849,556					48,802,874	
Collateralized Mortgage Obligations	5,433,463	AAA		5,433,463						
Money Market Fund	5,353,459	AAA		5,353,459						
Total Investments	\$ 791,375,719		\$ 156,159,860	\$ 381,243,249	\$ 46,609,250	\$ 21,001,900	\$ 75,986,511	\$ 1,394,429	\$ 108,980,520	

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

4. Deposits and investments (continued)

Concentration of Credit Risk: The City’s investment policy allows for investments as follows: (1) U.S. Treasury, money market funds and agencies, State of Nevada local government pooled funds, no limit; (2) repurchase agreements, 20% of portfolio; (3) commercial paper, 20% of portfolio with a 10% per issue limit; (4) corporate notes, 20% of portfolio with a 25% per issue limit; and (5) certificates of deposit, \$100,000 per institution. 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 a blended Component Unit of the City. The 3.0% 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 Assets.

5. Property taxes

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

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

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

	2011	2010
General	0.6765	0.6765
Special	0.0950	0.0950
Total Tax	0.7715	0.7715

Amounts per \$100 of assessed value

6. Related party transaction

The City provides building maintenance services to the Las Vegas Metropolitan Police Department (Metro), an entity created as a joint venture involving the City and Clark County. During the year ended June 30, 2011, the City charged Metro \$23,057 for print media services. At June 30, 2011, \$5,740 was a receivable from Metro for the services provided (Note 7).

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

7. Intergovernmental receivables

The following schedule details the intergovernmental receivables as of June 30, 2011:

	Governmental Activities						Business-type Activities		
	Major Governmental				Other		Enterprise Fund	Total	
	General Fund	Parks and Leisure Activities	Road and Flood	City Facilities	Non-major Governmental Funds	Internal Service Fund			
California-Nevada Super Speed Ground Transportation Commission	\$ 588	\$	\$	\$	\$	\$	\$ 588	\$ 588	
City of Boulder	591						591	591	
City of North Las Vegas	25,000						25,000	4,693,773	
City of Henderson								5,815	
Clark County, Nevada	809,795				2,283,156	163,165	3,256,116	3,256,116	
Clark County Regional Flood Control District			13,668,224				13,668,224	13,668,224	
Clark County Regional Transportation Commission	125,000		4,200,013		235,577		4,560,590	4,560,590	
Colorado River Commission								59,843	
Las Vegas Convention and Visitors Authority					1,535,846		1,535,846	1,535,846	
Southern Nevada Regional Housing Authority	96,803					20,080	116,883	116,883	
Las Vegas Metropolitan Police Department (Note 6)						5,740	5,740	5,740	
Southern Nevada Water Authority								1,480,658	
State of Nevada		1,464	747,262	31,787	2,185,307		2,965,820	2,965,820	
U.S. Department of Transportation					47,380		47,380	47,380	
Department of Energy					520,359		520,359	520,359	
U.S. Department of Homeland Security (FEMA)					575,842		575,842	575,842	
U.S. Department of Housing and Urban Development	33,348				3,016,378		3,049,726	3,049,726	
U.S. Department of Interior		532,043					532,043	532,043	
U.S. Department of Interior (Bureau of Land Management)		8,427,807					8,427,807	8,427,807	
U.S. Department of Justice	22,568				68,284		90,852	90,852	
	<u>\$ 1,113,693</u>	<u>\$ 8,961,314</u>	<u>\$ 18,615,499</u>	<u>\$ 31,787</u>	<u>\$ 10,468,129</u>	<u>\$ 188,985</u>	<u>\$ 39,379,407</u>	<u>\$ 6,240,089</u>	<u>\$ 45,619,496</u>

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

7. Intergovernmental receivables (continued)

Payments of intergovernmental receivables are expected to be received and available soon enough after year-end to finance expenditures of the year ended June 30, 2011. 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 \$ 4,003,303, the Housing Opportunities for Persons With AIDS totaling \$221,862, HOME Investment Program totaling \$5,625,231, Emergency Shelter Grant totaling \$3,216 and Homeless Prevention and Rapid Re-Housing Program totaling \$700,955 and Neighborhood Stabilization Program totaling \$15,150,757, which are available to reimburse the City for qualifying expenditures.

8. Joint venture

A. Metropolitan Police Department

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

	2011	2010
Assets	\$ 134,098,307	\$ 111,922,465
Liabilities	(55,548,053)	(35,504,986)
Fund Balance restricted	\$ 78,550,254	\$ 76,417,479
Revenues	\$ 305,900,762	\$ 348,127,109
Expenditures	(498,391,316)	(521,356,881)
	(192,490,554)	(173,229,772)
Net other financing uses	(10,000,000)	
Net other financing sources	204,623,329	197,588,416
Net increase in fund balance	\$ 2,132,775	\$ 24,358,644
Political subdivision funding percentage:		
Clark County	61.1%	61.2%
City of Las Vegas	38.9%	38.8%

B. Clean Water Coalition

The cities of Las Vegas, Henderson, North Las Vegas and the Clark County Water Reclamation District (CCWRD) as members they entered into a joint venture creating the Clean Water Coalition (CWC) to address water quality issues in the Las Vegas Wash and Las Vegas Bay of Lake Mead. Established pursuant to Nevada Revised Statutes 277, the CWC is a political subdivision of the State of Nevada, separate from the members. The governing board of the CWC is comprised of one member from each participating entity. The CWC was originally funded by annual contributions from participating agencies and regional connection fees and sewer charges based on wastewater flows from each participating entity. The 2009 Nevada Legislature approved transferring \$62 million from the CWC for deposit in the State General Fund for unrestricted State General Fund use. The CWC and others filed a lawsuit against the State of Nevada.

In September 2010, the CWC's board voted to begin discussions of the dissolution of the CWC. This decision was based on the changing needs of the Southern Nevada water users and member agencies and the suspension of the Systems Conveyance and Operations Project (SCOP). In May 2011 the CWC won the lawsuit and was able to keep the \$62 million. In September 2011 the CWC board approved and distributed these funds back to its member agencies.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

8. Joint venture (continued)

B. Clean Water Coalition (continued)

The city received \$16,095,200 for its share. The proceeds will be used for capital related expenditures and part refunded to rate payers. There was no restrictions on the use of the funds. As of October 2011 the CCWRD was designated as the trustee agency for CWC and will perform certain administrative and financial functions until June 30, 2021, or until the CWC is terminated. As of June 30, 2011, no final dissolution agreement has been approved. Complete financial statements for the CWC can be obtained from the CWC's administrative office at CCWRD, 5857 E. Flamingo Road, Las Vegas, NV 89122.

9. Capital assets

Capital asset activity for the year ended June 30, 2011, was as follows:

Primary Government

	Balance June 30, 2010	Additions	Transfers	Deletions	Balance June 30, 2011
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 1,166,653,154	\$ 4,935,820		\$ (568,774)	\$ 1,171,020,200
Construction in progress	682,225,977	305,683,695	(124,409,702)		863,499,970
Total capital assets, not being depreciated	<u>1,848,879,131</u>	<u>310,619,515</u>	<u>(124,409,702)</u>	<u>(568,774)</u>	<u>2,034,520,170</u>
Capital assets, being depreciated:					
Land improvements	266,021,088	2,121,211	31,024,299	(2,120)	299,164,478
Buildings	276,639,835	8,209	1,579,907		278,227,951
Building improvements	95,924,667	327,895	3,656,454		99,909,016
Machinery and equipment	40,801,926	938,018	250,273		41,990,217
Vehicles	60,588,353	1,752,182		(394,023)	61,946,512
Roadways	1,080,172,916	13,922,564	51,240,973		1,145,336,453
Traffic pavement markers	2,115,892	81,620	2,334		2,199,846
Traffic signals and lighting	161,697,687	2,367,948	2,108,391		166,174,026
Traffic signage	1,642,538	141,034			1,783,572
Storm drain	553,005,693	11,334,373	34,547,071		598,887,137
Total capital assets, being depreciated	<u>2,538,610,595</u>	<u>32,995,054</u>	<u>124,409,702</u>	<u>(396,143)</u>	<u>2,695,619,208</u>
Less accumulated depreciation for:					
Land improvements	(92,139,470)	(13,198,322)		1,484	(105,336,308)
Buildings	(69,546,311)	(7,126,192)			(76,672,503)
Building improvements	(46,435,599)	(4,629,709)			(51,065,308)
Machinery and equipment	(31,430,327)	(2,044,946)			(33,475,273)
Vehicles	(44,399,470)	(5,311,109)		394,023	(49,316,556)
Roadways	(500,899,883)	(34,848,066)			(535,747,949)
Traffic pavement markers	(1,410,776)	(214,587)			(1,625,363)
Traffic signals and lighting	(108,043,770)	(5,648,650)			(113,692,420)
Traffic signage	(651,794)	(165,375)			(817,169)
Storm drain	(107,776,207)	(11,504,004)			(119,280,211)
Total accumulated depreciation	<u>(1,002,733,607)</u>	<u>(84,690,960)</u>		<u>395,507</u>	<u>(1,087,029,060)</u>
Total capital assets, being depreciated, net	<u>1,535,876,988</u>	<u>(51,695,906)</u>	<u>124,409,702</u>	<u>(636)</u>	<u>1,608,590,148</u>
Governmental activities capital assets, net	<u>\$ 3,384,756,119</u>	<u>\$ 258,923,609</u>	<u>\$</u>	<u>\$ (569,410)</u>	<u>\$ 3,643,110,318</u>

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

9. Capital assets (continued)

	Balance <u>June 30, 2010</u>	Additions	Transfers	Deletions	Balance <u>June 30, 2011</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 49,799,393	\$	\$	\$	\$ 49,799,393
Construction in progress	<u>32,492,316</u>	<u>23,628,091</u>	<u>(21,171,152)</u>	<u>(51,973)</u>	<u>34,897,282</u>
Total capital assets, not being depreciated	<u>82,291,709</u>	<u>23,628,091</u>	<u>(21,171,152)</u>	<u>(51,973)</u>	<u>84,696,675</u>
Capital assets, being depreciated:					
Land improvements	17,615,426		123,809		17,739,235
Sewer plant improvements	362,833,295	3,406,526	16,889,569		383,129,390
Buildings	21,903,738	98,267			22,002,005
Building improvements	3,894,920				3,894,920
Sewer lines	337,527,000	5,542,600	4,157,774		347,227,374
Machinery and equipment	<u>2,596,254</u>	<u>11,865</u>			<u>2,608,119</u>
Total capital assets, being depreciated	<u>746,370,633</u>	<u>9,059,258</u>	<u>21,171,152</u>		<u>776,601,043</u>
Less accumulated depreciation for:					
Land improvements	(7,841,480)	(830,494)			(8,671,974)
Sewer plant improvements	(178,489,583)	(14,193,135)			(192,682,718)
Buildings	(6,482,618)	(494,785)			(6,977,403)
Building improvements	(2,360,152)	(117,246)			(2,477,398)
Sewer lines	(78,842,947)	(6,844,023)			(85,686,970)
Machinery and equipment	<u>(1,632,196)</u>	<u>(225,043)</u>			<u>(1,857,239)</u>
Total accumulated depreciation	<u>(275,648,976)</u>	<u>(22,704,726)</u>			<u>(298,353,702)</u>
Total capital assets, being depreciated, net	<u>470,721,657</u>	<u>(13,645,468)</u>	<u>21,171,152</u>		<u>478,247,341</u>
Business-type activities capital assets, net	<u>\$ 553,013,366</u>	<u>\$ 9,982,623</u>	<u>\$</u>	<u>\$ (51,973)</u>	<u>\$ 562,944,016</u>

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

Governmental activities:

General government	\$ 3,345,284
Judicial	15,080
Public safety	12,644,661
Public works	46,546,741
Health	57,274
Culture and recreation	16,265,319
Economic development	2,084,699
Transit systems	941
	<u>80,959,999</u>

Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets

3,730,961

Total depreciation expense-governmental activities

\$ 84,690,960

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

9. Capital assets (continued)

Business-type activities:		
Sanitation	\$	21,925,645
Municipal Parking		115
Municipal Golf Course		778,966
Total depreciation expenses business-type activities	\$	<u>22,704,726</u>

Construction commitments

The City of Las Vegas has active construction projects as of June 30, 2011. 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	\$ 268,039,655	\$ 46,757,876
Building improvements	53,315,444	7,645,953
Land improvements	226,933,698	15,932,638
Machinery and equipment	662,562	3,649,848
Roadways	212,801,370	26,142,601
Storm drains	87,555,900	49,462,681
Traffic signals, lighting, signs and markers	14,191,341	734,082
	<u>\$ 863,499,970</u>	<u>\$ 150,325,679</u>
Projects - Proprietary funds		
Buildings	\$ 5,582	\$
Land improvements	7,635,203	16,135,154
Sanitation plant improvements	16,955,815	64,886,393
Sanitation sewer lines	10,300,682	12,919,296
	<u>\$ 34,897,282</u>	<u>\$ 93,940,843</u>

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 the building and land improvements, mainly in the Parks and leisure activities and City facilities capital projects funds.

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

10. Defined benefit pension plan

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

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

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

Regular members of the system who retire at age 65 with 5 years of service; at age 60 with 10 years of service, or with 30 years or more of service at any age are entitled to a retirement benefit payable monthly for life, equal to 2.5 percent prior to July 1, 2001 and 2.67 percent after July 1, 2001, of their average compensation per service year. Police and fire members may retire at age 65 with 5 years of service, at age 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 after June 30, 1985. Vested employees that have not attained the required age may retire at any age with reduced retirement benefits. The City does not offer any post retirement benefit 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 is (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
2011	23.50%	21.50%	37.00%	\$ 52,088,781
2010	23.50%	21.50%	37.00%	\$ 54,446,223
2009	23.50%	20.50%	33.50%	\$ 52,037,136

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.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

11. Lease commitments

A. The City (lessor) leases various buildings and a cemetery under noncancelable operating leases. The major asset class and accumulated depreciation at June 30, 2011 are as follows:

	Cost	Accumulated Depreciation	Net Book Value
Woodlawn Cemetery			
Land	\$ 23,810	\$	\$ 23,810
Building and improvements	1,244,838	1,066,485	178,353
	<u>1,268,648</u>	<u>1,066,485</u>	<u>202,163</u>
Atrium Building			
Land	2,600,000		2,600,000
Building and improvements	33,724,593	1,796,873	31,927,720
	<u>36,324,593</u>	<u>1,796,873</u>	<u>34,527,720</u>
Carson Parking Garage			
Building and improvements	1,322,202	1,322,202	
Ogden Parking Garage			
Building and improvements	1,370,642	1,370,642	
	<u>\$ 40,286,085</u>	<u>\$ 5,556,202</u>	<u>\$ 34,729,883</u>

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 the first of three five-year renewal options beginning on May 14, 2010 and expiring on May 13, 2015. The following is a schedule of future rental income for the years ending June 30:

Year Ended	
June 30	Amount
2012	\$65,265
2013	65,265
2014	65,265
2015	56,682

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.

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 starting July 2008 and will be extended to 2058.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

11. Lease commitments (continued)

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
2012	\$ 465,251	2017 - 2021	\$ 4,269,572
2013	465,251	2022 - 2026	4,739,735
2014	652,751	2027 - 2031	4,795,985
2015	751,741	2032 - 2036	3,389,183
2016	824,721	2037 - 2041	1,512,500
		2042 - 2046	1,595,687
		2047 - 2051	1,663,750
		2052 - 2056	1,755,256
		2057 - 2058	732,050

The lessee of the Ogden Garage is twenty months in arrears and the City has negotiations with the lessee. The receivable of \$1,027,932 is reserved in the allowance for doubtful accounts and will be written off.

3. Atrium Office Building:

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

Year Ended June 30	Amount
2012	\$495,879
2013	497,644
2014	480,586
2015	225,317
2016	214,625

B. Development Service Center:

The City (lessee) leases a building under a noncancelable-operating lease. Total cost for the lease was \$582,445 for the year ended June 30, 2011. The lease was terminated on November 30, 2011.

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

A. Defeasance of debt

In March 2006, the City issued \$31,920,000 in general obligation (limited tax) sewer funding bonds series 2007A. The proceeds were used to defease \$31,070,000 of outstanding general obligation sewer bonds Series 2001. The bonds were defeased to take advantage of lower interest rates in order to achieve a debt service savings. The city called the entire maturity of \$31,070,000 on April 1, 2011.

In May 2006, the City issued \$21,745,000 in general obligation tax exempt various purpose bonds series 2006B. The proceeds were used to defease \$20,905,000 of outstanding general obligation parking bonds series 2002A. The bonds were defeased to take advantage of lower interest rates in order to achieve a debt service savings. The outstanding balance on the defeased 2002A general obligation parking bonds was \$20,905,000 at June 30, 2011.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

B. Changes in long-term obligations

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

	<u>Original Issue</u>	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2011</u>	<u>Due Within One Year</u>
Governmental Activities:						
Bonds payable:						
<i>General obligation Revenue Bonds:</i>						
5.9 to 6.25% Redevelopment Project general obligation Bonds (taxable), due 06/01/12	\$ 17,000,000	\$ 3,295,000	\$	\$ (1,885,000)	\$ 1,410,000	\$ 1,410,000
2.75 to 4.95% Fremont Street general obligation Revenues Refunding Bonds Series 2002, due 07/01/15	12,535,000	7,180,000		(1,015,000)	6,165,000	1,080,000
Variable rate general obligation various purpose Bonds Series 2006C, due 6/1/36	32,000,000	32,000,000		(625,000)	31,375,000	660,000
3.0 to 5.25% Parking general obligation long-term Bonds Series 2002A, due 6/10/18	25,000,000	1,710,000		(545,000)	1,165,000	570,000
3.0 to 5.0% Various purpose general obligation Refunding Bonds Series 2005B, due 06/01/19	21,295,000	20,735,000		(580,000)	20,155,000	1,105,000
5.625 to 5.90% Taxable various purpose general obligation Bonds Series 2006A, due 05/01/24	18,000,000	15,870,000		(795,000)	15,075,000	845,000
4.0 to 5.0% Various purpose general obligation Bonds Series 2006B, due 05/01/36	50,745,000	50,745,000			50,745,000	
5.0 to 7.0% General Obligation Performing Arts Center Bonds Series 2009, due 06/30/39	101,220,000	101,220,000			101,220,000	1,560,000
		<u>232,755,000</u>		<u>(5,445,000)</u>	<u>227,310,000</u>	<u>7,230,000</u>

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

B. Changes in long-term obligations (continued)

	Original Issue	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due Within One Year
Governmental Activities (continued)						
<i>General obligation medium-term bonds:</i>						
2.0 to 3.6% Recreation general obligation medium-term Bonds Series 2003, due 11/01/13	\$ 20,000,000	\$ 8,775,000	\$	\$ (2,080,000)	\$ 6,695,000	\$ 2,145,000
5.0 to 5.25% Building general obligation medium-term Bonds Series 2000, due 08/01/10	8,000,000	1,015,000		(1,015,000)		
4.0 to 4.2% Public Safety general obligation medium-term Bonds Series 2001, due 04/01/11	22,500,000	3,070,000		(3,070,000)		
3.0% to 4.0% Recreation general obligation medium-term Bonds Series 2004C, due 10/01/14	20,000,000	10,705,000		(2,000,000)	8,705,000	2,065,000
4.0 to 4.25% Neighborhood Services general obligation medium-term Bonds Series 2007, due 11/01/17	12,500,000	10,385,000		(1,120,000)	9,265,000	1,170,000
4.0 to 4.25% Fire Safety general obligation medium-term Bond Series 2007, due 11/01/17	10,000,000	8,305,000		(900,000)	7,405,000	935,000
2.0 to 4.00% General Obligation medium-term Main Street Parking Garage Bonds Series 2009, due 10/01/2019	15,000,000	15,000,000			15,000,000	1,480,000
		<u>57,255,000</u>		<u>(10,185,000)</u>	<u>47,070,000</u>	<u>7,795,000</u>
<i>Certificates of Participation (COPs):</i>						
Certificates of Participation 4.0 to 5.00% Tax exempt Certificates of Participation (City Hall Project) Series 2009A due 9/01/2019	13,770,000	13,770,000			13,770,000	
6.084 to 7.80% Taxable Certificates of Participation (City Hall Project) Series 2009B (Direct pay Build America Bonds) due 9/01/2039	174,500,000	174,500,000			174,500,000	
		<u>188,270,000</u>			<u>188,270,000</u>	
<i>Installment Purchase:</i>						
6.07% Installment Purchase Clean Renewable Energy Bonds Series 2011, due 05/01/2026	4,974,400		4,974,400		4,974,400	281,093
6.07% Installment Purchase Qualified Energy Conservation Bonds Series 2011 due 05/01/2026	5,874,300		5,874,300		5,874,300	331,945
			<u>10,848,700</u>		<u>10,848,700</u>	<u>613,038</u>

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

B. Changes in long-term obligations (continued)

	<u>Original Issue</u>	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2011</u>	<u>Due Within One Year</u>
Governmental Activities (continued)						
<i>General obligation tax increment</i>						
<i>Revenue Bonds:</i>						
3.00 to 5.00% Redevelopment Agency tax increment Revenue Refunding Bonds Series 2003A, due 06/15/14	\$ 19,115,000	\$ 14,830,000	\$	\$ (3,450,000)	\$ 11,380,000	\$ 3,625,000
3.00 to 4.50% Redevelopment Agency tax increment Refunding Bonds Series 2003B, due 06/15/14	2,395,000	1,010,000		(230,000)	780,000	250,000
6.0 to 8.0% Redevelopment Agency Tax Increment Revenue Bonds Series 2009A, due 06/15/30	85,000,000	85,000,000			85,000,000	
		<u>100,840,000</u>		<u>(3,680,000)</u>	<u>97,160,000</u>	<u>3,875,000</u>
<i>Improvement Bonds:</i>						
4.26% Special Assessment local improvement Bonds, due 06/01/14	452,000	180,000		(45,000)	135,000	45,000
4.126% Special Assessment local improvement Bonds, due 12/01/16	444,000	324,000		(41,000)	283,000	43,000
3.625 to 5.00% Special Assessment local improvement Bonds Series 2003, due 12/01/23	4,245,000	2,685,000		(275,000)	2,410,000	265,000
3.25 to 4.875% Special Assessment local improvement Bonds, due 06/01/24	1,975,000	1,400,000		(120,000)	1,280,000	100,000
4.04% Special Assessment local improvement Bonds, due 12/01/15	818,000	525,000		(79,000)	446,000	83,000
4.320% Special Assessment local improvement Bonds, due 06/01/27	1,724,000	1,552,000		(63,000)	1,489,000	66,000
4.526% Special Assessment local improvement Bonds due, 06/01/17	320,000	237,000		(30,000)	207,000	31,000
		<u>6,903,000</u>		<u>(653,000)</u>	<u>6,250,000</u>	<u>633,000</u>
Bonds Payable Subtotal		586,023,000	10,848,700	(19,963,000)	576,908,700	20,146,038

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

B. Changes in long-term obligations (continued)

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due Within One Year
Governmental Activities (continued):					
Deferred amounts:					
Less: Unamortized debt refunding transaction	\$ (2,069,219)	\$	\$ 270,008	\$ (1,799,211)	\$ (270,008)
Add: Issuance Premiums	6,099,311		(542,845)	5,556,466	634,164
Less: Issuance Discounts	(224,068)	(108,487)	224,021	(108,534)	(241,063)
	<u>589,829,024</u>	<u>10,740,213</u>	<u>(20,011,816)</u>	<u>580,557,421</u>	<u>20,269,131</u>
Compensated absences	45,046,144	20,918,856	(20,974,060)	44,990,940	31,985,421
Arbitrage rebates	647,416		(507,191)	140,225	
Heart lung presumptive liability (Note 18D)	<u>35,695,075</u>	<u>22,463,548</u>		<u>58,158,623</u>	
Government activity long-term liabilities	<u>\$ 671,217,659</u>	<u>\$ 54,122,617</u>	<u>\$ (41,493,067)</u>	<u>\$ 683,847,209</u>	<u>\$ 52,254,552</u>

Variable rate debt. In August 2006, the City issued \$32,000,000 of General Obligation Adjusted Rate Various Purpose Bonds Series 2006C, which bore interest at a variable rate. Pursuant to the bond ordinance, these bonds have their interest rate determined on a daily basis. This daily rate is determined by the respective 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 rate effective at June 30, 2011, plus 300 basis points. The rate used to determine interest requirements for future years was 5 percent.

Also associated with the General Obligation Adjustment Rate Various Purpose Bonds Series 2006C, is a letter of credit for \$32,368,220 issued August 1, 2006, and expires August 21, 2013. At June 30, 2011, the utilization fee was 0.17% and no amounts were outstanding on the letter of credit.

Ratings on the Bonds from:	Utilization fee
<u>Moody's/S &P/and Fitch</u>	<u>(% per annum)</u>
Aa3/AA-/AA	0.17
A2/A/A	0.245
A3/A-/A-	0.37
Baa1/BBB+/BBB+	0.57
Baa2/BBB/BBB	0.97
Baa3/BBB-/BBB-	1.07
Below Baa3/BBB-/BBB	1.27

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

B. Changes in long-term obligations (continued)

Compensated absences. Included in the City's governmental long-term obligations is \$44,990,940 of accrued compensated absences, \$41,614,620 relates to the General fund, \$2,908,552 to the Internal Service fund, \$441,610 to the Special Revenue fund and \$26,158 to the Capital Project fund.

Arbitrage rebates. Included in the City's governmental long-term obligations is \$140,225 of arbitrage rebate that relates to the City's Debt Service fund.

Bond covenants. For the Fremont Street Experience general obligation revenue bonds the City is required to maintain a reserve fund in the amount of \$400,000. At June 30, 2011, 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 \$8,500,212 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, 2011, is \$5,997,766.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

B. Changes in long-term obligations (continued)

	<u>Original Issue</u>	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2011</u>	<u>Due Within One Year</u>
Business-type Activities-Major Funds:						
Bonds payable:						
Sanitation:						
General obligation revenue bonds:						
3.0 to 4.0% Sewer general obligation Refunding Bonds Series 2004, due 06/30/18	\$ 21,050,000	\$ 19,015,000	\$	\$ (2,095,000)	\$ 16,920,000	\$ 2,160,000
4.1 to 5.375% Sewer and Flood Control general obligation Bonds Series 2001, due 04/01/21	55,000,000	2,315,000		(2,315,000)		
4.0 to 5.0% Sanitary Sewer general obligation Refunding Bonds Series 2006A, due 04/01/21	31,920,000	31,920,000			31,920,000	2,610,000
4.0% Sanitary Sewer general obligation Refunding Bonds Series 2007, due 10/01/12	17,155,000	13,120,000		(4,195,000)	8,925,000	4,375,000
Business-type Activities-Non-major Funds:						
5.1 to 6.0% Golf Course general obligation Revenue Bonds Series 2001, due 12/01/21	12,000,000	9,025,000		(535,000)	8,490,000	565,000
		75,395,000		(9,140,000)	66,255,000	9,710,000
Deferred amounts:						
Add: Issuance Premiums		1,184,786		(202,088)	982,698	202,088
Less: Defeasance Cost		(2,770,466)		424,948	(2,345,518)	(424,948)
		73,809,320		(8,917,140)	64,892,180	9,487,140
Compensated absences		5,144,303	10,687,808	(10,518,520)	5,313,591	3,777,592
Business-type activity long-term liabilities		<u>\$ 78,953,623</u>	<u>\$ 10,687,808</u>	<u>(19,435,660)</u>	<u>\$ 70,205,771</u>	<u>\$ 13,264,732</u>

The nonprofit corporations have interfund loans payable to the Municipal Parking fund for \$2,781,449, the Industrial Development Special Revenue fund for \$12,378,562 and Redevelopment Agency Special Revenue fund for \$25,000. These notes bear interest at 2 percent. Principal and interest is due upon demand.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

B. Changes in long-term obligations (continued)

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 Assets.

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 Assets.

C. Payment requirements for debt service

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

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES												
June 30	General Obligation Revenue Bonds		General Obligation Medium-Term Bonds		LVRA Tax Increment Revenue Bonds		Special Assessment Local Improvement Bonds		Certificates of Participation Bonds		Installment Purchase	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 16,940,000	\$ 13,406,181	\$ 7,795,000	\$ 1,596,249	\$ 3,875,000	\$ 7,020,060	\$ 633,000	\$ 267,959	\$	\$ 13,882,661	\$ 613,038	\$ 627,420
2013	17,720,000	14,136,724	8,050,000	1,333,292	4,045,000	6,845,688	656,000	241,607		13,882,661	620,049	621,305
2014	14,340,000	13,450,842	8,365,000	1,043,315	4,240,000	6,644,738	536,000	216,903		13,882,661	635,488	583,667
2015	15,060,000	12,775,541	6,265,000	771,075	3,035,000	6,434,088	501,000	194,440	15,000	13,882,361	651,312	545,093
2016	15,810,000	12,035,281	4,115,000	575,563	3,215,000	6,251,988	525,000	172,636	15,000	13,881,761	667,529	505,559
2017-2021	64,470,000	49,368,692	12,480,000	810,389	19,540,000	27,795,500	1,971,000	579,679	23,725,000	66,446,439	3,595,401	1,899,451
2022-2026	35,185,000	36,723,208			27,855,000	19,484,300	1,301,000	152,506	29,715,000	58,046,899	4,065,883	752,533
2027-2031	40,995,000	27,582,968			31,355,000	6,511,600	127,000	5,486	37,765,000	45,469,963		
2032-2036	53,195,000	14,924,950							48,485,000	28,767,375		
2037-2040	19,850,000	2,428,200							48,550,000	7,810,920		
Total	\$ 293,565,000	\$ 196,832,587	\$ 47,070,000	\$ 6,129,883	\$ 97,160,000	\$ 86,987,962	\$ 6,250,000	\$ 1,831,216	\$ 188,270,000	\$ 275,953,701	\$ 10,848,700	\$ 5,535,028

Year Ended June 30	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES	
	Total Bonds			
	Principal	Interest	Principal	Interest
2012	\$ 20,146,038	\$ 34,034,325	\$ 9,710,000	\$ 2,766,205
2013	21,001,049	34,682,104	10,090,000	2,379,173
2014	22,356,488	33,757,615	5,760,000	2,064,511
2015	19,517,312	32,778,050	6,010,000	1,824,548
2016	18,057,529	31,881,573	6,290,000	1,541,215
2017-2021	98,416,401	143,355,933	27,365,000	3,544,217
2022-2026	97,091,883	115,128,546	1,030,000	30,900
2027-2031	110,242,000	79,570,017		
2032-2036	101,680,000	43,692,325		
2037-2040	68,400,000	10,239,120		
Total	\$ 576,908,700	\$ 559,119,608	\$ 66,255,000	\$ 14,150,769

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

D. 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, 2011.

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.

<u>Bonds Issued</u>	<u>Maturity (Length of Pledge)</u>
Redevelopment Project Bonds Series 1998A	06/01/12
Parking Bonds Series 2002A	12/01/12
Various Purpose Refunding Bonds Series 2005B	06/01/19
Various Purpose Refunding Bonds Series 2006A	05/01/24
Various Purpose Series 2006B	06/01/36
Various Purpose Series 2006C	06/01/36

2. Transportation Room Tax Revenue Supported Bonds

These bonds are secured by a one percent tax on transient lodging from the rental of hotel and motel rooms within the City. This tax is imposed specifically for the purpose of transportation improvements. These bonds also constitute direct and general obligation of the City, and the full faith and credit of the City is pledged for the payment of principal and interest.

<u>Bonds Issued</u>	<u>Maturity (Length of Pledge)</u>
Transportation Refunding Bonds Series 2002D	07/01/09

3. General Obligation Medium-Term Supported Bonds

These bonds are secured by a pledge of general fund revenues. 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.

<u>Bonds Issued</u>	<u>Maturity (Length of Pledge)</u>
Medium Term Park Bonds Series 1999	08/01/09
Medium Term Garage Bonds Series 2000A	06/01/10
Medium Term Bldg Bonds-Cultural/SR Center Series 2000	08/01/10
Medium Term Public Safety Bonds Series 2001	04/01/11
Medium Term Recreation Bonds Series 2003	11/01/13
Medium Term Recreation Bonds Series 2004C	11/01/14
Medium Term Cultural/Stupak Community Center 2007	11/01/17
Medium Term Public Safety Bonds 2007	11/01/17
Medium Term Main Street Parking Garage Series 2009	10/01/19

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

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

D. Pledged Revenues (continued)

4. *Downtown Room Tax Revenue Supported Bonds*

These bonds 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.

Bonds Issued	Maturity (Length of Pledge)
Fremont Street Experience Refunding Bond Series 2002	07/01/15

5. *General Obligation Sanitation and Flood Control Supported Bonds*

These bonds are general obligation bonds additionally secured by an irrevocable pledge of the net pledged 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 it outstanding sewer bonds.

Bonds Issued	Maturity (Length of Pledge)
Sewer and Flood Control Bonds Series 2001	04/01/11
Sewer Refunding Bonds Series 2004	11/01/17
Sewer Refunding Bonds Series 2006A	04/01/21
Sewer Refunding Bonds Series 2007	10/01/12

6. *General Obligation Golf Course Supported Bonds*

The golf course revenue supported 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 ordinance 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 operations and maintenance expenses of the golf course and 100% of debt service on the Golf Course Bonds in each year.

Bonds Issued	Maturity (Length of Pledge)
Golf Course Bonds Series 2001	12/01/21

7. *General Obligation Performing Arts Center Supported Bonds*

The rental car fee 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”).

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

D. Pledged Revenues (continued)

7. General Obligation Performing Arts Center Supported Bonds (continued)

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	04/01/39

8. 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 1463, 1470, 1471	12/01/22
Special Assessment Bonds 1481	06/01/24
Special Assessment Bonds 1474, 1486	06/01/14
Special Assessments Bank Loan 1487 and 1503	12/01/15
Special Assessment Bonds 1506	05/01/27
Special Assessment Bank Loan 1493	05/01/17
Special Assessment Bonds 1490	06/01/17

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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

D. Pledged Revenues (continued)

9. 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. The COPS were sold 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 of Las Vegas and the City of Las Vegas Redevelopment Agency. Through the Interlocal Agreement, the Redevelopment Agency is agreeing 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	09/01/19
COPS Taxable City Hall Project Series 2009B (Direct Pay Build America Bonds)	09/01/39

10. 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 2003A	06/01/14
Redevelopment Agency Tax Increment Revenue Refunding Bonds Series 2003B	06/01/14
Redevelopment Agency Tax Increment Revenue Refunding Bonds Series 2009A	06/01/30

11. 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 (QECCB) 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 QECCB 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	5/1/2026
Taxable Direct Pay New Clean Renewable Energy Bonds	5/1/2026

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

13. Developer special assessment debt

In November 1993, the City of Las Vegas created Special Improvement District No. 505 for the Elkhorn Springs development area. In January 1994, the City issued \$9.5 million in limited obligation improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as trustee for the property owners in collecting the assessments and as the paying agent for the bondholders pursuant to the provisions of the bond ordinance. These transactions are accounted for in an agency fund. The Elkhorn Springs project consists of the acquisition of certain improvements made by Watt Residential, Inc. These improvements, which were accounted for in a capital project fund, include construction of streets, water distribution systems, sanitary sewers, storm sewers, curbs and gutters, sidewalks, localized drainage facilities, and landscaping. The project was completed in June 1995. The outstanding balance on the bonds payable was \$1,430,000 at June 30, 2011.

In May 1996, the City of Las Vegas created Special Improvement District No. 707 for the Summerlin development area. In July 1996, the City issued \$40 million in tax-exempt bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include construction of streets, water distribution systems, sanitary sewers, storm sewers, curbs and gutters, sidewalks, localized drainage facilities, and landscaping. As of June 30, 2011, the City had released approximately \$44.6 million for improvements included \$5.4 million of interest income used. The outstanding balance on the bonds was \$10,545,000 at June 30, 2011.

In February 2001, the City of Las Vegas created Special Improvement District No. 808 for the Summerlin development area. In May 2001, the City issued \$46 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2011, the City has released \$39.8 million of the construction funds, which includes \$3.1 million of interest income used. The outstanding balance on the bonds payable was \$17,785,000 at June 30, 2011.

In May 2003, the City of Las Vegas created Special Improvement District No. 809 for the Summerlin development area. In June 2003, the City issued \$10 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2011, the City has released \$8.6 million of the construction funds, which includes \$797,000 in interest income used. The outstanding balance on the bonds payable was \$6,565,000 at June 30, 2011.

In May 2004, the City of Las Vegas created Special Improvement District No. 607 for the Providence development area. On June 3, 2004, the City issued \$51,185,000 in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as the agent for the property owners in collecting the assessments and forwarding the collection to the bondholders. These transactions are accounted for in an agency fund. The Providence project consists of the acquisition of certain improvements developed by Cliffs Edge, LLC. These improvements, which are accounted for in a capital projects fund, include street, water, sewer, storm drainage and other improvements. The outstanding balance on the bonds payable was \$38,490,000 June 30, 2011.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

13. Developer special assessment debt (continued)

In July 2007, the City of Las Vegas created Special Improvement District No. 810 for the Summerlin development area. In September 2007, the City issued \$23.6 million in tax-exempt local improvement bonds on behalf of the property owners. The City is not liable for repayment of the debt and is prohibited from assuming the debt in the event of default by the property owners. The City acts as an agent for the property owners in collecting the assessment and forwarding the collections to the bondholders. These transactions are accounted for in an agency fund. The Summerlin project consists of the acquisition of certain improvements developed by Howard Hughes Properties, Ltd. These improvements, which are accounted for in a capital projects fund, include street improvements (including grading, paving, base, street lights, curbs and gutters, sidewalks and striping), together with traffic signals, sanitary sewers, water lines, storm drains, and related facilities. As of June 30, 2011, 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 \$22,025,000 at June 30, 2011.

14. Deferred/Unearned Revenues

The following schedule details unearned revenues at June 30, 2011, and the reasons for each:

	Nonmajor Governmental Funds				Total Governmental Funds	Deferred Revenue	Unearned Revenue		
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds		Adjustments	Govern- mental Activities	Business- type Activities	Total Primary Government
Prepaid tuitions	\$ 237,501	\$	\$	\$	\$ 237,501	\$	\$ 237,501	\$	\$ 237,501
Monterrey Villas loans receivable	5,200,000				5,200,000	(5,200,000)			
Property taxes	2,588,421	404,776	1,184,996		4,178,193	(4,178,193)			
Special assessments				5,938,805	5,938,805	(5,938,805)			
Fremont Experience loan		6,465,314			6,465,314	(6,465,314)			
Prepaid law enforce- ment programs		5,830,297			5,830,297		5,830,297		5,830,297
Gift certificates								19,828	19,828
Prepaid parking garage rental								634,625	634,625
Prepaid Municipal pool repair									
	<u>\$ 8,025,922</u>	<u>\$ 12,700,387</u>	<u>\$ 1,184,996</u>	<u>\$ 5,938,805</u>	<u>\$ 27,850,110</u>	<u>\$ (21,782,312)</u>	<u>\$ 6,067,798</u>	<u>\$ 654,453</u>	<u>\$ 6,722,251</u>

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

15. 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:

	2011
General Fund	\$ 3,821,893
Special Revenud Funds	22,389,516
Capital Projets Funds	152,904,479
Total	\$ 179,115,888

Commitments:

In October 1998, the City of Las Vegas and Clark County entered into the Regional Justice Center Financing Agreement. The County has constructed a Regional Justice Center for the Eighth Judicial District Court of the State of Nevada, Court of the Las Vegas Township, and the Municipal Court of the City of Las Vegas. The City has agreed to pay 25% of the project cost limited to a maximum of \$29,000,000. On March 1, 1999, the County issued the \$29,000,000 of Clark County, Nevada General Obligation (Limited Tax) Public Facilities Bonds (Additionally Secured by Interlocal Agreement Pledged Revenues) Series 1999C. The City makes semi-annual payments per the agreement on December 1 and June 1. For the year ended June 30, 2011, the City made \$1,977,440 in payments per the agreement.

The City of Las Vegas and Clark County entered into the Clark County/City of Las Vegas/Las Vegas Metropolitan Police Department Project Interlocal Financing Agreement on March 1, 2000. The County issued General Obligation (Limited Tax) Public Safety Bonds in the principal amount of \$18,000,000 for the purpose of financing all or a portion of the cost of acquiring, constructing, improving, and equipping a police training academy and four area command substations for the Las Vegas Metropolitan Police Department. The bonds mature in 15 years. In 2004 Clark County defeased \$6.4 million of the \$18,000,000 bonds, the bond matures November 1, 2014. The City makes semi-annual payments on the defeased amount on May 1 and November 1. For the year ended June 30, 2011, the City made \$123,799 in payments. The City's financial commitment for a particular payment date shall equal the debt service for such date multiplied by the City's apportionment of the project funding formula approved by the City or otherwise submitted to the City pursuant to NRS 280.190 (4) for the fiscal year in which such debt service payment is due and payable. All payments shall be made at a time such that each payment is received by the bank and deposited into the County's bank account no later than one business day prior to the date required to make the corresponding debt service payment on the bonds. The City makes semi-annual payments per the agreement on September 1 and March 1 on the undefeased balance. For the year ended June 30, 2011, the City made \$557,079 in payments under the agreement.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

16. Interfund transactions

A. Due to/from other funds

The following schedule details the amounts due from/to other funds at June 30, 2011:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-major governmental	\$ 2,493,912
	Nonprofit corporation	757
		<u>2,494,669</u>
Non-major governmental	General	500
	Non-major governmental	810,589
		<u>811,089</u>
Internal service	Non-major governmental	1,458,050
Total		<u>\$ 4,763,808</u>

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, 2011, were as follows:

TRANSFERS OUT

	<u>TRANSFERS IN</u>	<u>General Fund</u>	<u>Parks & Leisure</u>	<u>Road & Flood</u>	<u>City Facilities</u>	<u>Non-major Governmental</u>	<u>Sanitation</u>	<u>Non-major Proprietary</u>	<u>Internal Service</u>
General Fund	\$ 34,114,286	\$	\$	\$	\$	\$ 11,024,377	\$ 5,000,000	\$	\$ 18,089,909
Parks and Leisure	29,685,082	8,000,000				21,685,082			
Road and Flood	3,207,000		400,000			2,807,000			
City Facilities	706,607		197,097			9,510		500,000	
Non-major governmental	75,555,571	11,289,475	12,702,400	700,000	9,312,500	37,964,874	3,362,345	198,100	25,877
Nonprofit	863,890					863,890			
Non-major proprietary	1,700,000	1,200,000			500,000				
Internal Service	17,579,405		5,000,000						12,579,405
Total	<u>\$ 163,411,841</u>	<u>\$ 20,489,475</u>	<u>\$ 18,299,497</u>	<u>\$ 700,000</u>	<u>\$ 9,812,500</u>	<u>\$ 74,354,733</u>	<u>\$ 8,362,345</u>	<u>\$ 698,100</u>	<u>\$ 30,695,191</u>

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.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

17. Segment information

The government issued general obligation revenue bonds to finance construction of a golf course. Summary financial information for the Municipal Golf Course Enterprise Fund as of and for the years ending June 30, 2011 and 2010, is presented below.

CONDENSED STATEMENT OF NET ASSETS

	<u>2011</u>	<u>2010</u>
Assets:		
Current assets	\$ 892,453	\$ 895,679
Deferred charges	43,197	47,311
Capital assets	10,331,654	11,110,172
Total assets	<u>11,267,304</u>	<u>12,053,162</u>
Liabilities:		
Current liabilities	624,759	600,036
Noncurrent liabilities	7,984,552	8,551,951
Total liabilities	<u>8,609,311</u>	<u>9,151,987</u>
Net assets:		
Invested in capital assets, net of related debt	1,788,619	2,027,086
Unrestricted	869,374	874,089
Total net assets	<u>\$ 2,657,993</u>	<u>\$ 2,901,175</u>

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

	<u>2011</u>	<u>2010</u>
Charges for services	\$ 812,368	\$ 942,224
Miscellaneous revenue	386,947	339,456
Depreciation expense	(778,966)	(780,281)
Other operating expenses	(1,341,250)	(1,345,061)
Operating loss	<u>(920,901)</u>	<u>(843,662)</u>
Nonoperating revenue (expenses):		
Interest revenue	11,920	21,854
Interest expense	(497,851)	(529,326)
Contributions to other governments	(36,350)	(38,614)
Loss before transfers	<u>(1,443,182)</u>	<u>(1,389,748)</u>
Transfers in	1,200,000	1,200,000
Change in net assets	<u>(243,182)</u>	<u>(189,748)</u>
Beginning net assets	2,901,175	3,090,923
Ending net assets	<u>\$ 2,657,993</u>	<u>\$ 2,901,175</u>

CONDENSED STATEMENT OF CASH FLOWS

	<u>2011</u>	<u>2010</u>
Net cash provided (used) by:		
Operating activities	\$ (138,278)	\$ (42,893)
Noncapital financing activities	1,163,650	1,161,386
Capital and related financing activities	(1,036,911)	(1,235,059)
Investing activities	13,453	23,340
Net increase (decrease)	<u>1,914</u>	<u>(93,226)</u>
Beginning cash and cash equivalents	741,391	834,617
Ending cash and cash equivalents	<u>\$ 743,305</u>	<u>\$ 741,391</u>

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

18. Risk management and contingent liabilities

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

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

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

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

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 resolution establishes a minimum \$7 million cash reserve. The fund's pooled cash and investments, and other investments balance was \$5,573,344 at June 30, 2011, and charges for services of \$1,944,185 were made to the consolidated funds during the year ended June 30, 2011. The purpose of the fund is to pay for self-assumed losses. As of June 30, 2011, \$457,049 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:

	<u>Balance at beginning of fiscal year</u>	<u>Current year changes in estimates</u>	<u>Claim payments</u>	<u>Balance at end of fiscal year</u>	<u>Due within one year</u>
2010	389,787	750,235	(701,106)	438,916	438,916
2011	438,916	821,598	(803,465)	457,049	457,049

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

18. Risk management and contingent liabilities (continued)

A. Self-Insurance programs (continued)

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 rate and payroll deductions. The City's maximum payment for industrial injuries as of June 30, 2011, ranges from \$350,000 to \$500,000 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 \$2,195,328 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, 2011, was \$32,112,333 with a net asset balance of \$19,152,224. Current benefits payable totaled \$8,661,513, \$2,273,516 of accrued general workers' compensation claims payable, \$1,863,417 in heart lung (workers' compensation) presumptive claims (c), PERS liability of \$4,011,674 and insurance premiums payable of \$512,906. Noncurrent liability consisted of heart lung (workers' compensation) presumptive liability of \$5,121,023 and compensated absences of \$17,220. There were charges for services of \$148,013,395 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:

	<u>Balance at beginning of fiscal year</u>	<u>Current year changes in estimates</u>	<u>Claim payments</u>	<u>Balance at end of fiscal year</u>	<u>Due within one year</u>
2010	7,473,704	6,490,698	(4,947,302)	9,017,100	3,931,171
2011	9,017,100	5,420,106	(5,179,250)	9,257,956	4,136,933

B. Other Postemployment Benefits (OPEB) Plan

Background:

The City accounts for and reports its costs related to postemployment healthcare and other non-pension benefits. Historically, the City's subsidy was funded on a pay-as-you-go basis. 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 disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of postemployment benefits and the financial impact on the City. The net OPEB liability is reduced each year by the amount of employee contributions. Employee contributions equal the claim payments, administrative charges and state charged subsidies paid on behalf of retirees, less any retiree contribution premiums.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

18. Risk management and contingent liabilities (continued)

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

Plan Description:

The City of Las Vegas sponsors a single-employer defined benefit healthcare plan administered by the City of Las Vegas. The plan options are: Sierra 2000 (PPO); Health Plan of Nevada (HMO); CIGNA (HRA), a consumer driven plan; and dental and vision, self-funded. Each City plan provides medical, prescription drug, dental and vision benefits to retirees and their covered dependents. Retirees are eligible to participate at age 55 with 5 years of service or at any age with 30 years of service. Those retiring on or before September 1, 2008 also had the option of transferring to the State of Nevada Plan. This plan, the Public Employee Benefit Program (PEBP), is an agent multiple employer, defined benefit plan. PEBP benefit provisions are established by the Nevada State Legislature. For those retirees who selected the State Plan, the City is obligated to pay a monthly subsidy to the State for the coverage on those transferees. 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. City management determines funding requirements and plan options. Insurance funding for the Las Vegas Police Officers Association/Correction Officers (POA), the Las Vegas Police Protection Association Marshals (PPA) and the International Association of Firefighters Local 1285 are governed by 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 \$410 and does not vary by years of service at retirement. Otherwise, the subsidy level does vary by years of service, except in those instances where greater than 20 years of service is attained. In addition, subsidy levels do not vary by Medicare eligibility or by coverage tier. The subsidy contribution ranges from 5 years of service at \$103 per month to 20 or more years of service at \$564 per month. Approximately, 359 retirees are with the State Plan as of June 30, 2011. The City's current funding policy for its OPEB liability is pay as you go.

Annual OPEB Cost:

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

	<u>City</u>	<u>PEBP</u>	<u>Total</u>
City's Annual Required Contribution (ARC)	\$ 9,715,008	\$ 3,397,841	\$ 13,112,849
Interest on net OPEB obligation	2,187,073	184,349	2,371,422
Adjustments to ARC	<u>(2,855,243)</u>	<u>(240,669)</u>	<u>(3,095,912)</u>
Annual OPEB cost	9,046,838	3,341,521	12,388,359
Contribution	<u>(3,945,533)</u>	<u>(3,856,291)</u>	<u>(7,801,824)</u>
Increase (decrease) in net OPEB obligation	5,101,305	(514,770)	4,586,535
Net OPEB obligation, beginning of year	48,601,628	4,096,641	52,698,269
Net OPEB obligation, end of year	<u>\$ 53,702,933</u>	<u>\$ 3,581,871</u>	<u>\$ 57,284,804</u>

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

18. Risk management and contingent liabilities (continued)

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

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

<u>Plan</u>	<u>Year End</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contribution</u>	<u>Net OPEB Obligation</u>
City of Las Vegas	June 30, 2009	\$ 19,988,775	2.5%	\$ 39,756,184
City of Las Vegas	June 30, 2010	9,168,444	3.5%	48,601,628
City of Las Vegas	June 30, 2011	9,046,838	43.6%	53,702,933
PEBP	June 30, 2009	3,289,171	70.0%	2,885,110
PEBP	June 30, 2010	3,358,177	63.9%	4,096,641
PEBP	June 30, 2011	3,341,521	115.4%	3,581,871

Funding Status and Funding Progress:

The funding status of the Plan as of the most recent actuarial valuation date, July 1, 2009 is as follows:

	<u>City</u>	<u>PEBP</u>
Actuarial accrued liability (AAL) (a)	\$ 77,272,555	\$ 57,837,674
Actuarial value of Plan assets (b)	0	0
Unfunded actuarial accrued liability (UAAL) (a)-(b)	77,272,555	57,837,674
Funded ratio (b)/(a)	0%	0%
Covered payroll (c)	\$ 134,570,528	\$ 0
UAAL as a percentage of covered payroll $[(a)-(b)]/(c)$	57.4%	*

*PEBP closed to City participants as of September 1, 2008, therefore covered payroll is zero

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 multi-year 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.

CITY OF LAS VEGAS, NEVADA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

18. Risk management and contingent liabilities (continued)

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

Significant methods and assumptions are as follows:

	<u>City</u>	<u>PEBP</u>
Actuarial valuation date	July 1, 2009	July 1, 2009
Actuarial cost method	Projected unit Actuarial cost method	Projected unit Actuarial cost method
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	No plan assets	No plan assets
Valuation rate of return	4.5%	4.5%
Healthcare inflation trend rate		
Years from measurement date	1 through 9+	1 through 9+
Increase over prior year	9.0% initial through 5% ultimate	First year based on actual 2nd year 8.5% through 5.0% ultimate

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 18 A2.

C. City of Las Vegas, Nevada OPEB Trust Fund:

The City of Las Vegas 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 year, the City invested \$5,000,000. The net market value of the trust at June 30, 2011 was \$5,249,247.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

18. Risk management and contingent liabilities (continued)

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 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 \$1,863,417. Reported as noncurrent is \$58,158,623 consisting of \$5,121,023 of case reserves for existing claims and \$53,037,600 of IBNR claims. IBNR is discounted and amortized over a 20 year period. The anticipated future exposure for claims based on an actuarial calculation is approximately \$142,100,000, discounted at 5 percent.

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. However, due to the nature of the claims, liability may be in the range of \$50,000 to \$6,500,000. Such amounts have not been accrued in the accompanying basic financial statements.

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

The City and the County jointly fund the Las Vegas Metropolitan Police Department (LVMPD). The City of Las Vegas funds 38.9% of the LVMPD and is liable for \$60,893,572 of the Metro net OPEB obligation. A liability has been established in the government-wide statement of net assets for the City's portion (see Note 8 and 12B).

G. Tax Increment Subordinate Notes of the Redevelopment Agency

- Simon/Chelsea Las Vegas Development, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2004, in the amount of \$1,837,360, payments starting June 30, 2004 and continuing for twelve years until March 5, 2016, interest at 7 percent beginning accrual July 1, 2004. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. On June 18, 2008, a second subordinate taxable tax increment subordinate Lien Note in the amount of \$756,095, was entered into with Simon/Chelsea Las Vegas Development, LLC. The note has payments starting June 30, 2010 and continuing for eight years until June 30, 2016, with interest at 7 percent beginning accrual June 18, 2008. Also, the percentage of site tax increment from which the note is paid is 41%, and all unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year the Agency received site tax increment revenue and paid \$189,381 in interest to Simon/Chelsea, which was charged to economic development and assistance. The combined outstanding balance at June 30, 2011 was \$2,817,095, which includes \$368,539 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 starting June 30, 2006 upon the payment of property taxes and continuing for twenty years until June 30, 2026, interest at 8.07 percent beginning July 1, 2005. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid \$284,884 in interest to WMCV Phase I, LLC, which was charged to economic development and assistance. The outstanding balance was \$1,696,622 at June 30, 2011.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

18. Risk management and contingent liabilities (continued)

F. Tax Increment Subordinate Notes (continued)

- WMCV Phase II, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2006, in the amount of \$8,725,545, payments starting June 30, 2006 upon the payment of property taxes and continuing for nineteen years until June 30, 2025, interest at 8.04 percent beginning July 1, 2005. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid \$216,036 in interest to WMCV Phase II, which was charged to economic development and assistance. The outstanding balance was \$12,058,423 at June 30, 2011, which includes \$3,332,878 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 starting June 30, 2010 upon the payment of property taxes and continuing for seventeen years until June 30, 2025, interest at 7.90 percent beginning June 30, 2010. 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 \$690,468 in interest to WMCV Phase III, LLC, which was charged to economic development and assistance. The outstanding balance was \$15,290,476 at June 30, 2011, which includes \$1,463,583 of accrued interest.
- SP Sahara Development, LLC Note – Taxable tax increment subordinate Lien Note entered into June 30, 2008, in the amount of \$20,912,094, payments starting June 30, 2010 and continuing for nineteen years until June 30, 2027, interest at 7.09 percent beginning June 30, 2010. 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 \$674,900 in interest to SP Sahara Development, LLC, which was charged to economic and development assistance. The outstanding balance at June 30, 2011 was \$24,080,637, which includes \$3,468,959 in accrued interest.
- PH ASA, LLC Note – Taxable tax increment subordinate Lien Note entered into April 24, 2006, in the amount of \$995,510, payments starting June 30, 2006 and continuing for twenty years until June 30, 2026, interest at 7 percent beginning April 24, 2006. The percentage of site tax increment from which the note is paid is 41%. All unpaid principal and interest that remains due on the maturity date will cease to be owed and the Agency will owe no additional money after the maturity date. During the year, the Agency received site tax increment revenue and paid \$2,191 in interest to PH ASA, LLC, which was charged to economic development and assistance. The outstanding balance at June 30, 2011 was \$1,255,594, which includes \$260,084 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 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 \$897,527 in interest to WMCV Phase 3, LLC, which was charged to economic development and assistance. The outstanding balance was \$12,525,118 at June 30, 2011, which includes \$203,498 of accrued interest.
- WMCII Associates, LLC 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 \$143,458 in interest to WMCII Associates, LLC, which was charged to economic development and assistance. The outstanding balance was \$2,901,062 at June 30, 2011, which includes \$237,989 of accrued interest.

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

19. Nonprofit corporations

The corporations were established to promote the health and welfare of the City of Las Vegas through the acquisition and disposition of property located within the City of Las Vegas. The following schedule presents the financial information for each of the three nonprofit corporations that comprise the nonprofit corporations on the Statement of Net Assets-Proprietary Funds for the year ended June 30, 2011:

	City Parkway IV A, Inc.	City Parkway V, Inc.	Office District Parking, Inc.	Total
Assets:				
Cash	\$ 247,673	\$ 14,038,272	\$ 174,814	\$ 14,460,759
Interest receivable				
Note receivable			3,196,200	3,196,200
Prepaid insurance	1,639	129,985	1,517	133,141
Land	7,976,261	22,701,245	3,270,124	33,947,630
Total assets	<u>\$ 8,225,573</u>	<u>\$ 36,869,502</u>	<u>\$ 6,642,655</u>	<u>\$ 51,737,730</u>
Liabilities and Net Assets				
Accounts payable	\$ 25	\$ 107,294	\$ 25	\$ 107,344
Deposits		100,000		100,000
Due to other funds		757		757
Loans payable	4,195,549	7,690,325	3,299,137	15,185,011
Net assets	4,029,999	28,971,126	3,343,493	36,344,618
Total Liabilities and Net Assets	<u>\$ 8,225,573</u>	<u>\$ 36,869,502</u>	<u>\$ 6,642,655</u>	<u>\$ 51,737,730</u>

CITY OF LAS VEGAS, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

19. Nonprofit corporations (continued)

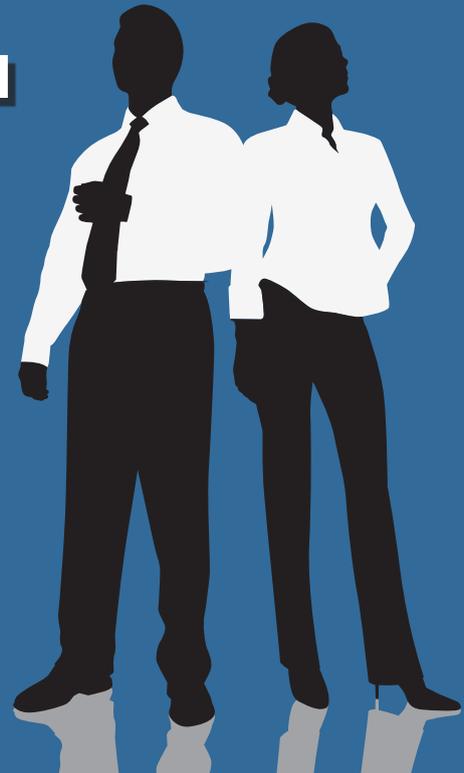
	<u>City Parkway IVA, Inc.</u>	<u>City Parkway V, Inc.</u>	<u>Office District Parking, Inc.</u>	<u>Total</u>
Changes in Net Assets				
Revenues:				
Other reimbursements	\$ 36,657	\$ 1,063,995	\$	\$ 1,100,652
Total revenues	<u>36,657</u>	<u>1,063,995</u>	<u></u>	<u>1,100,652</u>
Expenses:				
Association fees		5,067		5,067
Premiums paid (insurance)	4,116	21,353	10,663	36,132
Professional Services		220,244	1,500,000	1,720,244
Legal services		196,967	86,832	283,799
Services and supplies	160	18,203	484	18,847
Total expenses	<u>4,276</u>	<u>461,834</u>	<u>1,597,979</u>	<u>2,064,089</u>
Operating income (loss)	<u>32,381</u>	<u>602,161</u>	<u>(1,597,979)</u>	<u>(963,437)</u>
Nonoperating revenues (expenses):				
Interest income	<u>346</u>	<u>25,498</u>	<u>3,253</u>	<u>29,097</u>
Net nonoperating revenues	<u>346</u>	<u>25,498</u>	<u>3,253</u>	<u>29,097</u>
Income (loss) before transfers	32,727	627,659	(1,594,726)	(934,340)
Transfer In	<u>89,300</u>	<u>754,590</u>	<u>20,000</u>	<u>863,890</u>
Change in net assets	122,027	1,382,249	(1,574,726)	(70,450)
Net Assets - July 1, 2010	<u>3,907,972</u>	<u>27,588,877</u>	<u>4,918,219</u>	<u>36,415,068</u>
Net Assets - June 30, 2011	<u>\$ 4,029,999</u>	<u>\$ 28,971,126</u>	<u>\$ 3,343,493</u>	<u>\$ 36,344,618</u>



THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**REQUIRED
SUPPLEMENTARY
INFORMATION- RSI**



**REQUIRED SUPPLEMENTARY
INFORMATION- RSI**

CITY OF LAS VEGAS, NEVADA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS FOR THE CITY OF LAS VEGAS
 POSTEMPLOYMENT HEALTHCARE PLAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL a percentage of covered payroll (b-a)/c
City	September 1, 2006	\$ 0	\$ 144,865,403	\$ 144,865,403	0%	\$ 222,896,774	65.0%
PEBP	September 1, 2006	0	56,138,206	56,138,206	0%	0	0%
			<u>201,003,609</u>	<u>201,003,609</u>	0%	<u>222,896,774</u>	<u>65.0%</u>
City	July 1, 2009	0	77,272,555	\$ 77,272,555	0%	\$ 134,570,528	57.4%
PEBP	July 1, 2009	0	57,837,674	57,837,674	0%	0	0%
			<u>135,110,229</u>	<u>135,110,229</u>	0%	<u>134,570,528</u>	<u>57.4%</u>

GASB 45 was implemented for June 30, 2008, and the City has actuarial valuations biannually. The City's next valuation will be for fiscal year ended June 30, 2012. Information will be presented as it becomes available in future years.

City = City of Las Vegas
 PEBP = Public Employee Benefits Plan (See Footnote 18B)

See accompanying independent auditors' report.

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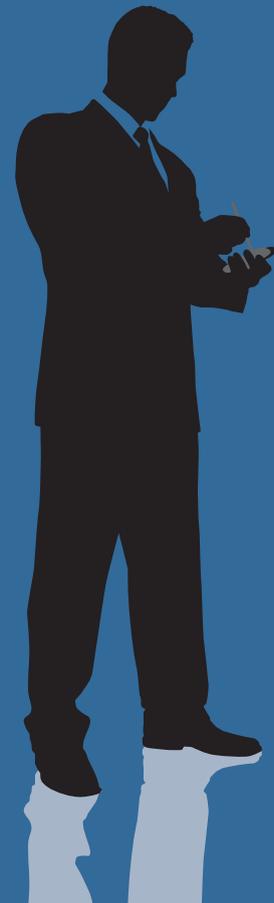


THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**COMBINING &
INDIVIDUAL**

FUND STATEMENTS & SCHEDULE SECTION



COMBINING & INDIVIDUAL
FUND STATEMENTS & SCHEDULE SECTION



THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**MAJOR
GOVERNMENTAL
FUNDS**



**MAJOR GOVERNMENTAL
FUNDS**

Major Governmental Funds

GENERAL FUND

The General Fund is the primary operating fund of the City. The fund is supported by a variety of revenue sources and is used to finance a wide range of activities traditionally associated with government which are not legally or by sound financial management to be accounted for in another fund. General Fund resources are ordinarily expended and replenished on an annual basis.

CAPITAL PROJECTS FUNDS

PARKS AND LEISURE ACTIVITIES FUND

This fund is used to account for the costs of constructing new or improving existing parks, recreation centers and senior citizen facilities. Financing is provided by transfers from the General Fund, the Las Vegas Convention and Visitors Authority Special Revenue Fund, bond proceeds, grants and park impact fees.

ROAD AND FLOOD 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.

CITY FACILITIES FUND

This fund is used to account for the costs of capital improvements which are periodically required at the City Hall Complex, its satellite facilities and the maintenance yards. Revenues are derived primarily from General Fund transfers and bond proceeds.

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS) -
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes:				
Ad valorem property tax	\$ 92,084,850	\$ 92,084,850	\$ 91,198,906	\$ (885,944)
Room tax	1,736,005	1,736,005	1,714,411	(21,594)
Total taxes	<u>93,820,855</u>	<u>93,820,855</u>	<u>92,913,317</u>	<u>(907,538)</u>
Licenses and permits:				
Business licenses	13,988,500	13,988,500	14,135,945	147,445
Liquor licenses	1,821,802	1,821,802	1,895,534	73,732
City gaming licenses	3,540,568	3,540,568	3,493,276	(47,292)
Franchise fees:				
Gas utility	6,711,040	6,711,040	5,704,008	(1,007,032)
Electric utility	29,331,250	29,331,250	27,871,934	(1,459,316)
Sanitation utility	3,816,365	3,816,365	3,648,926	(167,439)
Telephone utility	9,948,500	9,948,500	9,144,572	(803,928)
Garbage collection	3,261,611	3,261,611	3,173,288	(88,323)
Cable television	6,932,771	6,932,771	6,617,272	(315,499)
Ambulance	398,163	398,163	396,965	(1,198)
Animal permits	151,500	151,500	9,300	(142,200)
Building permits	779,146	779,146	800,129	20,983
Off-site permits	283,756	283,756	265,860	(17,896)
Miscellaneous permits	500	500	1,550	1,050
Total licenses and permits	<u>80,965,472</u>	<u>80,965,472</u>	<u>77,158,559</u>	<u>(3,806,913)</u>
Intergovernmental:				
Consolidated tax	198,000,000	198,000,000	207,962,167	9,962,167
Other state revenues			8,288	8,288
County gaming licenses (city share)	3,465,395	3,465,395	3,368,958	(96,437)
Other local government revenues	399,326	399,326	87,260	(312,066)
Other local units payment in lieu of taxes	120,000	120,000	96,803	(23,197)
Total intergovernmental	<u>201,984,721</u>	<u>201,984,721</u>	<u>211,523,476</u>	<u>9,538,755</u>
Charges for services:				
General government:				
Intracity reimbursable charges	3,124,345	3,124,345	3,954,193	829,848
Planning and development charges	609,160	609,160	672,049	62,889
Recreation fees			3,650	3,650
Business license application fees	302,000	302,000	446,868	144,868
Other	165,807	165,807	782,005	616,198
Total general government	<u>4,201,312</u>	<u>4,201,312</u>	<u>5,858,765</u>	<u>1,657,453</u>
Judicial:				
Financial counseling fees	920,000	920,000	922,624	2,624
Court counseling fees	1,400,000	1,400,000	1,344,572	(55,428)
Traffic school fees	400,000	400,000	322,971	(77,029)
Assessment center fees	100,000	100,000	65,653	(34,347)
Court fees	2,829,514	2,829,514	6,116,022	3,286,508
Other			50,013	50,013
Total judicial	<u>5,649,514</u>	<u>5,649,514</u>	<u>8,821,855</u>	<u>3,172,341</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS)
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Charges for services (continued):				
Public safety:				
Intracity reimbursable charges	61,766	61,766	314,319	252,553
EMS transport	4,700,000	4,700,000	5,754,913	1,054,913
Inmate housing	5,050,000	5,050,000	4,873,447	(176,553)
Other	1,339,234	1,339,234	2,586,625	1,247,391
Total public safety	<u>11,151,000</u>	<u>11,151,000</u>	<u>13,529,303</u>	<u>2,378,303</u>
Public works:				
Intracity reimbursable charges	4,345,271	4,345,271	4,162,735	(182,536)
Other	226,739	226,739	48,130	(178,609)
Total public works	<u>4,572,010</u>	<u>4,572,010</u>	<u>4,210,865</u>	<u>(361,145)</u>
Health:				
Animal shelter fees	16,000	16,000	15,293	(707)
Total health	<u>16,000</u>	<u>16,000</u>	<u>15,293</u>	<u>(707)</u>
Culture and recreation:				
Intracity reimbursable charges	9,033	9,033	294	(8,739)
Recreation fees	2,783,000	2,783,000	2,140,208	(642,792)
Swimming pool fees	123,000	123,000	184,374	61,374
Other	220	220	270	50
Total culture and recreation	<u>2,915,253</u>	<u>2,915,253</u>	<u>2,325,146</u>	<u>(590,107)</u>
Economic development and assistance:				
Intracity reimbursable charges	30,685	30,685	47,662	16,977
Other			7,758	7,758
Total economic development and assistance	<u>30,685</u>	<u>30,685</u>	<u>55,420</u>	<u>24,735</u>
Total charges for services	<u>28,535,774</u>	<u>28,535,774</u>	<u>34,816,648</u>	<u>6,280,874</u>
Fines and forfeits:				
Court fines	21,115,535	21,115,535	18,628,350	(2,487,185)
Forfeited bail	782,195	782,195	1,380,124	597,929
Total fines and forfeits	<u>21,897,730</u>	<u>21,897,730</u>	<u>20,008,474</u>	<u>(1,889,256)</u>
Interest	1,535,000	1,535,000	448,866	(1,086,134)
Miscellaneous:				
Rents and royalties	2,377,200	2,377,200	2,128,392	(248,808)
Contributions and donations	30,000	30,000	51,796	21,796
Other	1,050,700	1,050,700	770,948	(279,752)
Total miscellaneous	<u>3,457,900</u>	<u>3,457,900</u>	<u>2,951,136</u>	<u>(506,764)</u>
Total revenues	<u>432,197,452</u>	<u>432,197,452</u>	<u>439,820,476</u>	<u>7,623,024</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS) -
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures By Function and Activity				
General government:				
Legislative:				
City council:				
Salaries and wages	1,434,010	1,434,010	1,298,744	135,266
Employee benefits	817,500	817,500	730,135	87,365
Services and supplies	701,702	701,702	867,693	(165,991)
Total city council	<u>2,953,212</u>	<u>2,953,212</u>	<u>2,896,572</u>	<u>56,640</u>
Total legislative	<u>2,953,212</u>	<u>2,953,212</u>	<u>2,896,572</u>	<u>56,640</u>
Elections:				
City clerk:				
Salaries and wages			38,366	(38,366)
Employee benefits			5,755	(5,755)
Services and supplies	1,000,000	1,000,000	701,581	298,419
Total city clerk	<u>1,000,000</u>	<u>1,000,000</u>	<u>745,702</u>	<u>254,298</u>
Total elections	<u>1,000,000</u>	<u>1,000,000</u>	<u>745,702</u>	<u>254,298</u>
Executive:				
City manager:				
Salaries and wages	805,370	805,370	853,882	(48,512)
Employee benefits	499,330	499,330	529,414	(30,084)
Services and supplies	578,380	578,380	265,452	312,928
Total city manager	<u>1,883,080</u>	<u>1,883,080</u>	<u>1,648,748</u>	<u>234,332</u>
Communications:				
Salaries and wages	1,507,460	1,507,460	1,403,213	104,247
Employee benefits	934,620	934,620	855,632	78,988
Services and supplies	778,160	778,160	450,401	327,759
Total communication	<u>3,220,240</u>	<u>3,220,240</u>	<u>2,709,246</u>	<u>510,994</u>
Administrative services:				
Salaries and wages	790,430	790,430	872,985	(82,555)
Employee benefits	483,510	483,510	529,500	(45,990)
Services and supplies	642,615	642,615	523,707	118,908
Total administrative services	<u>1,916,555</u>	<u>1,916,555</u>	<u>1,926,192</u>	<u>(9,637)</u>
Total executive	<u>7,019,875</u>	<u>7,019,875</u>	<u>6,284,186</u>	<u>735,689</u>
Financial administration:				
City attorney:				
Salaries and wages	2,160,930	2,160,930	2,113,723	47,207
Employee benefits	1,335,100	1,335,100	1,306,028	29,072
Services and supplies	761,293	761,293	592,024	169,269
Total city attorney	<u>4,257,323</u>	<u>4,257,323</u>	<u>4,011,775</u>	<u>245,548</u>
City clerk:				
Salaries and wages	1,115,270	1,115,270	1,102,472	12,798
Employee benefits	691,460	691,460	677,645	13,815
Services and supplies	749,118	749,118	652,211	96,907
Total city clerk	<u>2,555,848</u>	<u>2,555,848</u>	<u>2,432,328</u>	<u>123,520</u>
Internal audit:				
Salaries and wages	536,130	536,130	537,548	(1,418)
Employee benefits	323,020	323,020	330,510	(7,490)
Services and supplies	130,167	130,167	107,408	22,759
Total internal audit	<u>989,317</u>	<u>989,317</u>	<u>975,466</u>	<u>13,851</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS)
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
General government (continued):				
Human resources:				
Salaries and wages	1,832,030	1,832,030	1,536,266	295,764
Employee benefits	1,135,870	1,135,870	948,505	187,365
Services and supplies	1,272,327	1,272,327	641,742	630,585
Total human resources	<u>4,240,227</u>	<u>4,240,227</u>	<u>3,126,513</u>	<u>1,113,714</u>
Finance:				
Salaries and wages	4,290,670	4,290,670	3,801,025	489,645
Employee benefits	2,652,250	2,652,250	2,326,450	325,800
Services and supplies	1,064,297	1,064,297	1,217,520	(153,223)
Total finance	<u>8,007,217</u>	<u>8,007,217</u>	<u>7,344,995</u>	<u>662,222</u>
Total financial administration	<u>20,049,932</u>	<u>20,049,932</u>	<u>17,891,077</u>	<u>2,158,855</u>
Other:				
Planning and development:				
Salaries and wages	2,509,190	2,509,190	2,832,689	(323,499)
Employee benefits	1,555,710	1,555,710	1,742,421	(186,711)
Services and supplies	835,702	835,702	840,420	(4,718)
Total planning and development	<u>4,900,602</u>	<u>4,900,602</u>	<u>5,415,530</u>	<u>(514,928)</u>
Information technologies:				
Salaries and wages	3,960,740	3,960,740	4,156,933	(196,193)
Employee benefits	2,450,030	2,450,030	2,527,816	(77,786)
Services and supplies	1,409,296	1,409,296	1,290,703	118,593
Capital outlay	20,000	20,000		20,000
Total information technologies	<u>7,840,066</u>	<u>7,840,066</u>	<u>7,975,452</u>	<u>(135,386)</u>
Special events:				
Salaries and wages			141,312	(141,312)
Employee benefits			82,972	(82,972)
Services and supplies			46,324	(46,324)
Total special events	<u>0</u>	<u>0</u>	<u>270,608</u>	<u>(270,608)</u>
Non-departmental:				
Salaries and wages	2,217,500	2,217,500		2,217,500
Employee benefits	1,328,920	1,328,920		1,328,920
Services and supplies	2,134,705	2,134,705	654,677	1,480,028
Total non-departmental	<u>5,681,125</u>	<u>5,681,125</u>	<u>654,677</u>	<u>5,026,448</u>
Purchasing and contracts:				
Salaries and wages	1,341,020	1,341,020	1,254,511	86,509
Employee benefits	831,430	831,430	769,026	62,404
Services and supplies	407,670	407,670	331,292	76,378
Total purchasing and contracts	<u>2,580,120</u>	<u>2,580,120</u>	<u>2,354,829</u>	<u>225,291</u>
Operations and maintenance administration:				
Salaries and wages	308,750	308,750	314,106	(5,356)
Employee benefits	191,420	191,420	194,746	(3,326)
Services and supplies	49,530	49,530	32,233	17,297
Total operations and maintenance	<u>549,700</u>	<u>549,700</u>	<u>541,085</u>	<u>8,615</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS)
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
General government (continued):				
Graffiti response:				
Salaries and wages			139,426	(139,426)
Employee benefits			84,204	(84,204)
Services and supplies			59,145	(59,145)
Total graffiti response	<u>0</u>	<u>0</u>	<u>282,775</u>	<u>(282,775)</u>
Facilities management:				
Salaries and wages	276,570	276,570	271,465	5,105
Employee benefits	171,470	171,470	167,451	4,019
Services and supplies	471,404	471,404	367,536	103,868
Total facilities management	<u>919,444</u>	<u>919,444</u>	<u>806,452</u>	<u>112,992</u>
Total other	<u>22,471,057</u>	<u>22,471,057</u>	<u>18,301,408</u>	<u>4,169,649</u>
Total general government	<u>53,494,076</u>	<u>53,494,076</u>	<u>46,118,945</u>	<u>7,375,131</u>
Judicial:				
Municipal courts:				
Municipal courts:				
Salaries and wages	8,877,720	8,877,720	9,147,907	(270,187)
Employee benefits	5,646,930	5,646,930	5,615,453	31,477
Services and supplies	3,309,443	3,309,443	3,838,333	(528,890)
Total municipal court	<u>17,834,093</u>	<u>17,834,093</u>	<u>18,601,693</u>	<u>(767,600)</u>
City attorney-criminal division:				
Salaries and wages	2,028,050	2,028,050	1,843,426	184,624
Employee benefits	1,303,170	1,303,170	1,125,647	177,523
Services and supplies	729,457	729,457	575,021	154,436
Total city attorney-criminal division	<u>4,060,677</u>	<u>4,060,677</u>	<u>3,544,094</u>	<u>516,583</u>
Public defender:				
Public defender:				
Services and supplies	559,749	559,749	533,790	25,959
Total public defender	<u>559,749</u>	<u>559,749</u>	<u>533,790</u>	<u>25,959</u>
Alternative sentencing and education:				
Alternative sentencing and education:				
Salaries and wages	1,365,290	1,365,290		1,365,290
Employee benefits	846,470	846,470		846,470
Services and supplies	390,814	390,814		390,814
Total alternative sentencing and education	<u>2,602,574</u>	<u>2,602,574</u>	<u>0</u>	<u>2,602,574</u>
Total judicial	<u>25,057,093</u>	<u>25,057,093</u>	<u>22,679,577</u>	<u>2,377,516</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS)
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public safety:				
Police:				
Metro police department:				
Services and supplies	134,211,358	134,211,358	133,205,286	1,006,072
Total metro police department	<u>134,211,358</u>	<u>134,211,358</u>	<u>133,205,286</u>	<u>1,006,072</u>
City marshals:				
Salaries and wages	4,069,760	4,069,760	4,307,062	(237,302)
Employee benefits	3,205,340	3,205,340	3,351,681	(146,341)
Services and supplies	570,921	570,921	787,583	(216,662)
Total city marshals	<u>7,846,021</u>	<u>7,846,021</u>	<u>8,446,326</u>	<u>(600,305)</u>
Total police	<u>142,057,379</u>	<u>142,057,379</u>	<u>141,651,612</u>	<u>405,767</u>
Fire:				
Fire and rescue:				
Salaries and wages	50,698,290	50,698,290	52,807,665	(2,109,375)
Employee benefits	39,508,410	39,508,410	41,055,188	(1,546,778)
Services and supplies	13,108,542	13,108,542	13,321,177	(212,635)
Total fire and rescue	<u>103,315,242</u>	<u>103,315,242</u>	<u>107,184,030</u>	<u>(3,868,788)</u>
Total fire	<u>103,315,242</u>	<u>103,315,242</u>	<u>107,184,030</u>	<u>(3,868,788)</u>
Corrections:				
Detention and correctional services:				
Salaries and wages	20,903,140	20,903,140	19,203,358	1,699,782
Employee benefits	15,904,190	15,904,190	14,247,536	1,656,654
Services and supplies	13,474,893	13,474,893	11,322,075	2,152,818
Total detention and correctional services	<u>50,282,223</u>	<u>50,282,223</u>	<u>44,772,969</u>	<u>5,509,254</u>
Total corrections	<u>50,282,223</u>	<u>50,282,223</u>	<u>44,772,969</u>	<u>5,509,254</u>
Other protection:				
Traffic engineering:				
Salaries and wages	6,019,380	6,019,380	5,570,051	449,329
Employee benefits	3,732,020	3,732,020	3,406,349	325,671
Services and supplies	7,717,034	7,717,034	5,273,219	2,443,815
Total traffic engineering	<u>17,468,434</u>	<u>17,468,434</u>	<u>14,249,619</u>	<u>3,218,815</u>
Neighborhood response:				
Salaries and wages	1,276,940	1,276,940	1,332,565	(55,625)
Employee benefits	791,710	791,710	815,856	(24,146)
Services and supplies	422,511	422,511	402,416	20,095
Total neighborhood response	<u>2,491,161</u>	<u>2,491,161</u>	<u>2,550,837</u>	<u>(59,676)</u>
Total other protection	<u>19,959,595</u>	<u>19,959,595</u>	<u>16,800,456</u>	<u>3,159,139</u>
Total public safety	<u>315,614,439</u>	<u>315,614,439</u>	<u>310,409,067</u>	<u>5,205,372</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS) -
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public works:				
Administration:				
Public works administration:				
Salaries and wages	403,580	403,580	398,017	5,563
Employee benefits	250,220	250,220	246,531	3,689
Services and supplies	294,023	294,023	219,646	74,377
Total public works administration	<u>947,823</u>	<u>947,823</u>	<u>864,194</u>	<u>83,629</u>
Total administration	<u>947,823</u>	<u>947,823</u>	<u>864,194</u>	<u>83,629</u>
Engineering:				
Engineering and planning:				
Salaries and wages	7,733,260	7,733,260	7,128,363	604,897
Employee benefits	4,794,610	4,794,610	4,369,518	425,092
Services and supplies	1,913,141	1,913,141	1,975,398	(62,257)
Total engineering and planning	<u>14,441,011</u>	<u>14,441,011</u>	<u>13,473,279</u>	<u>967,732</u>
Total engineering	<u>14,441,011</u>	<u>14,441,011</u>	<u>13,473,279</u>	<u>967,732</u>
Paved streets:				
Street maintenance:				
Salaries and wages	624,890	624,890	649,465	(24,575)
Employee benefits	387,410	387,410	395,179	(7,769)
Services and supplies	471,405	471,405	407,393	64,012
Total street maintenance	<u>1,483,705</u>	<u>1,483,705</u>	<u>1,452,037</u>	<u>31,668</u>
Total paved streets	<u>1,483,705</u>	<u>1,483,705</u>	<u>1,452,037</u>	<u>31,668</u>
Total public works	<u>16,872,539</u>	<u>16,872,539</u>	<u>15,789,510</u>	<u>1,083,029</u>
Health:				
Animal control:				
Animal care and control:				
Salaries and wages	812,350	812,350	732,016	80,334
Employee benefits	503,680	503,680	437,743	65,937
Services and supplies	2,227,326	2,227,326	1,909,540	317,786
Total animal care and control	<u>3,543,356</u>	<u>3,543,356</u>	<u>3,079,299</u>	<u>464,057</u>
Total animal control	<u>3,543,356</u>	<u>3,543,356</u>	<u>3,079,299</u>	<u>464,057</u>
Cemetery operation:				
Woodlawn cemetery:				
Services and supplies	120,000	120,000	105,200	14,800
Total Woodlawn cemetery	<u>120,000</u>	<u>120,000</u>	<u>105,200</u>	<u>14,800</u>
Total cemetery operation	<u>120,000</u>	<u>120,000</u>	<u>105,200</u>	<u>14,800</u>
Communicable disease control:				
Communicable disease control:				
Services and supplies	15,000	15,000	7,399	7,601
Total communicable disease control	<u>15,000</u>	<u>15,000</u>	<u>7,399</u>	<u>7,601</u>
Total communicable disease control	<u>15,000</u>	<u>15,000</u>	<u>7,399</u>	<u>7,601</u>
Total health	<u>3,678,356</u>	<u>3,678,356</u>	<u>3,191,898</u>	<u>486,458</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS)
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Culture and recreation:				
Culture and recreation administration:				
Administration:				
Salaries and wages	2,242,510	2,242,510	2,325,519	(83,009)
Employee benefits	1,312,910	1,312,910	1,318,072	(5,162)
Services and supplies	2,375,058	2,375,058	1,626,687	748,371
Total administration	<u>5,930,478</u>	<u>5,930,478</u>	<u>5,270,278</u>	<u>660,200</u>
Total culture and recreation administration	<u>5,930,478</u>	<u>5,930,478</u>	<u>5,270,278</u>	<u>660,200</u>
Participant recreation:				
Recreation and adaptive programming:				
Salaries and wages	4,758,515	4,758,515	5,634,865	(876,350)
Employee benefits	2,081,420	2,081,420	2,644,069	(562,649)
Services and supplies	8,312,128	8,312,128	9,647,017	(1,334,889)
Total recreation and adaptive programming	<u>15,152,063</u>	<u>15,152,063</u>	<u>17,925,951</u>	<u>(2,773,888)</u>
Total participant recreation	<u>15,152,063</u>	<u>15,152,063</u>	<u>17,925,951</u>	<u>(2,773,888)</u>
Spectator recreation:				
Cultural and community affairs:				
Salaries and wages	486,670	486,670		486,670
Employee benefits	181,420	181,420		181,420
Services and supplies	123,860	123,860		123,860
Total cultural and community affairs	<u>791,950</u>	<u>791,950</u>	<u>0</u>	<u>791,950</u>
Total spectator recreation	<u>791,950</u>	<u>791,950</u>	<u>0</u>	<u>791,950</u>
Parks:				
Parks and open spaces:				
Salaries and wages	7,274,800	7,274,800	6,693,893	580,907
Employee benefits	4,510,380	4,510,380	4,065,418	444,962
Services and supplies	8,533,414	8,533,414	8,044,729	488,685
Total parks and open spaces	<u>20,318,594</u>	<u>20,318,594</u>	<u>18,804,040</u>	<u>1,514,554</u>
Total parks	<u>20,318,594</u>	<u>20,318,594</u>	<u>18,804,040</u>	<u>1,514,554</u>
Senior citizens:				
Senior citizen activities:				
Salaries and wages	1,373,316	1,373,316	79,707	1,293,609
Employee benefits	744,970	744,970	48,568	696,402
Services and supplies	1,280,507	1,280,507	1,490	1,279,017
Total senior citizen activities	<u>3,398,793</u>	<u>3,398,793</u>	<u>129,765</u>	<u>3,269,028</u>
Total senior citizens	<u>3,398,793</u>	<u>3,398,793</u>	<u>129,765</u>	<u>3,269,028</u>
Total culture and recreation	<u>45,591,878</u>	<u>45,591,878</u>	<u>42,130,034</u>	<u>3,461,844</u>

Continued

CITY OF LAS VEGAS, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGET BASIS)
BUDGET AND ACTUAL BY FUNCTION AND ACTIVITY (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Economic development and assistance:				
Neighborhood services:				
Neighborhood services:				
Salaries and wages	2,346,030	2,346,030	1,923,421	422,609
Employee benefits	1,454,550	1,454,550	1,182,545	272,005
Services and supplies	1,794,765	1,794,765	1,478,210	316,555
Total neighborhood services	<u>5,595,345</u>	<u>5,595,345</u>	<u>4,584,176</u>	<u>1,011,169</u>
Total economic development and assistance	<u>5,595,345</u>	<u>5,595,345</u>	<u>4,584,176</u>	<u>1,011,169</u>
Transit systems:				
Transportation services:				
Transportation services:				
Services and supplies	15,000	15,000	14,442	558
Total transportation services	<u>15,000</u>	<u>15,000</u>	<u>14,442</u>	<u>558</u>
Total transit systems	<u>15,000</u>	<u>15,000</u>	<u>14,442</u>	<u>558</u>
Total expenditures	<u>465,918,726</u>	<u>465,918,726</u>	<u>444,917,649</u>	<u>21,001,077</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (33,721,274)</u>	<u>\$ (33,721,274)</u>	<u>\$ (5,097,173)</u>	<u>\$ 28,624,101</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
PARKS AND LEISURE ACTIVITIES CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 53,098,864	\$ 53,098,864	\$ 20,865,439	\$ (32,233,425)
Interest	1,464,210	1,464,210	1,089,529	(374,681)
Miscellaneous	<u>70,000,000</u>	<u>70,000,000</u>	<u>75,405,547</u>	<u>5,405,547</u>
Total revenues	<u>124,563,074</u>	<u>124,563,074</u>	<u>97,360,515</u>	<u>(27,202,559)</u>
Expenditures:				
Current:				
Culture and recreation	70,916	70,916	1,548,202	(1,477,286)
Capital outlay:				
Culture and recreation	<u>237,542,267</u>	<u>236,042,267</u>	<u>138,883,851</u>	<u>97,158,416</u>
Total expenditures	<u>237,613,183</u>	<u>236,113,183</u>	<u>140,432,053</u>	<u>95,681,130</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(113,050,109)</u>	<u>(111,550,109)</u>	<u>(43,071,538)</u>	<u>68,478,571</u>
Other financing sources (uses):				
Transfers in	20,427,096	20,427,096	31,824,424	11,397,328
Transfers out	<u>(17,299,497)</u>	<u>(18,799,497)</u>	<u>(18,299,497)</u>	<u>500,000</u>
Total other financing sources (uses)	<u>3,127,599</u>	<u>1,627,599</u>	<u>13,524,927</u>	<u>11,897,328</u>
Net changes in fund balances	(109,922,510)	(109,922,510)	(29,546,611)	80,375,899
Fund balances, July 1	<u>122,923,356</u>	<u>122,923,356</u>	<u>102,140,257</u>	<u>(20,783,099)</u>
Fund balances, June 30	<u>\$ 13,000,846</u>	<u>\$ 13,000,846</u>	72,593,646	<u>\$ 59,592,800</u>
Reconciliation of budget basis reporting to GAAP Reporting				
Net change in fund balance			(1,649,876)	
Fund balances, July 1			<u>8,551,852</u>	
Fund balances, June 30, GAAP basis			<u>\$ 79,495,622</u>	

Note: See page 112 for a detailed reconciliation of budget to GAAP Reporting.

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
RECONCILIATION TO COMBINE PARKS AND LEISURE ACTIVITIES CAPITAL PROJECTS FUND
AND PARK CONSTRUCTION SPECIAL REVENUE FUND TO PARKS AND LEISURE ACTIVITIES
CAPITAL PROJECTS FUND AS REPORTED ON THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 Parks and Leisure Activities Fund differs from generally accepted accounting principles (GAAP). GASB (Statement 54) now 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, certain special revenue funds did not qualify as special revenue funds and were combined with the city's Parks and Leisure Activities Fund as follows:

	Parks and Leisure Activities	Park Construction (SRF)	Total Parks and Leisure Activities	Eliminations	Total Parks and Leisure Activities
Revenues:					
Taxes	\$	\$ 371,866	\$ 371,866	\$	\$ 371,866
Intergovernmental	20,865,439		20,865,439		20,865,439
Interest	1,089,529	136,595	1,226,124		1,226,124
Miscellaneous	75,405,547		75,405,547		75,405,547
Total revenues	<u>97,360,515</u>	<u>508,461</u>	<u>97,868,976</u>	<u>0</u>	<u>97,868,976</u>
Expenditures:					
Current:					
Culture and recreation	1,548,202	18,995	1,567,197		1,567,197
Capital outlay:					
Culture and recreation	138,883,851		138,883,851		138,883,851
Total expenditures	<u>140,432,053</u>	<u>18,995</u>	<u>140,451,048</u>	<u>0</u>	<u>140,451,048</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(43,071,538)</u>	<u>489,466</u>	<u>(42,582,072)</u>	<u>0</u>	<u>(42,582,072)</u>
Other financing sources (uses):					
Transfers in	31,824,424		31,824,424	(2,139,342)	29,685,082
Transfers out	(18,299,497)	(2,139,342)	(20,438,839)	2,139,342	(18,299,497)
Total other financing sources (uses)	<u>13,524,927</u>	<u>(2,139,342)</u>	<u>11,385,585</u>	<u>0</u>	<u>11,385,585</u>
Net changes in fund balances	(29,546,611)	(1,649,876)	(31,196,487)	0	(31,196,487)
Fund balances, July 1	<u>102,140,257</u>	<u>8,551,852</u>	<u>110,692,109</u>		<u>110,692,109</u>
Fund balances, June 30	<u>\$ 72,593,646</u>	<u>\$ 6,901,976</u>	<u>\$ 79,495,622</u>	<u>\$ 0</u>	<u>\$ 79,495,622</u>

CITY OF LAS VEGAS, NEVADA
ROAD AND FLOOD CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 169,577,329	\$ 169,577,329	\$ 73,299,766	\$ (96,277,563)
Charges for services			6,529	6,529
Miscellaneous			26,588	26,588
Total revenues	<u>169,577,329</u>	<u>169,577,329</u>	<u>73,332,883</u>	<u>(96,244,446)</u>
Expenditures:				
Current:				
Public works	2,050,000	2,050,000	2,308,492	(258,492)
Capital outlay:				
Public works	172,474,959	171,774,959	71,199,355	100,575,604
Total expenditures	<u>174,524,959</u>	<u>173,824,959</u>	<u>73,507,847</u>	<u>100,317,112</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,947,630)</u>	<u>(4,247,630)</u>	<u>(174,964)</u>	<u>4,072,666</u>
Other financing sources (uses):				
Transfers in	2,825,000	2,825,000	3,207,000	382,000
Transfers out		(700,000)	(700,000)	
Total other financing sources (uses)	<u>2,825,000</u>	<u>2,125,000</u>	<u>2,507,000</u>	<u>382,000</u>
Net changes in fund balances	(2,122,630)	(2,122,630)	2,332,036	4,454,666
Fund balances, July 1	<u>4,618,946</u>	<u>4,618,946</u>	<u>6,613,851</u>	<u>1,994,905</u>
Fund balances, June 30	<u>\$ 2,496,316</u>	<u>\$ 2,496,316</u>	<u>\$ 8,945,887</u>	<u>\$ 6,449,571</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
CITY FACILITIES CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$	\$	\$ 286,219	\$ 286,219
Interest	<u>675,612</u>	<u>675,612</u>	<u>881,439</u>	<u>205,827</u>
Total revenues	<u>675,612</u>	<u>675,612</u>	<u>1,167,658</u>	<u>492,046</u>
Expenditures:				
Current:				
General government	21,450	21,450	408,353	(386,903)
Capital outlay:				
General government	<u>93,907,504</u>	<u>93,157,504</u>	<u>71,437,095</u>	<u>21,720,409</u>
Total expenditures	<u>93,928,954</u>	<u>93,178,954</u>	<u>71,845,448</u>	<u>21,333,506</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(93,253,342)</u>	<u>(92,503,342)</u>	<u>(70,677,790)</u>	<u>21,825,552</u>
Other financing sources (uses):				
Transfers in	314,097	314,097	706,607	392,510
Transfers out	(9,312,500)	(10,062,500)	(9,812,500)	250,000
Bonds issued	<u>6,215,000</u>	<u>6,215,000</u>	<u>6,215,000</u>	<u>(6,215,000)</u>
Total other financing sources (uses)	<u>(2,783,403)</u>	<u>(3,533,403)</u>	<u>(9,105,893)</u>	<u>(5,572,490)</u>
Net changes in fund balances	(96,036,745)	(96,036,745)	(79,783,683)	16,253,062
Fund balances, July 1	<u>207,518,501</u>	<u>207,518,501</u>	<u>208,467,066</u>	<u>948,565</u>
Fund balances, June 30	<u>\$ 111,481,756</u>	<u>\$ 111,481,756</u>	<u>\$ 128,683,383</u>	<u>\$ 17,201,627</u>

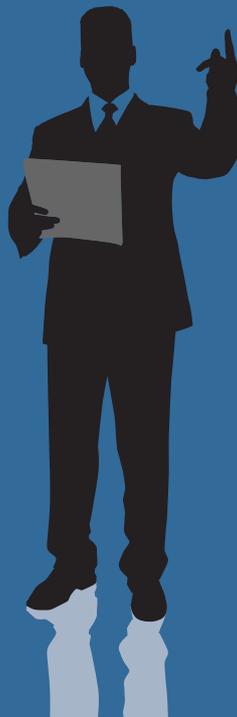
See accompanying independent auditors' report.



THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**NON-MAJOR
GOVERNMENTAL FUNDS**



Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted for expenditure for specified purposes.

Multipurpose Fund—This fund accounts for a variety of small programs of a specific nature. Each revenue source has a designated purpose restricted by grant award and/or Council resolution and action.

Las Vegas Convention and Visitors Authority Fund—This fund accounts for monies received from the Las Vegas Convention and Visitors Authority and subsequent transfers to community programs. The City annually receives a restricted grant which must be used for recreational purposes.

Fremont Street Room Tax Fund—This fund accounts for monies received from a special 1% downtown room tax. The revenues are to be used exclusively for the purpose of constructing or improving urban projects of the central business area located in downtown Las Vegas.

Special Improvement District Administration Fund—This fund accounts for monies received from a 1% administrative fee assessed property owners under Nevada Revised Statute 271.415. The revenues are used to administer the billing and collection of assessments, as well as parcel apportionments on development assessments.

Transportation Program Fund—This fund accounts for revenues received from a 1% motel/hotel room tax to be used exclusively for transportation improvement projects in the downtown areas.

Street Maintenance Fund—This fund accounts for revenues received from the City's portion of the motor vehicle fuel tax to be used for maintenance of existing streets and roadways.

Housing Program Fund—This fund is used to finance the City's affordable housing needs. Public/ private partnerships are coordinated via federal grant programs, public fund raising and private foundation support.

Housing and Urban Development Fund—This fund is used to account for monies received by the City as a grantee participant in the federal Community Development Block Grant and Home Investment in Affordable Housing programs which must be used for qualifying projects.

Fire Safety Initiative Fund—This fund accounts for a supplemental property tax levy approved by the voters. The revenue will be used for fire station construction, equipment acquisition and additional crews.

City of Las Vegas Redevelopment Agency Fund - Component Unit—This fund accounts for the financial activity of the Agency which derives its revenues from bond proceeds and property taxes that will be used to rehabilitate the redevelopment district.

Nonmajor Governmental Funds - Continued

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the debt payments.

City of Las Vegas Fund—This fund is used to account for the annual payment of principal, interest and other fiscal charges necessary to retire the City's general obligation long-term debt.

City of Las Vegas Redevelopment Agency Fund – Component Unit—This fund is used to account for the annual payment of principal, interest and other fiscal charges necessary to retire the Agency's long-term debt.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the purchase or construction of major facilities which are not financed by proprietary funds.

General Capital Projects Fund—This fund accounts for the financing and construction of general-purpose public facilities. Financing is provided primarily from bond proceeds and the Housing and Urban Development/Community Development Block Grant and HOME Grant programs.

Fire Service Fund—This fund accounts for costs of constructing new fire stations and making improvements to existing stations. Financing is provided by bond proceeds, interest earnings and transfers from the Fire Safety Initiative Special Revenue Fund.

Public Works Fund—This fund is used to account for the financing of street rehabilitation and neighborhood drainage improvement programs with revenues provided primarily from the Street Maintenance Special Revenue Fund.

Traffic Improvements Fund—This fund is used to account for the costs of traffic capacity improvements such as installing street signs, traffic signals and street lighting. Financing is provided primarily by the State of Nevada Department of Transportation, the Regional Transportation Commission and developer donations.

Detention and Enforcement Fund—This fund is used to account for the costs incurred in the expansion or improvement of the existing detention facilities. Financing is provided by bond proceeds and interest earnings.

Special Assessments Fund—This fund is used to account for the costs of major infrastructure improvements which benefit particular taxpayers whose properties are being developed through a special assessment district. Funding is provided by bond proceeds and assessment payments from property owners.

Capital Improvements Fund—This fund is used to account for the City's share of a countywide 5 cent ad valorem property tax levy for capital improvements.

Green Building Fund—This fund is used to account for programs and incentives to encourage the development and implementation of "green building" practices which are energy efficient and environmentally friendly.

Nonmajor Governmental Funds - Continued

PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Operations Permanent Fund—This fund is used to account for principal trust amounts received. The interest earned on the trust principal is used by the cemetery operator to maintain Woodlawn cemetery.

CITY OF LAS VEGAS, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2011

	SPECIAL				
	Multipurpose	Las Vegas Convention and Visitors Authority	Fremont Street Room Tax	Special Improvement District Administration	Transportation Programs
ASSETS					
Pooled cash and investments	\$ 16,014,347	\$ 267	\$ 1,716,489	\$ 13,807,335	\$ 248,564
Receivables (net of allowances for uncollectibles):					
Property taxes					
Accounts	25,548				
Interest	56,435		906	59,920	7,999
Loans					
Special assessments				15,961	
Intergovernmental	2,978,853	1,535,846			
Due from other funds					
Land held for resale					
Prepaid items	45,458				
Permanently restricted:					
Pooled cash and investments					
Total assets	\$ 19,120,641	\$ 1,536,113	\$ 1,717,395	\$ 13,883,216	\$ 256,563
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 357,979	\$	\$ 48	\$ 130,140	\$ 149,053
Salaries payable	57,087			7,522	
Due to other funds					
Deposits payable	16,601				
Contracts payable					
Loans payable					
Intergovernmental payable	807,407				
Deferred revenue	5,830,297				
Total liabilities	7,069,371	0	48	137,662	149,053
Fund balances:					
Nonspendable	795,458				
Restricted	10,086,989	1,536,113	400,000		107,510
Committed	280,030		1,317,347	13,745,554	
Assigned	888,793				
Unassigned					
Total fund balances	12,051,270	1,536,113	1,717,347	13,745,554	107,510
Total liabilities and fund balances	\$ 19,120,641	\$ 1,536,113	\$ 1,717,395	\$ 13,883,216	\$ 256,563

See accompanying independent auditors' report.

REVENUE FUNDS

City of Las Vegas Redevelopment Agency -					
<u>Street Maintenance</u>	<u>Housing Program</u>	<u>Housing and Urban Development</u>	<u>Fire Safety Initiative</u>	<u>Component Unit</u>	<u>Totals</u>
\$ 15,402,930	\$ 15,822,892	\$ 191,822	\$ 1,053,806	\$ 13,056,079	\$ 77,314,531
			478,366		478,366
		10,234		6,645	42,427
69,279	74,512		4,530	3	273,584
		499,934		7,301,848	7,801,782
					15,961
1,193,003	204,206	2,799,484			8,711,392
	28,444			500	28,944
	573,404			6,065,490	6,638,894
				195	45,653
<u>\$ 16,665,212</u>	<u>\$ 16,703,458</u>	<u>\$ 3,501,474</u>	<u>\$ 1,536,702</u>	<u>\$ 26,430,760</u>	<u>\$ 101,351,534</u>
\$ 1,445,357	\$ 69,383	\$ 377,462	\$ 2,307	\$ 8,865	\$ 2,540,594
	22,088	28,266			114,963
		2,286,268		2,240,195	4,526,463
		12,313		428,236	457,150
126,964					126,964
					807,407
			404,776	6,465,314	12,700,387
<u>1,572,321</u>	<u>91,471</u>	<u>2,704,309</u>	<u>407,083</u>	<u>9,142,610</u>	<u>21,273,928</u>
15,092,891	573,404	8,777		6,902,219	8,279,858
	16,038,583	788,388	1,129,619	10,385,931	55,566,024
					15,342,931
					888,793
<u>15,092,891</u>	<u>16,611,987</u>	<u>797,165</u>	<u>1,129,619</u>	<u>17,288,150</u>	<u>80,077,606</u>
<u>\$ 16,665,212</u>	<u>\$ 16,703,458</u>	<u>\$ 3,501,474</u>	<u>\$ 1,536,702</u>	<u>\$ 26,430,760</u>	<u>\$ 101,351,534</u>

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CITY OF LAS VEGAS, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2011

	DEBT SERVICE FUNDS		
	City of Las Vegas	City of Las Vegas Redevelopment Agency - Component Unit	Totals
	City of Las Vegas	Component Unit	Totals
ASSETS			
Pooled cash and investments	\$ 3,362,346	\$ 2,176,052	\$ 5,538,398
Receivables (net of allowances for uncollectibles):			
Property taxes	653	1,342,366	1,343,019
Accounts Interest			
Loans			
Special assessments			
Intergovernmental		349	349
Due from other funds	782,145		782,145
Land held for resale			
Prepaid items			
Permanently restricted:			
Pooled cash and investments			
Total assets	\$ 4,145,144	\$ 3,518,767	\$ 7,663,911
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 13,633	\$ 1,695	\$ 15,328
Salaries payable			
Due to other funds		28,444	28,444
Deposits payable			
Contracts payable			
Loans payable			
Intergovernmental payable			
Deferred revenue	653	1,184,343	1,184,996
Total liabilities	14,286	1,214,482	1,228,768
Fund balances:			
Nonspendable			
Restricted		2,176,052	2,176,052
Committed			
Assigned	4,130,858	128,233	4,259,091
Unassigned			
Total fund balances	4,130,858	2,304,285	6,435,143
Total liabilities and fund balances	\$ 4,145,144	\$ 3,518,767	\$ 7,663,911

See accompanying independent auditors' report.

Continued

CITY OF LAS VEGAS, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2011

	CAPITAL			
	General	Fire Services	Public Works	Traffic Improvements
ASSETS				
Pooled cash and investments	\$ 20,976,347	\$ 35,179,730	\$ 28,047,286	\$ 5,743,081
Receivables (net of allowances for uncollectibles):				
Property taxes				
Accounts		325,975	2,262	247,555
Interest	209	132,922	117,560	27,314
Loans				
Special assessments				
Intergovernmental	197,400	8,148	398,781	631,700
Due from other funds				
Land held for resale				
Prepaid items				
Permanently restricted				
Pooled cash and investments				
Total assets	\$ 21,173,956	\$ 35,646,775	\$ 28,565,889	\$ 6,649,650
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 4,705,897	\$ 254,009	\$ 203,251	\$ 517,483
Salaries payable	6,846			
Due to other funds				
Deposits payable				
Contracts payable	436,724	11,969	281,965	272,149
Loans payable				
Intergovernmental payable				
Deferred revenue				
Total liabilities	5,149,467	265,978	485,216	789,632
Fund balances:				
Nonspendable				
Restricted	11,689,992	7,374,261	14,754,567	2,519,799
Committed				
Assigned	4,334,497	28,006,536	13,326,106	3,340,219
Unassigned				
Total fund balances	16,024,489	35,380,797	28,080,673	5,860,018
Total liabilities and fund balances	\$ 21,173,956	\$ 35,646,775	\$ 28,565,889	\$ 6,649,650

See accompanying independent auditors' report.

PROJECTS FUNDS					PERMANENT FUND	
Detention and Enforcement	Special Assessments	Capital Improvements	Green Building	Totals	Cemetery Operations	Total Non-major Governmental Funds
\$ 119,158	\$ 24,639,152	\$ 144,118	\$	\$ 114,848,872	\$	\$ 197,701,801
						1,821,385
				575,792		618,219
548	8,266	664		287,483	28,925	589,992
						7,801,782
	5,997,766			5,997,766		6,013,727
			520,359	1,756,388		10,468,129
						811,089
						6,638,894
						45,653
					2,045,472	2,045,472
<u>\$ 119,706</u>	<u>\$ 30,645,184</u>	<u>\$ 144,782</u>	<u>\$ 520,359</u>	<u>\$ 123,466,301</u>	<u>\$ 2,074,397</u>	<u>\$ 234,556,143</u>
\$ 27	\$ 115,851	\$ 32	\$ 48,419	\$ 5,844,969	\$	\$ 8,400,891
				6,846		121,809
			207,644	207,644		4,762,551
	11,759			11,759		468,909
	16,158			1,018,965		1,145,929
	31,250			31,250		31,250
						807,407
	5,938,805			5,938,805		19,824,188
<u>27</u>	<u>6,113,823</u>	<u>32</u>	<u>256,063</u>	<u>13,060,238</u>	<u>0</u>	<u>35,562,934</u>
					2,074,397	10,354,255
	27,002,719	144,750		63,486,088		121,228,164
						15,342,931
119,679			264,296	49,391,333		54,539,217
	(2,471,358)			(2,471,358)		(2,471,358)
<u>119,679</u>	<u>24,531,361</u>	<u>144,750</u>	<u>264,296</u>	<u>110,406,063</u>	<u>2,074,397</u>	<u>198,993,209</u>
<u>\$ 119,706</u>	<u>\$ 30,645,184</u>	<u>\$ 144,782</u>	<u>\$ 520,359</u>	<u>\$ 123,466,301</u>	<u>\$ 2,074,397</u>	<u>\$ 234,556,143</u>

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	SPECIAL				
	Multipurpose	Las Vegas Convention and Visitors Authority	Fremont Street Room Tax	Special Improvement District Administration	Transportation Programs
Revenues:					
Taxes	\$	\$	\$ 1,311,430	\$	\$
Licenses and permits	32,522				
Intergovernmental	13,216,236	5,135,916			1,634,675
Charges for services	5,130,889				
Special assessments				2,258,850	
Fines and forfeits	151,866				
Interest	312,878		21,260	211,178	19,048
Miscellaneous	<u>2,196,952</u>				
Total revenues	<u>21,041,343</u>	<u>5,135,916</u>	<u>1,332,690</u>	<u>2,470,028</u>	<u>1,653,723</u>
Expenditures:					
Current:					
General government	5,075,510			1,441,857	
Judicial	2,289,519				
Public safety	1,054,470				
Public works					869
Health					
Welfare	1,039,650				
Culture and recreation	4,156,522				
Economic development and assistance	242,737		2,774		
Debt service:					
Principal retirement					
Interest and fiscal charges					
Capital outlay:					
General government					
Public safety	623,700				
Public works					
Economic development and assistance					
Total expenditures	<u>14,482,108</u>	<u>0</u>	<u>2,774</u>	<u>1,441,857</u>	<u>869</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,559,235</u>	<u>5,135,916</u>	<u>1,329,916</u>	<u>1,028,171</u>	<u>1,652,854</u>
Other financing sources (uses):					
Transfers in	95,639			306,788	
Transfers out	(6,337,161)	(3,717,200)	(1,330,896)		(1,650,000)
Sale of capital assets					
General obligation bonds issued					
Premium (discount)					
Total other financing sources (uses)	<u>(6,241,522)</u>	<u>(3,717,200)</u>	<u>(1,330,896)</u>	<u>306,788</u>	<u>(1,650,000)</u>
Net changes in fund balances	317,713	1,418,716	(980)	1,334,959	2,854
Fund balances, July 1	<u>11,733,557</u>	<u>117,397</u>	<u>1,718,327</u>	<u>12,410,595</u>	<u>104,656</u>
Fund balances, June 30	<u>\$ 12,051,270</u>	<u>\$ 1,536,113</u>	<u>\$ 1,717,347</u>	<u>\$ 13,745,554</u>	<u>\$ 107,510</u>

See accompanying independent auditors' report.

REVENUE FUNDS

City of Las Vegas					
Street Maintenance	Housing Program	Housing and Urban Development	Fire Safety Initiative	Redevelopment Agency - Component Unit	Totals
\$	\$	\$	\$ 13,509,362	\$	\$ 14,820,792
					32,522
7,316,165	9,456,618	13,254,183			50,013,793
	158,932	142,252			5,432,073
					2,258,850
					151,866
238,739	232,767		189,419	20,580	1,245,869
4,316	2,424,380	422,049		783,780	5,831,477
<u>7,559,220</u>	<u>12,272,697</u>	<u>13,818,484</u>	<u>13,698,781</u>	<u>804,360</u>	<u>79,787,242</u>
682,755					7,200,122
					2,289,519
			7,793		1,062,263
7,006,761					7,007,630
					1,039,650
					4,156,522
	11,401,054	8,571,392		4,930,229	25,148,186
					623,700
95,250					95,250
		52,580			52,580
<u>7,784,766</u>	<u>11,401,054</u>	<u>8,623,972</u>	<u>7,793</u>	<u>4,930,229</u>	<u>48,675,422</u>
<u>(225,546)</u>	<u>871,643</u>	<u>5,194,512</u>	<u>13,690,988</u>	<u>(4,125,869)</u>	<u>31,111,820</u>
	3,340,789			4,813,496	8,556,712
	(274,300)	(5,279,426)	(15,168,342)	(17,118,227)	(50,875,552)
				313,632	313,632
				15,472,192	15,472,192
<u>0</u>	<u>3,066,489</u>	<u>(5,279,426)</u>	<u>(15,168,342)</u>	<u>3,481,093</u>	<u>(26,533,016)</u>
(225,546)	3,938,132	(84,914)	(1,477,354)	(644,776)	4,578,804
<u>15,318,437</u>	<u>12,673,855</u>	<u>882,079</u>	<u>2,606,973</u>	<u>17,932,926</u>	<u>75,498,802</u>
<u>\$ 15,092,891</u>	<u>\$ 16,611,987</u>	<u>\$ 797,165</u>	<u>\$ 1,129,619</u>	<u>\$ 17,288,150</u>	<u>\$ 80,077,606</u>

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CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	DEBT SERVICE FUNDS		
	City of Las Vegas Redevelopment Agency -		
	City of Las Vegas	Component Unit	Totals
Revenues:			
Taxes	\$ 11	\$ 18,559,938	\$ 18,559,949
Licenses and permits			
Intergovernmental	4,618,062		4,618,062
Charges for services			
Special assessments			
Fines and forfeits			
Interest		5,947	5,947
Miscellaneous			
Total revenues	4,618,073	18,565,885	23,183,958
Expenditures:			
Current:			
General government			
Judicial			
Public safety			
Public works			
Health			
Welfare			
Culture and recreation			
Economic development and assistance			
Debt service:			
Principal retirement	16,283,000	3,680,000	19,963,000
Interest and fiscal charges	27,138,988	10,326,285	37,465,273
Capital outlay:			
General government			
Public safety			
Public works			
Economic development and assistance			
Total expenditures	43,421,988	14,006,285	57,428,273
Excess (deficiency) of revenues over (under) expenditures	(38,803,915)	4,559,600	(34,244,315)
Other financing sources (uses):			
Transfers in	42,439,504	274,300	42,713,804
Transfers out		(8,154,285)	(8,154,285)
Sale of capital assets			
General obligation bonds issued			
Premium (discount)			
Total other financing sources (uses)	42,439,504	(7,879,985)	34,559,519
Net changes in fund balances	3,635,589	(3,320,385)	315,204
Fund balances, July 1	495,269	5,624,670	6,119,939
Fund balances, June 30	\$ 4,130,858	\$ 2,304,285	\$ 6,435,143

See accompanying independent auditors' report.

Continued

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	CAPITAL			
	General	Fire Services	Public Works	Traffic Improvements
Revenues:				
Taxes	\$	\$	\$	\$
Licenses and permits				171,358
Intergovernmental	394,800	13,975	6,743,305	3,728,683
Charges for services	11,772			
Special assessments				
Fines and forfeits				
Interest	7,857	459,807	418,617	91,323
Miscellaneous				
Total revenues	414,429	473,782	7,161,922	3,991,364
Expenditures:				
Current:				
General government	326,278			
Judicial				
Public safety		23,869		6,850
Public works			921,045	
Health				
Welfare				
Culture and recreation				
Economic development and assistance				
Debt service:				
Principal retirement				
Interest and fiscal charges				
Capital outlay:				
General government	14,772,849			
Public safety		863,180		4,607,089
Public works			6,752,364	
Economic development and assistance	2,541,505			
Total expenditures	17,640,632	887,049	7,673,409	4,613,939
Excess (deficiency) of revenues over (under) expenditures	(17,226,203)	(413,267)	(511,487)	(622,575)
Other financing sources (uses):				
Transfers in	7,745,772	12,299,808	2,950,000	
Transfers out	(95,507)	(3,026,090)	(1,053,788)	(12,600)
Sale of capital assets				
General obligation bonds issued	10,848,700			
Premium (discount)	(108,487)			
Total other financing sources (uses)	18,390,478	9,273,718	1,896,212	(12,600)
Net changes in fund balances	1,164,275	8,860,451	1,384,725	(635,175)
Fund balances, July 1	14,860,214	26,520,346	26,695,948	6,495,193
Fund balances, June 30	\$ 16,024,489	\$ 35,380,797	\$ 28,080,673	\$ 5,860,018

See accompanying independent auditors' report.

PROJECTS		FUNDS			PERMANENT FUND	
Detention and Enforcement	Special Assessments	Capital Improvements	Green Building	Totals	Cemetery Operations	Total Non-major Governmental Funds
\$	\$	\$	\$	\$	\$	\$ 33,380,741
				171,358		203,880
		178,919	4,648,504	15,708,186		70,340,041
				11,772	42,861	5,486,706
	1,179,163			1,179,163		3,438,013
						151,866
10,852	26,850	1,810		1,017,116	386,619	2,655,551
<u>10,852</u>	<u>26,850</u>	<u>1,810</u>	<u>3,636,064</u>	<u>3,636,064</u>	<u>386,619</u>	<u>9,467,541</u>
<u>10,852</u>	<u>1,206,013</u>	<u>180,729</u>	<u>8,284,568</u>	<u>21,723,659</u>	<u>429,480</u>	<u>125,124,339</u>
		70,624	863,031	1,259,933		8,460,055
						2,289,519
1,011				31,730		1,093,993
	20,820			941,865		7,949,495
					118,410	118,410
						1,039,650
						4,156,522
						25,148,186
						19,963,000
						37,465,273
			44,687	14,817,536		14,817,536
				5,470,269		6,093,969
	653,422			7,405,786		7,501,036
				2,541,505		2,594,085
<u>1,011</u>	<u>674,242</u>	<u>70,624</u>	<u>907,718</u>	<u>32,468,624</u>	<u>118,410</u>	<u>138,690,729</u>
<u>9,841</u>	<u>531,771</u>	<u>110,105</u>	<u>7,376,850</u>	<u>(10,744,965)</u>	<u>311,070</u>	<u>(13,566,390)</u>
	1,289,475			24,285,055		75,555,571
(3,657,000)	(1,219,460)		(6,260,451)	(15,324,896)		(74,354,733)
						313,632
				10,848,700		26,320,892
				(108,487)		(108,487)
<u>(3,657,000)</u>	<u>70,015</u>	<u>0</u>	<u>(6,260,451)</u>	<u>19,700,372</u>	<u>0</u>	<u>27,726,875</u>
(3,647,159)	601,786	110,105	1,116,399	8,955,407	311,070	14,160,485
<u>3,766,838</u>	<u>23,929,575</u>	<u>34,645</u>	<u>(852,103)</u>	<u>101,450,656</u>	<u>1,763,327</u>	<u>184,832,724</u>
<u>\$ 119,679</u>	<u>\$ 24,531,361</u>	<u>\$ 144,750</u>	<u>\$ 264,296</u>	<u>\$ 110,406,063</u>	<u>\$ 2,074,397</u>	<u>\$ 198,993,209</u>

CITY OF LAS VEGAS, NEVADA
MULTIPURPOSE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Licenses and permits	\$ 75,000	\$ 75,000	\$ 32,522	\$ (42,478)
Intergovernmental	13,523,785	13,523,785	18,083,435	4,559,650
Charges for services	6,050,000	6,050,000	5,273,778	(776,222)
Interest	379,161	379,161	314,688	(64,473)
Fines and forfeits	170,000	170,000	151,866	(18,134)
Miscellaneous	4,594,203	4,594,203	5,869,762	1,275,559
Total revenues	24,792,149	24,792,149	29,726,051	4,933,902
Expenditures:				
Current:				
General government	9,299,814	6,299,814	6,053,852	245,962
Judicial	3,241,930	3,241,930	2,289,519	952,411
Public safety	3,441,675	2,366,675	1,009,783	1,356,892
Welfare	1,029,349	1,029,349	1,039,650	(10,301)
Culture and recreation	5,560,089	5,560,089	4,237,066	1,323,023
Economic development and assistance	167,930	242,930	242,737	193
Capital outlay:				
Public safety	160,050	160,050	668,387	(508,337)
Total expenditures	22,900,837	18,900,837	15,540,994	3,359,843
Excess (deficiency) of revenues over (under) expenditures	1,891,312	5,891,312	14,185,057	8,293,745
Other financing sources (uses):				
Transfers in	60,000	60,000	95,639	35,639
Transfers out	(8,505,929)	(12,505,929)	(12,597,612)	(91,683)
Total other financing sources (uses)	(8,445,929)	(12,445,929)	(12,501,973)	(56,044)
Net changes in fund balances	(6,554,617)	(6,554,617)	1,683,084	8,237,701
Fund balances, July 1	18,602,539	18,602,539	11,120,281	(7,482,258)
Fund balances, June 30	\$ 12,047,922	\$ 12,047,922	12,803,365	\$ 755,443
Reconciliation of budget basis reporting to GAAP Reporting				
Net change in fund balance			(1,365,371)	
Fund balances, July 1			613,276	
Fund balances, June 30, GAAP basis			\$ 12,051,270	

Note: See page 132 and 133 for a detailed reconciliation of budget to GAAP Reporting.

See accompanying independent auditors' report.

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CITY OF LAS VEGAS, NEVADA
 RECONCILIATION TO ELIMINATE USDC ECONOMIC DEVELOPMENT FUND,
 COMMUNITY LEISURE FUND, CAPITAL IMPROVEMENTS FUND, AND GREEN
 BUILDING FUND FROM MULTIPURPOSE FUND AS REPORTED ON THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 (Statement 54) now 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 nonmajor governmental funds.

Under the new definition, certain special revenue funds did not qualify as special revenue funds and were eliminated from the city's multipurpose special revenue fund as follows:

	Multipurpose	Multipurpose	
		General Fund	
		USDC Economic Dev	Community Leisure
Revenues:			
Licenses and permits	\$ 32,522	\$	\$
Intergovernmental	18,083,435		(39,776)
Charges for services	5,273,778		(142,889)
Interest	314,688		
Fines and forfeits	151,866		
Miscellaneous	5,869,762		(36,746)
Total revenues	<u>29,726,051</u>	<u>0</u>	<u>(219,411)</u>
Expenditures:			
Current:			
General government	6,053,852		
Judicial	2,289,519		
Public safety	1,009,783		
Welfare	1,039,650		
Culture and recreation	4,237,066		(80,544)
Economic development and assistance	242,737		
Capital outlay:			
Public safety	668,387		
Total expenditures	<u>15,540,994</u>	<u>0</u>	<u>(80,544)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,185,057</u>	<u>0</u>	<u>(138,867)</u>
Other financing sources (uses):			
Transfers in	95,639		
Transfers out	(12,597,612)		
Total other financing sources (uses)	<u>(12,501,973)</u>	<u>0</u>	<u>0</u>
Net changes in fund balances	1,683,084	0	(138,867)
Fund balances, July 1	<u>11,120,281</u>	<u>(135,427)</u>	<u>(68,755)</u>
Fund balances, June 30	<u>\$ 12,803,365</u>	<u>\$ (135,427)</u>	<u>\$ (207,622)</u>

For budget to actual comparison, the eliminating funds were reported under the Multipurpose budget as filed with the State.

Special Revenue Fund to:			
Capital Projects Funds			Total
Capital Improvements	Green Building	Total	Multipurpose Fund
\$	\$	\$	\$
(178,919)	(4,648,504)	(4,867,199)	32,522
		(142,889)	13,216,236
(1,810)		(1,810)	5,130,889
			312,878
	(3,636,064)	(3,672,810)	151,866
<u>(180,729)</u>	<u>(8,284,568)</u>	<u>(8,684,708)</u>	<u>2,196,952</u>
			<u>21,041,343</u>
(70,624)	(863,031)	(933,655)	5,120,197
			2,289,519
			1,009,783
			1,039,650
		(80,544)	4,156,522
			242,737
	(44,687)		623,700
<u>(70,624)</u>	<u>(907,718)</u>	<u>(1,014,199)</u>	<u>14,482,108</u>
<u>(110,105)</u>	<u>(7,376,850)</u>	<u>(7,625,822)</u>	<u>6,559,235</u>
	6,260,451	6,260,451	95,639
<u>0</u>	<u>6,260,451</u>	<u>6,260,451</u>	<u>(6,337,161)</u>
			<u>(6,241,522)</u>
(110,105)	(1,116,399)	(1,365,371)	317,713
<u>(34,645)</u>	<u>852,103</u>	<u>613,276</u>	<u>11,733,557</u>
\$ <u>(144,750)</u>	\$ <u>(264,296)</u>	\$ <u>(752,095)</u>	\$ <u>12,051,270</u>

CITY OF LAS VEGAS, NEVADA
LAS VEGAS CONVENTION AND VISITORS AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 4,161,655	\$ 4,661,655	\$ 5,135,916	\$ 474,261
Total revenues	<u>4,161,655</u>	<u>4,661,655</u>	<u>5,135,916</u>	<u>474,261</u>
Other financing sources (uses):				
Transfers out	(4,160,000)	(4,776,000)	(3,717,200)	1,058,800
Total other financing sources (uses)	<u>(4,160,000)</u>	<u>(4,776,000)</u>	<u>(3,717,200)</u>	<u>1,058,800</u>
Net changes in fund balances	1,655	(114,345)	1,418,716	1,533,061
Fund balances, July 1	<u>424</u>	<u>116,424</u>	<u>117,397</u>	<u>973</u>
Fund balances, June 30	<u>\$ 2,079</u>	<u>\$ 2,079</u>	<u>\$ 1,536,113</u>	<u>\$ 1,534,034</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 FREMONT STREET ROOM TAX SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 1,154,531	\$ 1,154,531	\$ 1,311,430	\$ 156,899
Interest	<u>37,264</u>	<u>37,264</u>	<u>21,260</u>	<u>(16,004)</u>
Total revenues	<u>1,191,795</u>	<u>1,191,795</u>	<u>1,332,690</u>	<u>140,895</u>
Expenditures:				
Current:				
Economic development and assistance	<u>232,000</u>	<u>232,000</u>	<u>2,774</u>	<u>229,226</u>
Total expenditures	<u>232,000</u>	<u>232,000</u>	<u>2,774</u>	<u>229,226</u>
Excess (deficiency) of revenues over (under) expenditures	<u>959,795</u>	<u>959,795</u>	<u>1,329,916</u>	<u>370,121</u>
Other financing sources (uses):				
Transfers out	<u>(1,330,896)</u>	<u>(1,330,896)</u>	<u>(1,330,896)</u>	
Total other financing sources (uses)	<u>(1,330,896)</u>	<u>(1,330,896)</u>	<u>(1,330,896)</u>	<u>0</u>
Net changes in fund balances	(371,101)	(371,101)	(980)	370,121
Fund balances, July 1	<u>1,704,057</u>	<u>1,704,057</u>	<u>1,718,327</u>	<u>14,270</u>
Fund balances, June 30	<u>\$ 1,332,956</u>	<u>\$ 1,332,956</u>	<u>\$ 1,717,347</u>	<u>\$ 384,391</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
SPECIAL IMPROVEMENT DISTRICT ADMINISTRATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special assessments	\$ 1,897,868	\$ 1,897,868	\$ 2,258,850	\$ 360,982
Interest	298,671	298,671	211,178	(87,493)
Total revenues	<u>2,196,539</u>	<u>2,196,539</u>	<u>2,470,028</u>	<u>273,489</u>
Expenditures:				
Current:				
General government	1,887,735	1,887,735	1,441,857	445,878
Public works	10,000	10,000		10,000
Total expenditures	<u>1,897,735</u>	<u>1,897,735</u>	<u>1,441,857</u>	<u>455,878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>298,804</u>	<u>298,804</u>	<u>1,028,171</u>	<u>729,367</u>
Other financing sources (uses):				
Transfers in	315,202	315,202	306,788	(8,414)
Total other financing sources (uses)	<u>315,202</u>	<u>315,202</u>	<u>306,788</u>	<u>(8,414)</u>
Net changes in fund balances	614,006	614,006	1,334,959	720,953
Fund balances, July 1	<u>12,382,205</u>	<u>12,382,205</u>	<u>12,410,595</u>	<u>28,390</u>
Fund balances, June 30	<u>\$ 12,996,211</u>	<u>\$ 12,996,211</u>	<u>\$ 13,745,554</u>	<u>\$ 749,343</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
TRANSPORTATION PROGRAMS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,847,455	\$ 1,847,455	\$ 1,634,675	\$ (212,780)
Interest	<u>9,237</u>	<u>9,237</u>	<u>19,048</u>	<u>9,811</u>
Total revenues	<u>1,856,692</u>	<u>1,856,692</u>	<u>1,653,723</u>	<u>(202,969)</u>
Expenditures:				
Current:				
Public works	<u>5,000</u>	<u>5,000</u>	<u>869</u>	<u>4,131</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>869</u>	<u>4,131</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,851,692</u>	<u>1,851,692</u>	<u>1,652,854</u>	<u>(198,838)</u>
Other financing sources (uses):				
Transfers out	<u>(1,900,000)</u>	<u>(1,900,000)</u>	<u>(1,650,000)</u>	<u>250,000</u>
Total other financing sources (uses)	<u>(1,900,000)</u>	<u>(1,900,000)</u>	<u>(1,650,000)</u>	<u>250,000</u>
Net changes in fund balances	(48,308)	(48,308)	2,854	51,162
Fund balances, July 1	<u>85,130</u>	<u>85,130</u>	<u>104,656</u>	<u>19,526</u>
Fund balances, June 30	<u>\$ 36,822</u>	<u>\$ 36,822</u>	<u>\$ 107,510</u>	<u>\$ 70,688</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
STREET MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 7,351,296	\$ 7,351,296	\$ 7,316,165	\$ (35,131)
Interest	394,139	394,139	238,739	(155,400)
Miscellaneous			4,316	4,316
Total revenues	<u>7,745,435</u>	<u>7,745,435</u>	<u>7,559,220</u>	<u>(186,215)</u>
Expenditures:				
Current:				
Public works	15,012,514	18,112,514	7,689,516	10,422,998
Capital outlay:				
Public works			95,250	(95,250)
Total expenditures	<u>15,012,514</u>	<u>18,112,514</u>	<u>7,784,766</u>	<u>10,327,748</u>
Net changes in fund balances	(7,267,079)	(10,367,079)	(225,546)	10,141,533
Fund balances, July 1	<u>7,978,355</u>	<u>11,078,355</u>	<u>15,318,437</u>	<u>4,240,082</u>
Fund balances, June 30	<u>\$ 711,276</u>	<u>\$ 711,276</u>	<u>\$ 15,092,891</u>	<u>\$ 14,381,615</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
HOUSING PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 14,347,800	\$ 14,347,800	\$ 9,456,618	\$ (4,891,182)
Charges for services			158,932	158,932
Interest	120,000	120,000	232,767	112,767
Miscellaneous			2,424,380	2,424,380
Total revenues	<u>14,467,800</u>	<u>14,467,800</u>	<u>12,272,697</u>	<u>(2,195,103)</u>
Expenditures:				
Current:				
Economic development and assistance	24,301,280	24,301,280	11,401,054	12,900,226
Total expenditures	<u>24,301,280</u>	<u>24,301,280</u>	<u>11,401,054</u>	<u>12,900,226</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,833,480)</u>	<u>(9,833,480)</u>	<u>871,643</u>	<u>10,705,123</u>
Other financing sources (uses):				
Transfers in	3,971,180	3,971,180	3,340,789	(630,391)
Transfers out			(274,300)	(274,300)
Total other financing sources (uses)	<u>3,971,180</u>	<u>3,971,180</u>	<u>3,066,489</u>	<u>(904,691)</u>
Net changes in fund balances	(5,862,300)	(5,862,300)	3,938,132	9,800,432
Fund balances, July 1	<u>11,965,796</u>	<u>11,965,796</u>	<u>12,673,855</u>	<u>708,059</u>
Fund balances, June 30	<u>\$ 6,103,496</u>	<u>\$ 6,103,496</u>	<u>\$ 16,611,987</u>	<u>\$ 10,508,491</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
HOUSING AND URBAN DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 26,949,190	\$ 26,949,190	\$ 13,254,183	\$ (13,695,007)
Charges for services	135,000	135,000	142,252	7,252
Miscellaneous	691,500	691,500	422,049	(269,451)
Total revenues	<u>27,775,690</u>	<u>27,775,690</u>	<u>13,818,484</u>	<u>(13,957,206)</u>
Expenditures:				
Current:				
Economic development and assistance	23,713,946	23,113,946	8,571,392	14,542,554
Capital outlay:				
Economic development and assistance			52,580	(52,580)
Total expenditures	<u>23,713,946</u>	<u>23,113,946</u>	<u>8,623,972</u>	<u>14,489,974</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,061,744</u>	<u>4,661,744</u>	<u>5,194,512</u>	<u>532,768</u>
Other financing sources (uses):				
Transfers out	(4,149,877)	(4,749,877)	(5,279,426)	(529,549)
Total other financing sources (uses)	<u>(4,149,877)</u>	<u>(4,749,877)</u>	<u>(5,279,426)</u>	<u>(529,549)</u>
Net changes in fund balances	(88,133)	(88,133)	(84,914)	3,219
Fund balances, July 1	<u>848,523</u>	<u>848,523</u>	<u>882,079</u>	<u>33,556</u>
Fund balances, June 30	<u>\$ 760,390</u>	<u>\$ 760,390</u>	<u>\$ 797,165</u>	<u>\$ 36,775</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 FIRE SAFETY INITIATIVE SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 13,334,709	\$ 13,334,709	\$ 13,509,362	\$ 174,653
Interest	<u>96,824</u>	<u>96,824</u>	<u>189,419</u>	<u>92,595</u>
Total revenues	<u>13,431,533</u>	<u>13,431,533</u>	<u>13,698,781</u>	<u>267,248</u>
Expenditures:				
Current:				
Public safety	<u>5,300</u>	<u>8,300</u>	<u>7,793</u>	<u>507</u>
Total expenditures	<u>5,300</u>	<u>8,300</u>	<u>7,793</u>	<u>507</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,426,233</u>	<u>13,423,233</u>	<u>13,690,988</u>	<u>267,755</u>
Other financing sources (uses):				
Transfers out	<u>(15,186,116)</u>	<u>(15,183,116)</u>	<u>(15,168,342)</u>	<u>14,774</u>
Total other financing sources (uses)	<u>(15,186,116)</u>	<u>(15,183,116)</u>	<u>(15,168,342)</u>	<u>14,774</u>
Net changes in fund balances	(1,759,883)	(1,759,883)	(1,477,354)	282,529
Fund balances, July 1	<u>2,169,459</u>	<u>2,169,459</u>	<u>2,606,973</u>	<u>437,514</u>
Fund balances, June 30	<u>\$ 409,576</u>	<u>\$ 409,576</u>	<u>\$ 1,129,619</u>	<u>\$ 720,043</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
CITY OF LAS VEGAS REDEVELOPMENT AGENCY SPECIAL REVENUE FUND - COMPONENT UNIT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$ 7,310	\$ 7,310	\$ 20,580	\$ 13,270
Miscellaneous	<u>757,900</u>	<u>757,900</u>	<u>783,780</u>	<u>25,880</u>
Total revenues	<u>765,210</u>	<u>765,210</u>	<u>804,360</u>	<u>39,150</u>
Expenditures:				
Current:				
Economic development and assistance	23,177,064	23,177,064	4,930,229	18,246,835
Capital outlay:				
Economic development and assistance	<u>50,000</u>	<u>50,000</u>		<u>50,000</u>
Total expenditures	<u>23,227,064</u>	<u>23,227,064</u>	<u>4,930,229</u>	<u>18,296,835</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,461,854)</u>	<u>(22,461,854)</u>	<u>(4,125,869)</u>	<u>18,335,985</u>
Other financing sources (uses):				
Transfers in	6,300,000	6,300,000	4,813,496	(1,486,504)
Transfers out			(17,118,227)	(17,118,227)
Sale of capital assets			313,632	313,632
General obligation bonds issued	<u>15,000,000</u>	<u>15,000,000</u>	<u>15,472,192</u>	<u>472,192</u>
Total other financing sources (uses)	<u>21,300,000</u>	<u>21,300,000</u>	<u>3,481,093</u>	<u>(17,818,907)</u>
Net changes in fund balances	(1,161,854)	(1,161,854)	(644,776)	517,078
Fund balances, July 1	<u>17,965,385</u>	<u>17,965,385</u>	<u>17,932,926</u>	<u>(32,459)</u>
Fund balances, June 30	<u>\$ 16,803,531</u>	<u>\$ 16,803,531</u>	<u>\$ 17,288,150</u>	<u>\$ 484,619</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
INDUSTRIAL DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$ 84,864	\$ 84,864	\$ 26,172	\$ (58,692)
Miscellaneous	41,628	41,628	43,324	1,696
Total revenues	<u>126,492</u>	<u>126,492</u>	<u>69,496</u>	<u>(56,996)</u>
Expenditures:				
Current:				
Economic development and assistance	1,246,784	1,246,784	1,085,517	161,267
Capital outlay:				
Economic development and assistance	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>
Total expenditures	<u>2,546,784</u>	<u>2,546,784</u>	<u>1,085,517</u>	<u>1,461,267</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,420,292)</u>	<u>(2,420,292)</u>	<u>(1,016,021)</u>	<u>1,404,271</u>
Other financing sources (uses):				
Sale of capital assets			<u>1,373,333</u>	<u>1,373,333</u>
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>1,373,333</u>	<u>1,373,333</u>
Net changes in fund balances	(2,420,292)	(2,420,292)	357,312	2,777,604
Fund balances, July 1	<u>14,242,759</u>	<u>14,242,759</u>	<u>13,737,623</u>	<u>(505,136)</u>
Fund balances, June 30	<u>\$ 11,822,467</u>	<u>\$ 11,822,467</u>	<u>\$ 14,094,935</u>	<u>\$ 2,272,468</u>

Note: See page 42 and 43 for a detailed reconciliation of budget to GAAP Reporting.

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
FISCAL STABILIZATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$ 1,448,997	\$ 1,448,997	\$ 907,766	\$ (541,231)
Total revenues	<u>1,448,997</u>	<u>1,448,997</u>	<u>907,766</u>	<u>(541,231)</u>
Expenditures:				
Current:				
General government	46,005	49,005	48,295	710
Total expenditures	<u>46,005</u>	<u>49,005</u>	<u>48,295</u>	<u>710</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,402,992</u>	<u>1,399,992</u>	<u>859,471</u>	<u>(540,521)</u>
Other financing sources (uses):				
Transfers out	(4,200,000)	(4,197,000)	(3,663,531)	533,469
Total other financing sources (uses)	<u>(4,200,000)</u>	<u>(4,197,000)</u>	<u>(3,663,531)</u>	<u>533,469</u>
Net changes in fund balances	(2,797,008)	(2,797,008)	(2,804,060)	(7,052)
Fund balances, July 1	<u>53,377,451</u>	<u>53,377,451</u>	<u>53,364,820</u>	<u>(12,631)</u>
Fund balances, June 30	<u>\$ 50,580,443</u>	<u>\$ 50,580,443</u>	<u>\$ 50,560,760</u>	<u>\$ (19,683)</u>

Note: See page 42 and 43 for a detailed reconciliation of budget to GAAP Reporting.

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
PARK CONSTRUCTION PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 500,000	\$ 500,000	\$ 371,866	\$ (128,134)
Interest	<u>230,385</u>	<u>230,385</u>	<u>136,595</u>	<u>(93,790)</u>
Total revenues	<u>730,385</u>	<u>730,385</u>	<u>508,461</u>	<u>(221,924)</u>
Expenditures:				
Current:				
Culture and recreation	<u>7,315</u>	<u>27,315</u>	<u>18,995</u>	<u>8,320</u>
Total expenditures	<u>7,315</u>	<u>27,315</u>	<u>18,995</u>	<u>8,320</u>
Excess (deficiency) of revenues over (under) expenditures	<u>723,070</u>	<u>703,070</u>	<u>489,466</u>	<u>(213,604)</u>
Other financing sources (uses):				
Transfers out	<u>(6,000,000)</u>	<u>(5,980,000)</u>	<u>(2,139,342)</u>	<u>3,840,658</u>
Total other financing sources (uses)	<u>(6,000,000)</u>	<u>(5,980,000)</u>	<u>(2,139,342)</u>	<u>3,840,658</u>
Net changes in fund balances	(5,276,930)	(5,276,930)	(1,649,876)	3,627,054
Fund balances, July 1	<u>6,890,360</u>	<u>6,890,360</u>	<u>8,551,852</u>	<u>1,661,492</u>
Fund balances, June 30	<u>\$ 1,613,430</u>	<u>\$ 1,613,430</u>	<u>\$ 6,901,976</u>	<u>\$ 5,288,546</u>

Note: See page 112 for a detailed reconciliation of budget to GAAP Reporting.

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
CITY OF LAS VEGAS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$	\$	\$ 11	\$ 11
Intergovernmental	5,563,062	5,563,062	4,618,062	(945,000)
Total revenues	<u>5,563,062</u>	<u>5,563,062</u>	<u>4,618,073</u>	<u>(944,989)</u>
Expenditures:				
Debt service:				
Principal retirement	16,353,000	16,353,000	16,283,000	70,000
Interest and fiscal charges	31,030,951	31,030,951	27,138,988	3,891,963
Total expenditures	<u>47,383,951</u>	<u>47,383,951</u>	<u>43,421,988</u>	<u>3,961,963</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(41,820,889)</u>	<u>(41,820,889)</u>	<u>(38,803,915)</u>	<u>3,016,974</u>
Other financing sources (uses):				
Transfers in	38,711,937	38,711,937	42,439,504	3,727,567
General obligation bonds issued	3,405,000	3,405,000		(3,405,000)
Total other financing sources (uses)	<u>42,116,937</u>	<u>42,116,937</u>	<u>42,439,504</u>	<u>322,567</u>
Net changes in fund balances	296,048	296,048	3,635,589	3,339,541
Fund balances, July 1	<u>748,587</u>	<u>748,587</u>	<u>495,269</u>	<u>(253,318)</u>
Fund balances, June 30	<u>\$ 1,044,635</u>	<u>\$ 1,044,635</u>	<u>\$ 4,130,858</u>	<u>\$ 3,086,223</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
CITY OF LAS VEGAS REDEVELOPMENT AGENCY DEBT SERVICE FUND - COMPONENT UNIT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 21,648,130	\$ 21,648,130	\$ 18,559,938	\$ (3,088,192)
Interest	<u>3,356</u>	<u>3,356</u>	<u>5,947</u>	<u>2,591</u>
Total revenues	<u>21,651,486</u>	<u>21,651,486</u>	<u>18,565,885</u>	<u>(3,085,601)</u>
Expenditures:				
Debt service:				
Principal retirement	4,988,458	4,988,458	3,680,000	1,308,458
Interest and fiscal charges	<u>10,015,763</u>	<u>10,015,763</u>	<u>10,326,285</u>	<u>(310,522)</u>
Total expenditures	<u>15,004,221</u>	<u>15,004,221</u>	<u>14,006,285</u>	<u>997,936</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,647,265</u>	<u>6,647,265</u>	<u>4,559,600</u>	<u>(2,087,665)</u>
Other financing sources (uses):				
Transfers in	274,300	274,300	274,300	
Transfers out	<u>(10,196,664)</u>	<u>(10,196,664)</u>	<u>(8,154,285)</u>	<u>2,042,379</u>
Total other financing sources (uses)	<u>(9,922,364)</u>	<u>(9,922,364)</u>	<u>(7,879,985)</u>	<u>2,042,379</u>
Net changes in fund balances	(3,275,099)	(3,275,099)	(3,320,385)	(45,286)
Fund balances, July 1	<u>5,471,378</u>	<u>5,471,378</u>	<u>5,624,670</u>	<u>153,292</u>
Fund balances, June 30	<u>\$ 2,196,279</u>	<u>\$ 2,196,279</u>	<u>\$ 2,304,285</u>	<u>\$ 108,006</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
GENERAL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 3,973,476	\$ 3,973,476	\$ 394,800	\$ (3,578,676)
Charges for services			11,772	11,772
Interest	99,333	99,333	7,857	(91,476)
Total revenues	<u>4,072,809</u>	<u>4,072,809</u>	<u>414,429</u>	<u>(3,658,380)</u>
Expenditures:				
Current:				
General government	266,250	266,250	326,278	(60,028)
Economic development and assistance	3,118	3,118		3,118
Capital outlay:				
General government	19,219,664	19,219,664	14,772,849	4,446,815
Economic development and assistance	10,000,000	10,000,000	2,541,505	7,458,495
Total expenditures	<u>29,489,032</u>	<u>29,489,032</u>	<u>17,640,632</u>	<u>11,848,400</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,416,223)</u>	<u>(25,416,223)</u>	<u>(17,226,203)</u>	<u>8,190,020</u>
Other financing sources (uses):				
Transfers in	3,975,088	3,975,088	7,745,772	3,770,684
Transfers out	(106,673)	(106,673)	(95,507)	11,166
General obligation bond proceeds	10,848,700	10,848,700	10,848,700	
Discounts			(108,487)	(108,487)
Total other financing sources (uses)	<u>14,717,115</u>	<u>14,717,115</u>	<u>18,390,478</u>	<u>3,673,363</u>
Net changes in fund balances	(10,699,108)	(10,699,108)	1,164,275	11,863,383
Fund balances, July 1	<u>10,707,065</u>	<u>10,707,065</u>	<u>14,860,214</u>	<u>4,153,149</u>
Fund balances, June 30	<u>\$ 7,957</u>	<u>\$ 7,957</u>	<u>\$ 16,024,489</u>	<u>\$ 16,016,532</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
FIRE SERVICES CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 359,607	\$ 359,607	\$ 13,975	\$ (345,632)
Interest	<u>658,912</u>	<u>658,912</u>	<u>459,807</u>	<u>(199,105)</u>
Total revenues	<u>1,018,519</u>	<u>1,018,519</u>	<u>473,782</u>	<u>(544,737)</u>
Expenditures:				
Current:				
Public safety	20,900	20,900	23,869	(2,969)
Capital outlay:				
Public safety	<u>29,163,421</u>	<u>29,163,421</u>	<u>863,180</u>	<u>28,300,241</u>
Total expenditures	<u>29,184,321</u>	<u>29,184,321</u>	<u>887,049</u>	<u>28,297,272</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,165,802)</u>	<u>(28,165,802)</u>	<u>(413,267)</u>	<u>27,752,535</u>
Other financing sources (uses):				
Transfers in	12,000,000	12,000,000	12,299,808	299,808
Transfers out	<u>(3,026,090)</u>	<u>(3,026,090)</u>	<u>(3,026,090)</u>	
Total other financing sources (uses)	<u>8,973,910</u>	<u>8,973,910</u>	<u>9,273,718</u>	<u>299,808</u>
Net changes in fund balances	(19,191,892)	(19,191,892)	8,860,451	28,052,343
Fund balances, July 1	<u>26,970,412</u>	<u>26,970,412</u>	<u>26,520,346</u>	<u>(450,066)</u>
Fund balances, June 30	<u>\$ 7,778,520</u>	<u>\$ 7,778,520</u>	<u>\$ 35,380,797</u>	<u>\$ 27,602,277</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
PUBLIC WORKS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$	\$	\$ 6,743,305	\$ 6,743,305
Interest	<u>587,283</u>	<u>587,283</u>	<u>418,617</u>	<u>(168,666)</u>
Total revenues	<u>587,283</u>	<u>587,283</u>	<u>7,161,922</u>	<u>6,574,639</u>
Expenditures:				
Current:				
Public works	2,019,646	2,019,646	921,045	1,098,601
Capital outlay:				
Public works	<u>14,840,736</u>	<u>14,490,736</u>	<u>6,752,364</u>	<u>7,738,372</u>
Total expenditures	<u>16,860,382</u>	<u>16,510,382</u>	<u>7,673,409</u>	<u>8,836,973</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,273,099)</u>	<u>(15,923,099)</u>	<u>(511,487)</u>	<u>15,411,612</u>
Other financing sources (uses):				
Transfers in	1,900,000	1,900,000	2,950,000	1,050,000
Transfers out	<u>(795,438)</u>	<u>(1,145,438)</u>	<u>(1,053,788)</u>	<u>91,650</u>
Total other financing sources (uses)	<u>1,104,562</u>	<u>754,562</u>	<u>1,896,212</u>	<u>1,141,650</u>
Net changes in fund balances	(15,168,537)	(15,168,537)	1,384,725	16,553,262
Fund balances, July 1	<u>23,736,200</u>	<u>23,736,200</u>	<u>26,695,948</u>	<u>2,959,748</u>
Fund balances, June 30	<u>\$ 8,567,663</u>	<u>\$ 8,567,663</u>	<u>\$ 28,080,673</u>	<u>\$ 19,513,010</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 TRAFFIC IMPROVEMENTS CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Licenses and permits	\$ 500,000	\$ 500,000	\$ 171,358	\$ (328,642)
Intergovernmental	11,597,899	11,597,899	3,728,683	(7,869,216)
Interest	177,195	177,195	91,323	(85,872)
Total revenues	<u>12,275,094</u>	<u>12,275,094</u>	<u>3,991,364</u>	<u>(8,283,730)</u>
Expenditures:				
Current:				
Public safety	5,626	5,626	6,850	(1,224)
Capital outlay:				
Public safety	13,663,007	13,663,007	4,607,089	9,055,918
Total expenditures	<u>13,668,633</u>	<u>13,668,633</u>	<u>4,613,939</u>	<u>9,054,694</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,393,539)</u>	<u>(1,393,539)</u>	<u>(622,575)</u>	<u>770,964</u>
Other financing sources (uses):				
Transfers in	95,000	95,000		(95,000)
Transfers out	(12,600)	(12,600)	(12,600)	0
Total other financing sources (uses)	<u>82,400</u>	<u>82,400</u>	<u>(12,600)</u>	<u>(95,000)</u>
Net changes in fund balances	(1,311,139)	(1,311,139)	(635,175)	675,964
Fund balances, July 1	<u>5,077,095</u>	<u>5,077,095</u>	<u>6,495,193</u>	<u>1,418,098</u>
Fund balances, June 30	<u>\$ 3,765,956</u>	<u>\$ 3,765,956</u>	<u>\$ 5,860,018</u>	<u>\$ 2,094,062</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
DETENTION AND ENFORCEMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$ 128,753	\$ 128,753	\$ 10,852	\$ (117,901)
Total revenues	<u>128,753</u>	<u>128,753</u>	<u>10,852</u>	<u>(117,901)</u>
Expenditures:				
Current:				
Public safety	4,088	4,088	1,011	3,077
Capital outlay:				
Public safety	141,695	141,695		141,695
Total expenditures	<u>145,783</u>	<u>145,783</u>	<u>1,011</u>	<u>144,772</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,030)</u>	<u>(17,030)</u>	<u>9,841</u>	<u>26,871</u>
Other financing sources (uses):				
Transfers out	(3,657,000)	(3,657,000)	(3,657,000)	
Total other financing sources (uses)	<u>(3,657,000)</u>	<u>(3,657,000)</u>	<u>(3,657,000)</u>	<u>0</u>
Net changes in fund balances	(3,674,030)	(3,674,030)	(3,647,159)	26,871
Fund balances, July 1	<u>3,829,572</u>	<u>3,829,572</u>	<u>3,766,838</u>	<u>(62,734)</u>
Fund balances, June 30	<u>\$ 155,542</u>	<u>\$ 155,542</u>	<u>\$ 119,679</u>	<u>\$ (35,863)</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
SPECIAL ASSESSMENTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessments	\$ 1,150,000	\$ 1,150,000	\$ 1,179,163	\$ 29,163
Interest	<u>29,940</u>	<u>29,940</u>	<u>26,850</u>	<u>(3,090)</u>
Total revenues	<u>1,179,940</u>	<u>1,179,940</u>	<u>1,206,013</u>	<u>26,073</u>
Expenditures:				
Current:				
Public works	65,000	65,000	20,820	44,180
Capital outlay:				
Public works	<u>4,676,500</u>	<u>4,676,500</u>	<u>653,422</u>	<u>4,023,078</u>
Total expenditures	<u>4,741,500</u>	<u>4,741,500</u>	<u>674,242</u>	<u>4,067,258</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,561,560)</u>	<u>(3,561,560)</u>	<u>531,771</u>	<u>4,093,331</u>
Other financing sources (uses):				
Transfers in			1,289,475	1,289,475
Transfers out	(1,227,874)	(1,227,874)	(1,219,460)	8,414
Special assessment bonds issued	<u>2,500,000</u>	<u>2,500,000</u>		<u>(2,500,000)</u>
Total other financing sources (uses)	<u>1,272,126</u>	<u>1,272,126</u>	<u>70,015</u>	<u>(1,202,111)</u>
Net changes in fund balances	(2,289,434)	(2,289,434)	601,786	2,891,220
Fund balances, July 1	<u>22,649,145</u>	<u>22,649,145</u>	<u>23,929,575</u>	<u>1,280,430</u>
Fund balances, June 30	<u>\$ 20,359,711</u>	<u>\$ 20,359,711</u>	<u>\$ 24,531,361</u>	<u>\$ 4,171,650</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$	\$	\$ 178,919	\$ 178,919
Interest	<u>1,788</u>	<u>1,788</u>	<u>1,810</u>	<u>22</u>
Total revenues	<u>1,788</u>	<u>1,788</u>	<u>180,729</u>	<u>178,941</u>
Expenditures:				
Current:				
General government	<u>650</u>	<u>650</u>	<u>70,624</u>	<u>(69,974)</u>
Total expenditures	<u>650</u>	<u>650</u>	<u>70,624</u>	<u>(69,974)</u>
Net changes in fund balances	1,138	1,138	110,105	108,967
Fund balances, July 1	<u>35,579</u>	<u>35,579</u>	<u>34,645</u>	<u>(934)</u>
Fund balances, June 30	\$ <u><u>36,717</u></u>	\$ <u><u>36,717</u></u>	\$ <u><u>144,750</u></u>	\$ <u><u>108,033</u></u>

Note: See page 132 and 133 for a detailed reconciliation of budget to GAAP Reporting.

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
GREEN BUILDING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$	\$	\$ 4,648,504	\$ 4,648,504
Miscellaneous	<u>2,806,150</u>	<u>2,806,150</u>	<u>3,636,064</u>	<u>829,914</u>
Total revenues	<u>2,806,150</u>	<u>2,806,150</u>	<u>8,284,568</u>	<u>5,478,418</u>
Expenditures:				
Current:				
General government	375,000	375,000	863,031	(488,031)
Capital outlay:				
General government			44,687	(44,687)
Total expenditures	<u>375,000</u>	<u>375,000</u>	<u>907,718</u>	<u>(532,718)</u>
Excess (deficiency) of revenues over (under) expenditures	2,431,150	2,431,150	7,376,850	(4,945,700)
Other financing sources (uses):				
Transfers out	<u>(2,506,150)</u>	<u>(2,506,150)</u>	<u>(6,260,451)</u>	<u>(3,754,301)</u>
Total other financing sources (uses)	<u>(2,506,150)</u>	<u>(2,506,150)</u>	<u>(6,260,451)</u>	<u>(3,754,301)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures				
Net changes in fund balances	(75,000)	(75,000)	1,116,399	1,191,399
Fund balances, July 1	<u>78,786</u>	<u>78,786</u>	<u>(852,103)</u>	<u>(930,889)</u>
Fund balances, June 30	<u>\$ 3,786</u>	<u>\$ 3,786</u>	<u>\$ 264,296</u>	<u>\$ 260,510</u>

Note: See page 132 and 133 for a detailed reconciliation of budget to GAAP Reporting.

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
CEMETERY OPERATIONS PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 35,000	\$ 35,000	\$ 42,861	\$ 7,861
Interest	<u>85,530</u>	<u>85,530</u>	<u>386,619</u>	<u>301,089</u>
Total revenues	<u>120,530</u>	<u>120,530</u>	<u>429,480</u>	<u>308,950</u>
Expenditures:				
Current:				
Health	<u>85,530</u>	<u>120,530</u>	<u>118,410</u>	<u>2,120</u>
Total expenditures	<u>85,530</u>	<u>120,530</u>	<u>118,410</u>	<u>2,120</u>
Net changes in fund balances	35,000	0	311,070	311,070
Fund balances, July 1	<u>1,425,709</u>	<u>1,460,709</u>	<u>1,763,327</u>	<u>302,618</u>
Fund balances, June 30	<u>\$ 1,460,709</u>	<u>\$ 1,460,709</u>	<u>\$ 2,074,397</u>	<u>\$ 613,688</u>

See accompanying independent auditors' report.



THE CITY OF
LAS
VEGAS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**MAJOR
PROPRIETARY
FUNDS**



**MAJOR PROPRIETARY
FUNDS**

Major Proprietary Funds

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) 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.

SANITATION FUND

This fund is used to account for the operation of the City's water pollution control facilities and the construction and maintenance of sanitary sewer lines for the residents of Las Vegas and North Las Vegas.

NONPROFIT CORPORATIONS

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

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CITY OF LAS VEGAS, NEVADA
SANITATION ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services:				
Sewer charges to citizens	\$ 82,644,300	\$ 82,644,300	\$ 81,053,512	\$ (1,590,788)
Sewer charges - North				
Las Vegas	14,900,000	14,900,000	12,036,534	(2,863,466)
Other	915,000	915,000	1,038,454	123,454
Miscellaneous	63,000	63,000	24,810	(38,190)
Total operating revenues	<u>98,522,300</u>	<u>98,522,300</u>	<u>94,153,310</u>	<u>(4,368,990)</u>
Operating expenses:				
Salaries and employee benefits	25,587,900	25,587,900	23,311,840	2,276,060
Services and supplies	34,707,663	34,707,663	32,384,055	2,323,608
Depreciation	20,658,610	20,658,610	21,925,645	(1,267,035)
Total operating expenses	<u>80,954,173</u>	<u>80,954,173</u>	<u>77,621,540</u>	<u>3,332,633</u>
Operating income (loss)	<u>17,568,127</u>	<u>17,568,127</u>	<u>16,531,770</u>	<u>(1,036,357)</u>
Nonoperating revenues (expenses):				
Interest revenue	4,483,100	4,483,100	3,791,422	(691,678)
Interest expense	(2,896,736)	(2,896,736)	(2,892,824)	3,912
Sewer connection charges	4,000,000	4,000,000	4,102,865	102,865
Arbitrage (expense) credit			(1,000)	(1,000)
Gain (loss) on sale of capital assets			(51,973)	(51,973)
Intergovernmental revenue	9,390,470	9,390,470	8,574,826	(815,644)
Intergovernmental expense	(2,395,400)	(2,395,400)	(2,633,641)	(238,241)
Total nonoperating revenues (expenses)	<u>12,581,434</u>	<u>12,581,434</u>	<u>10,889,675</u>	<u>(1,691,759)</u>
Income (loss) before contributions and transfers	30,149,561	30,149,561	27,421,445	(2,728,116)
Capital contributions - sewer lines	6,000,000	6,000,000	5,516,712	(483,288)
Transfers out			(8,362,345)	(8,362,345)
Changes in net assets	36,149,561	36,149,561	24,575,812	(11,573,749)
Total net assets, July 1	<u>639,872,187</u>	<u>639,872,187</u>	<u>639,872,187</u>	
Total net assets, June 30	<u>\$ 676,021,748</u>	<u>\$ 676,021,748</u>	<u>\$ 664,447,999</u>	<u>\$ (11,573,749)</u>

See accompanying independent auditor's report.

CITY OF LAS VEGAS, NEVADA
NONPROFIT CORPORATIONS ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Miscellaneous:				
Other	\$ 863,890	\$ 863,890	\$ 1,100,652	\$ 236,762
Total operating revenues	<u>863,890</u>	<u>863,890</u>	<u>1,100,652</u>	<u>236,762</u>
Operating expenses:				
Services and supplies	863,890	863,890	2,064,089	(1,200,199)
Total operating expenses	<u>863,890</u>	<u>863,890</u>	<u>2,064,089</u>	<u>(1,200,199)</u>
Operating income (loss)	<u>0</u>	<u>0</u>	<u>(963,437)</u>	<u>(963,437)</u>
Nonoperating revenues (expenses):				
Interest revenue			29,097	29,097
Total nonoperating revenues (expenses)	<u>0</u>	<u>0</u>	<u>29,097</u>	<u>29,097</u>
Income (loss) before contributions and transfers	0	0	(934,340)	(934,340)
Transfers in			863,890	863,890
Changes in net assets	0	0	(70,450)	(70,450)
Total net assets, July 1	<u>36,415,068</u>	<u>36,415,068</u>	<u>36,415,068</u>	
Total net assets, June 30	<u>\$ 36,415,068</u>	<u>\$ 36,415,068</u>	<u>\$ 36,344,618</u>	<u>\$ (70,450)</u>

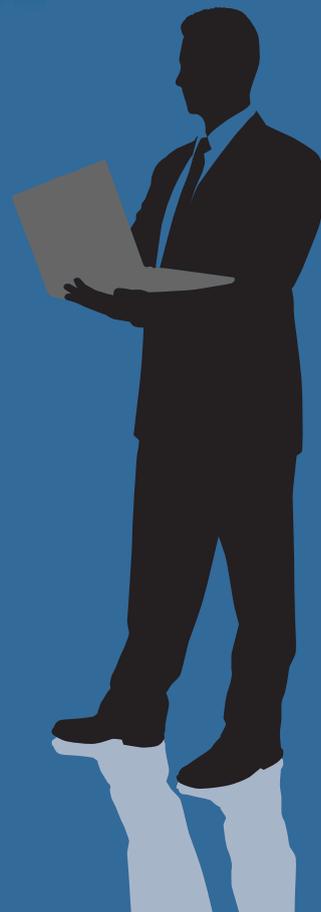
See accompanying independent auditor's report.



THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**NON-MAJOR
PROPRIETARY
FUNDS**



**NON-MAJOR
PROPRIETARY FUNDS**

Nonmajor Proprietary Funds

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) 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.

Municipal Golf Course Fund—This fund is used to account for the revenues and costs associated with constructing, operating and leasing public golf courses.

Municipal Parking Fund—This fund is used to account for the revenues and expenses of providing public parking. This includes the leasing of two downtown parking garages owned by the City, all parking enforcement and parking ticket collection activity throughout the City, and the construction and operation of downtown parking facilities.

Building & Safety Fund—This fund is used to account for the costs of safeguarding people and property by providing reasonable controls for the construction, use and occupancy of buildings.

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR PROPRIETARY FUNDS
 JUNE 30, 2011

	<u>Municipal Golf Course</u>	<u>Municipal Parking</u>	<u>Building & Safety</u>	<u>Totals</u>
ASSETS				
Current assets:				
Pooled cash and investments	\$ 743,305	\$ 12,048,355	\$ 6,380,274	\$ 19,171,934
Receivables (net of allowances for uncollectibles):				
Accounts		1,342	800	2,142
Interest	2,401	54,333	27,999	84,733
Loans		2,781,449		2,781,449
Inventories	22,244			22,244
Prepaid items	98,312			98,312
Deposits	26,191			26,191
Total current assets	<u>892,453</u>	<u>14,885,479</u>	<u>6,409,073</u>	<u>22,187,005</u>
Noncurrent assets:				
Deferred charges-bond issuance costs	<u>43,197</u>			<u>43,197</u>
Capital assets:				
Land	795,047	2,531,083		3,326,130
Land improvements	13,226,058	48,945		13,275,003
Buildings	4,414,014	2,116,942		6,530,956
Building improvements	123,203	580,492		703,695
Machinery and equipment	534,496	5,875		540,371
Construction in progress	448			448
Less accumulated depreciation	<u>(8,761,612)</u>	<u>(2,751,306)</u>		<u>(11,512,918)</u>
Total capital assets (net of accumulated depreciation)	<u>10,331,654</u>	<u>2,532,031</u>	<u>0</u>	<u>12,863,685</u>
Total noncurrent assets	<u>10,374,851</u>	<u>2,532,031</u>	<u>0</u>	<u>12,906,882</u>
Total assets	<u>11,267,304</u>	<u>17,417,510</u>	<u>6,409,073</u>	<u>35,093,887</u>

Continued

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF NET ASSETS (continued)
 NONMAJOR PROPRIETARY FUNDS
 JUNE 30, 2011

	<u>Municipal Golf Course</u>	<u>Municipal Parking</u>	<u>Building & Safety</u>	<u>Totals</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 2,257	\$ 81,268	\$ 18,183	\$ 101,708
Salaries payable		48,242	125,834	174,076
Deposits payable	2,300	14,769	4,610	21,679
Compensated absences payable		192,389	890,687	1,083,076
Unearned revenue	8,260	23,500		31,760
General obligation revenue bonds payable	570,051			570,051
Interest payable	40,451			40,451
Intergovernmental payable	1,440			1,440
Total current liabilities	<u>624,759</u>	<u>360,168</u>	<u>1,039,314</u>	<u>2,024,241</u>
Noncurrent liabilities:				
Compensated absences payable		78,228	362,160	440,388
General obligation revenue bonds payable	7,972,984			7,972,984
Unearned revenue	11,568	611,125		622,693
Total noncurrent liabilities	<u>7,984,552</u>	<u>689,353</u>	<u>362,160</u>	<u>9,036,065</u>
Total liabilities	<u>8,609,311</u>	<u>1,049,521</u>	<u>1,401,474</u>	<u>11,060,306</u>
NET ASSETS				
Invested in capital assets, net of related debt	1,788,619	2,532,031		4,320,650
Unrestricted	869,374	13,835,958	5,007,599	19,712,931
Total net assets	<u>\$ 2,657,993</u>	<u>\$ 16,367,989</u>	<u>\$ 5,007,599</u>	<u>\$ 24,033,581</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET ASSETS
 NONMAJOR PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Municipal Golf Course</u>	<u>Municipal Parking</u>	<u>Building & Safety</u>	<u>Totals</u>
Operating revenues:				
Licenses and permits	\$	\$	\$ 6,383,160	\$ 6,383,160
Charges for services	812,368	1,885,977	922,704	3,621,049
Fines and forfeits		3,928,308		3,928,308
Miscellaneous	<u>386,947</u>	<u>590,129</u>	<u>860</u>	<u>977,936</u>
Total operating revenues	<u>1,199,315</u>	<u>6,404,414</u>	<u>7,306,724</u>	<u>14,910,453</u>
Operating expenses:				
Salaries and employee benefits		1,958,855	5,246,113	7,204,968
Services and supplies	1,275,708	1,727,094	1,400,509	4,403,311
Cost of stores issued	65,542			65,542
Depreciation	<u>778,966</u>	<u>115</u>		<u>779,081</u>
Total operating expenses	<u>2,120,216</u>	<u>3,686,064</u>	<u>6,646,622</u>	<u>12,452,902</u>
Operating income (loss)	<u>(920,901)</u>	<u>2,718,350</u>	<u>660,102</u>	<u>2,457,551</u>
Nonoperating revenues (expenses):				
Interest revenue	11,920	180,586	98,366	290,872
Interest expense	(497,851)	(466)		(498,317)
Intergovernmental expense	<u>(36,350)</u>			<u>(36,350)</u>
Total nonoperating revenues (expenses)	<u>(522,281)</u>	<u>180,120</u>	<u>98,366</u>	<u>(243,795)</u>
Income (loss) before contributions and transfers	(1,443,182)	2,898,470	758,468	2,213,756
Transfers in	1,200,000	500,000		1,700,000
Transfers out		<u>(198,100)</u>	<u>(500,000)</u>	<u>(698,100)</u>
Changes in net assets	(243,182)	3,200,370	258,468	3,215,656
Total net assets, July 1	<u>2,901,175</u>	<u>13,167,619</u>	<u>4,749,131</u>	<u>20,817,925</u>
Total net assets, June 30	<u>\$ 2,657,993</u>	<u>\$ 16,367,989</u>	<u>\$ 5,007,599</u>	<u>\$ 24,033,581</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Municipal Golf Course</u>	<u>Municipal Parking</u>	<u>Building & Safety</u>	<u>Totals</u>
Cash flows from operating activities:				
Cash received from customers	\$ 1,203,557	\$ 6,379,602	\$ 7,310,534	\$ 14,893,693
Cash payments to suppliers for goods and services	(1,341,835)	(1,690,863)	(1,403,480)	(4,436,178)
Cash payments to employees for services	<u> </u>	<u>(1,941,810)</u>	<u>(5,274,005)</u>	<u>(7,215,815)</u>
Net cash provided by (used in) operating activities	<u>(138,278)</u>	<u>2,746,929</u>	<u>633,049</u>	<u>3,241,700</u>
Cash flows from noncapital financing activities:				
Transfers in from other funds	1,200,000	500,000		1,700,000
Transfers out to other funds		(198,100)	(500,000)	(698,100)
Contributions to other governments	<u>(36,350)</u>	<u> </u>	<u> </u>	<u>(36,350)</u>
Net cash provided by (used in) noncapital financing activities	<u>1,163,650</u>	<u>301,900</u>	<u>(500,000)</u>	<u>965,550</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(448)			(448)
Principal paid on bonds	(535,000)			(535,000)
Interest paid	<u>(501,463)</u>	<u>(466)</u>	<u> </u>	<u>(501,929)</u>
Net cash provided by (used in) capital and related financing activities	<u>(1,036,911)</u>	<u>(466)</u>	<u> </u>	<u>(1,037,377)</u>
Cash flows from investing activities:				
Interest and dividends on investments	<u>13,453</u>	<u>174,513</u>	<u>104,005</u>	<u>291,971</u>
Net cash provided by (used in) investing activities	<u>13,453</u>	<u>174,513</u>	<u>104,005</u>	<u>291,971</u>
Net increase (decrease) in cash and cash equivalents	1,914	3,222,876	237,054	3,461,844
Cash and cash equivalents, July 1	<u>741,391</u>	<u>8,825,479</u>	<u>6,143,220</u>	<u>15,710,090</u>
Cash and cash equivalents, June 30	<u>\$ 743,305</u>	<u>\$ 12,048,355</u>	<u>\$ 6,380,274</u>	<u>\$ 19,171,934</u>

Continued

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF CASH FLOWS (continued)
 NONMAJOR PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Municipal Golf Course	Municipal Parking	Building & Safety	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (920,901)	\$ 2,718,350	\$ 660,102	\$ 2,457,551
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	778,966	115		779,081
Change in assets and liabilities:				
(Increase) decrease in accounts receivable		1,347	(800)	547
(Increase) decrease in inventories	1,547			1,547
(Increase) decrease in prepaid items	2,060			2,060
Increase (decrease) in accounts payable	(4,192)	44,597	(2,971)	37,434
Increase (decrease) in salaries payable		(1,333)	(17,219)	(18,552)
Increase (decrease) in intergovernmental payable		(8,366)		(8,366)
Increase (decrease) in compensated absences payable		18,378	(10,673)	7,705
Increase (decrease) in deposits payable	2,300	(2,659)	4,610	4,251
Increase (decrease) in unearned revenue	1,942	(23,500)		(21,558)
Net cash provided by (used in) operating activities	\$ (138,278)	\$ 2,746,929	\$ 633,049	\$ 3,241,700

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
MUNICIPAL GOLF COURSE ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services:				
Other	\$ 947,700	\$ 947,700	\$ 812,368	\$ (135,332)
Miscellaneous	380,000	380,000	386,947	6,947
Total operating revenues	<u>1,327,700</u>	<u>1,327,700</u>	<u>1,199,315</u>	<u>(128,385)</u>
Operating expenses:				
Services and supplies	1,759,485	1,759,485	1,275,708	483,777
Cost of stores issued	78,415	78,415	65,542	12,873
Depreciation	777,065	777,065	778,966	(1,901)
Total operating expenses	<u>2,614,965</u>	<u>2,614,965</u>	<u>2,120,216</u>	<u>494,749</u>
Operating income (loss)	<u>(1,287,265)</u>	<u>(1,287,265)</u>	<u>(920,901)</u>	<u>366,364</u>
Nonoperating revenues (expenses):				
Interest revenue	23,900	23,900	11,920	(11,980)
Interest expense	(497,851)	(497,851)	(497,851)	
Intergovernmental expense	(38,793)	(38,793)	(36,350)	2,443
Total nonoperating revenues (expenses)	<u>(512,744)</u>	<u>(512,744)</u>	<u>(522,281)</u>	<u>(9,537)</u>
Income (loss) before contributions and transfers	(1,800,009)	(1,800,009)	(1,443,182)	356,827
Transfers in	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	
Changes in net assets	(600,009)	(600,009)	(243,182)	356,827
Total net assets, July 1	<u>2,901,175</u>	<u>2,901,175</u>	<u>2,901,175</u>	
Total net assets, June 30	<u>\$ 2,301,166</u>	<u>\$ 2,301,166</u>	<u>\$ 2,657,993</u>	<u>\$ 356,827</u>

See accompanying independent auditor's report.

CITY OF LAS VEGAS, NEVADA
MUNICIPAL PARKING ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS (BUDGET BASIS) - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 1,846,000	\$ 1,846,000	\$ 1,885,977	\$ 39,977
Fines and forfeits	4,150,000	4,150,000	3,928,308	(221,692)
Miscellaneous:				
Parking garage lease	1,105,188	1,105,188	523,582	(581,606)
Other	28,000	28,000	66,547	38,547
Total operating revenues	<u>7,129,188</u>	<u>7,129,188</u>	<u>6,404,414</u>	<u>(724,774)</u>
Operating expenses:				
Salaries and employee benefits	2,200,660	2,200,660	1,958,855	241,805
Services and supplies	1,985,055	1,985,055	1,727,094	257,961
Depreciation	115	115	115	
Total operating expenses	<u>4,185,830</u>	<u>4,185,830</u>	<u>3,686,064</u>	<u>499,766</u>
Operating income (loss)	<u>2,943,358</u>	<u>2,943,358</u>	<u>2,718,350</u>	<u>(225,008)</u>
Nonoperating revenues (expenses):				
Interest revenue	199,560	199,560	180,586	(18,974)
Interest expense	(1,000)	(1,000)	(466)	534
Total nonoperating revenues	<u>198,560</u>	<u>198,560</u>	<u>180,120</u>	<u>(18,440)</u>
Income (loss) before contributions and transfers	3,141,918	3,141,918	2,898,470	(243,448)
Transfers in			500,000	500,000
Transfers out	<u>(198,100)</u>	<u>(198,100)</u>	<u>(198,100)</u>	
Changes in net assets	2,943,818	2,943,818	3,200,370	256,552
Total net assets, July 1	<u>13,167,619</u>	<u>13,167,619</u>	<u>13,167,619</u>	
Total net assets, June 30	<u>\$ 16,111,437</u>	<u>\$ 16,111,437</u>	<u>\$ 16,367,989</u>	<u>\$ 256,552</u>

See accompanying independent auditor's report.

CITY OF LAS VEGAS, NEVADA
 BUILDING & SAFETY ENTERPRISE FUND
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET ASSETS (BUDGET BASIS) - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Licenses and permits:				
Building permits	\$ 4,139,790	\$ 4,139,790	\$ 5,342,512	\$ 1,202,722
Miscellaneous permits	988,190	988,190	1,040,648	52,458
Charges for services	786,269	786,269	922,704	136,435
Miscellaneous	100	100	860	760
Total operating revenues	<u>5,914,349</u>	<u>5,914,349</u>	<u>7,306,724</u>	<u>1,392,375</u>
Operating expenses:				
Salaries and employee benefits	5,920,720	5,920,720	5,246,113	674,607
Services and supplies	1,363,643	1,363,643	1,400,509	(36,866)
Total operating expenses	<u>7,284,363</u>	<u>7,284,363</u>	<u>6,646,622</u>	<u>637,741</u>
Operating income (loss)	<u>(1,370,014)</u>	<u>(1,370,014)</u>	<u>660,102</u>	<u>2,030,116</u>
Nonoperating revenues:				
Interest revenue	175,103	175,103	98,366	(76,737)
Total nonoperating revenues	<u>175,103</u>	<u>175,103</u>	<u>98,366</u>	<u>(76,737)</u>
Income (loss) before contributions and transfers	(1,194,911)	(1,194,911)	758,468	1,953,379
Transfers out	<u> </u>	<u>(500,000)</u>	<u>(500,000)</u>	<u> </u>
Changes in net assets	(1,194,911)	(1,694,911)	258,468	1,953,379
Total net assets, July 1	<u>4,749,131</u>	<u>4,749,131</u>	<u>4,749,131</u>	<u> </u>
Total net assets, June 30	<u>\$ 3,554,220</u>	<u>\$ 3,054,220</u>	<u>\$ 5,007,599</u>	<u>\$ 1,953,379</u>

See accompanying independent auditor's report.

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THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

INTERNAL SERVICE FUNDS



INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency of a government to other departments or agencies on a cost reimbursement basis. Accounting for Internal Service Funds as a proprietary fund type is designed to accumulate the total cost (including depreciation) of providing a particular service. Costs of services are reimbursed by the departments or agencies to which the service is provided.

Reimbursable Expense Fund—This fund is used to account for miscellaneous costs of services and supplies which are incurred on behalf of private enterprises and other governmental entities.

Fire Communications Fund—This fund is used to account for the costs of providing emergency dispatch services for the entire Las Vegas valley area. Through an interlocal agreement, the costs of operations are shared by the City and other governmental entities who are billed quarterly.

Print Media Fund—This fund is used to account for the costs of materials, supplies and graphic reproduction services to City departments and agencies which are charged at cost plus a handling fee.

Computer Services Fund—This fund is used to account for the purchase, software licensing, and maintenance of personal computers.

Communications Fund—This fund is used to account for the costs of purchasing and maintaining radios, pagers, cellular and telephone equipment used by City departments. Each department is charged for usage at a ratio to allow recovery of acquisition costs, maintenance and repair of the equipment.

Automotive Operations Fund—This fund is used to account for the acquisition, replacement, maintenance and repair of the City's fleet of vehicles and equipment as well as the operating costs of the central garage and its satellites. City departments and agencies are charged monthly fees to allow recovery of costs.

Employee Benefit Fund—This fund is used 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 provided to employees and their dependents. The fund includes the City's Workers' Compensation self-insurance program which expends payment of claims, as required by law, to employees injured by accident at work.

Liability Insurance & Property Damage Fund—This fund is used to account for monies collected for the self-insurance program from City departments to be expended for payment of claims, to certain legal limits, for casualty and accident insurance and to cover damage and loss of City-owned assets.

City Facilities Fund—This fund is used to account for all costs associated with the utilities, maintenance, custodial and remodeling services for City-owned facilities.

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 JUNE 30, 2011

	<u>Reimbursable</u> <u>Expenses</u>		<u>Fire</u> <u>Communications</u>		<u>Print</u> <u>Media</u>		<u>Computer</u> <u>Services</u>		<u>Communications</u>		<u>Automotive</u> <u>Operations</u>
ASSETS											
Current assets:											
Pooled cash and investments	\$ 445,351	\$	2,382,600	\$	245,914	\$	4,758,967	\$	305,096	\$	5,666,905
Other investments											
Receivables (net of allowances for uncollectibles):											
Accounts	128										18,992
Interest	6,479		9,737		1,010		22,237		1,293		68,018
Loans	31,250										
Intergovernmental	5,720		163,165								20,100
Due from other funds	1,434,974				23,076						
Inventories					64,983		131,405				406,194
Deposits											
Total current assets	<u>1,923,902</u>		<u>2,555,502</u>		<u>334,983</u>		<u>4,912,609</u>		<u>306,389</u>		<u>6,180,209</u>
Noncurrent assets:											
Capital assets:											
Land improvements											257,077
Buildings					499,416						3,486,899
Building improvements			4,349,414		74,021						56,882
Machinery and equipment			1,595,511		562,989		1,170,083		538,080		385,428
Vehicles											32,683,112
Less accumulated depreciation			<u>(5,563,671)</u>		<u>(934,969)</u>		<u>(831,533)</u>		<u>(368,855)</u>		<u>(28,515,863)</u>
Total capital assets (net of accumulated depreciation)	<u>0</u>		<u>381,254</u>		<u>201,457</u>		<u>338,550</u>		<u>169,225</u>		<u>8,353,535</u>
Total assets	<u>1,923,902</u>		<u>2,936,756</u>		<u>536,440</u>		<u>5,251,159</u>		<u>475,614</u>		<u>14,533,744</u>

<u>Employee Benefit</u>	<u>Liability Insurance & Property Damage</u>	<u>City Facilities</u>	<u>Totals</u>
\$ 29,074,033	\$ 36,924	\$ 8,105,885	\$ 51,021,675
3,038,300	5,536,420		8,574,720
2,195,328	157,717	10,806	2,382,971
147,324	30,015	51,643	337,756
			31,250
			188,985
			1,458,050
			602,582
	105,515		105,515
<u>34,454,985</u>	<u>5,866,591</u>	<u>8,168,334</u>	<u>64,703,504</u>
			257,077
			3,986,315
2,210			4,482,527
5,670	8,380	12,535	4,278,676
			32,683,112
<u>(7,880)</u>	<u>(8,380)</u>	<u>(418)</u>	<u>(36,231,569)</u>
<u>0</u>	<u>0</u>	<u>12,117</u>	<u>9,456,138</u>
<u>34,454,985</u>	<u>5,866,591</u>	<u>8,180,451</u>	<u>74,159,642</u>

Continued

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF NET ASSETS (continued)
 INTERNAL SERVICE FUNDS
 JUNE 30, 2011

	<u>Reimbursable Expenses</u>	<u>Fire Communications</u>	<u>Print Media</u>	<u>Computer Services</u>	<u>Communications</u>	<u>Automotive Operations</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 11,488	\$ 21,175	\$ 44,827	\$ 97,194	\$ 33,605	\$ 216,040
Salaries payable	57,451	160,614	9,826	40,298	5,972	67,992
Compensated absences payable	202,159	371,760	16,014	91,043	34,260	384,475
Deposits payable		270,706				
Benefits payable						
Claims and judgments payable						
Contracts payable						
Total current liabilities	<u>271,098</u>	<u>824,255</u>	<u>70,667</u>	<u>228,535</u>	<u>73,837</u>	<u>668,507</u>
Noncurrent liabilities:						
Compensated absences payable	82,199	151,160	6,511	37,019	13,931	156,331
Heart lung presumptive liability						
Total noncurrent liabilities	<u>82,199</u>	<u>151,160</u>	<u>6,511</u>	<u>37,019</u>	<u>13,931</u>	<u>156,331</u>
Total liabilities	<u>353,297</u>	<u>975,415</u>	<u>77,178</u>	<u>265,554</u>	<u>87,768</u>	<u>824,838</u>
NET ASSETS						
Invested in capital assets		381,254	201,457	338,550	169,225	8,353,535
Unrestricted	<u>1,570,605</u>	<u>1,580,087</u>	<u>257,805</u>	<u>4,647,055</u>	<u>218,621</u>	<u>5,355,371</u>
Total net assets	<u>\$ 1,570,605</u>	<u>\$ 1,961,341</u>	<u>\$ 459,262</u>	<u>\$ 4,985,605</u>	<u>\$ 387,846</u>	<u>\$ 13,708,906</u>

See accompanying independent auditors' report.

<u>Employee Benefit</u>	<u>Liability Insurance & Property Damage</u>	<u>City Facilities</u>	<u>Totals</u>
\$ 238,337	\$ 2,227	\$ 580,585	\$ 1,245,478
1,222,317	12,048	184,813	1,761,331
42,351	32,671	893,045	2,067,778
		8,297	279,003
8,661,513			8,661,513
	457,049		457,049
		2,368	2,368
<u>10,164,518</u>	<u>503,995</u>	<u>1,669,108</u>	<u>14,474,520</u>
17,220	13,284	363,120	840,775
<u>5,121,023</u>			<u>5,121,023</u>
<u>5,138,243</u>	<u>13,284</u>	<u>363,120</u>	<u>5,961,798</u>
<u>15,302,761</u>	<u>517,279</u>	<u>2,032,228</u>	<u>20,436,318</u>
		12,117	9,456,138
<u>19,152,224</u>	<u>5,349,312</u>	<u>6,136,106</u>	<u>44,267,186</u>
<u>\$ 19,152,224</u>	<u>\$ 5,349,312</u>	<u>\$ 6,148,223</u>	<u>\$ 53,723,324</u>

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Reimbursable Expenses</u>	<u>Fire Communications</u>	<u>Print Media</u>	<u>Computer Services</u>	<u>Communications</u>
Operating revenues:					
Charges for services	\$ 3,178,181	\$ 8,872,905	\$ 1,096,594	\$ 6,008,175	\$ 1,493,294
Miscellaneous	5	8,245		16,867	15,348
Total operating revenues	<u>3,178,186</u>	<u>8,881,150</u>	<u>1,096,594</u>	<u>6,025,042</u>	<u>1,508,642</u>
Operating expenses:					
Salaries and employee benefits	2,648,772	7,154,883	322,528	1,576,258	288,569
Services and supplies	538,805	1,636,535	734,521	4,560,101	1,142,264
Cost of stores issued			33,525	104,443	
Insurance claims					
Insurance premiums					
Depreciation		275,714	38,622	118,547	52,709
Total operating expenses	<u>3,187,577</u>	<u>9,067,132</u>	<u>1,129,196</u>	<u>6,359,349</u>	<u>1,483,542</u>
Operating income (loss)	<u>(9,391)</u>	<u>(185,982)</u>	<u>(32,602)</u>	<u>(334,307)</u>	<u>25,100</u>
Nonoperating revenues (expenses):					
Interest revenue	26,195	20,209	3,643	76,211	3,816
Gain (loss) on sale of capital assets					
Intergovernmental expense					
Total nonoperating revenues (expenses)	<u>26,195</u>	<u>20,209</u>	<u>3,643</u>	<u>76,211</u>	<u>3,816</u>
Income (loss) before contributions and transfers	16,804	(165,773)	(28,959)	(258,096)	28,916
Transfers in					
Transfers out					
Changes in net assets	16,804	(165,773)	(28,959)	(258,096)	28,916
Total net assets, July 1	<u>1,553,801</u>	<u>2,127,114</u>	<u>488,221</u>	<u>5,243,701</u>	<u>358,930</u>
Total net assets, June 30	<u>\$ 1,570,605</u>	<u>\$ 1,961,341</u>	<u>\$ 459,262</u>	<u>\$ 4,985,605</u>	<u>\$ 387,846</u>

See accompanying independent auditors' report.

<u>Automotive Operations</u>	<u>Employee Benefit</u>	<u>Liability Insurance & Property Damage</u>	<u>City Facilities</u>	<u>Totals</u>
\$ 11,842,013	\$ 148,013,395	\$ 1,944,185	\$ 23,945,373	\$ 206,394,115
37,812	34,266	83,072	599,204	794,819
<u>11,879,825</u>	<u>148,047,661</u>	<u>2,027,257</u>	<u>24,544,577</u>	<u>207,188,934</u>
2,849,589	140,000,557	470,619	7,601,631	162,913,406
1,198,663	1,327,859	382,831	11,045,214	22,566,793
3,111,923				3,249,891
	15,529,920	821,598		16,351,518
	3,308,030	249,588		3,557,618
<u>3,244,951</u>			<u>418</u>	<u>3,730,961</u>
<u>10,405,126</u>	<u>160,166,366</u>	<u>1,924,636</u>	<u>18,647,263</u>	<u>212,370,187</u>
<u>1,474,699</u>	<u>(12,118,705)</u>	<u>102,621</u>	<u>5,897,314</u>	<u>(5,181,253)</u>
297,367	482,271	141,373	178,122	1,229,207
11,929				11,929
	<u>(2,240,824)</u>			<u>(2,240,824)</u>
<u>309,296</u>	<u>(1,758,553)</u>	<u>141,373</u>	<u>178,122</u>	<u>(999,688)</u>
1,783,995	(13,877,258)	243,994	6,075,436	(6,180,941)
	17,579,405			17,579,405
<u>(22,253,000)</u>		<u>(3,529,000)</u>	<u>(4,913,191)</u>	<u>(30,695,191)</u>
(20,469,005)	3,702,147	(3,285,006)	1,162,245	(19,296,727)
<u>34,177,911</u>	<u>15,450,077</u>	<u>8,634,318</u>	<u>4,985,978</u>	<u>73,020,051</u>
<u>\$ 13,708,906</u>	<u>\$ 19,152,224</u>	<u>\$ 5,349,312</u>	<u>\$ 6,148,223</u>	<u>\$ 53,723,324</u>

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Reimbursable Expenses</u>	<u>Fire Communications</u>	<u>Print Media</u>	<u>Computer Services</u>	<u>Communications</u>
Cash flows from operating activities:					
Cash received from customers	\$ 23,339	\$ 5,946,475	\$ 4,449	\$	\$ 15,348
Cash received from internal services provided	2,063,609	3,817,154	1,070,977	6,025,042	1,493,294
Cash payments to suppliers for goods and services	(519,740)	(1,634,409)	(793,161)	(4,764,465)	(1,120,965)
Cash payments to employees for services	<u>(2,660,632)</u>	<u>(7,101,158)</u>	<u>(359,286)</u>	<u>(1,578,344)</u>	<u>(289,114)</u>
Net cash provided by (used in) operating activities	<u>(1,093,424)</u>	<u>1,028,062</u>	<u>(77,021)</u>	<u>(317,767)</u>	<u>98,563</u>
Cash flows from noncapital financing activities:					
Transfers in from other funds					
Transfers out to other funds					
Subsidies paid to other governments	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash provided by (used in) noncapital financing activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets		(68,133)			
Proceeds from sale of capital assets	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash provided by (used in) capital and related financing activities	<u>0</u>	<u>(68,133)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash flows from investing activities:					
Interest and dividends on investments	<u>27,828</u>	<u>18,833</u>	<u>4,278</u>	<u>82,176</u>	<u>3,526</u>
Net cash provided by (used in) investing activities	<u>27,828</u>	<u>18,833</u>	<u>4,278</u>	<u>82,176</u>	<u>3,526</u>
Net increase (decrease) in cash and cash equivalents	(1,065,596)	978,762	(72,743)	(235,591)	102,089
Cash and cash equivalents, July 1	<u>1,510,947</u>	<u>1,403,838</u>	<u>318,657</u>	<u>4,994,558</u>	<u>203,007</u>
Cash and cash equivalents, June 30	<u>\$ 445,351</u>	<u>\$ 2,382,600</u>	<u>\$ 245,914</u>	<u>\$ 4,758,967</u>	<u>\$ 305,096</u>

See accompanying independent auditors' report.

<u>Automotive Operations</u>	<u>Employee Benefit</u>	<u>Liability Insurance & Property Damage</u>	<u>City Facilities</u>	<u>Totals</u>
\$ 240,168	\$ 2,622,222	\$ 328,551	\$ 594,967	\$ 9,775,519
11,657,460	143,827,727	1,690,371	23,815,373	195,461,007
(4,446,829)	(20,017,618)	(1,447,681)	(11,187,994)	(45,932,862)
<u>(2,902,799)</u>	<u>(140,224,685)</u>	<u>(463,645)</u>	<u>(7,615,580)</u>	<u>(163,195,243)</u>
<u>4,548,000</u>	<u>(13,792,354)</u>	<u>107,596</u>	<u>5,606,766</u>	<u>(3,891,579)</u>
	17,579,405			17,579,405
(22,253,000)	(2,240,824)	(3,529,000)	(4,913,191)	(30,695,191)
<u>(22,253,000)</u>	<u>15,338,581</u>	<u>(3,529,000)</u>	<u>(4,913,191)</u>	<u>(15,356,610)</u>
(1,583,624)			(12,535)	(1,664,292)
<u>11,929</u>				<u>11,929</u>
<u>(1,571,695)</u>	<u>0</u>	<u>0</u>	<u>(12,535)</u>	<u>(1,652,363)</u>
<u>364,141</u>	<u>537,574</u>	<u>243,629</u>	<u>126,479</u>	<u>1,408,464</u>
<u>364,141</u>	<u>537,574</u>	<u>243,629</u>	<u>126,479</u>	<u>1,408,464</u>
(18,912,554)	2,083,801	(3,177,775)	807,519	(19,492,088)
<u>24,579,459</u>	<u>26,990,232</u>	<u>3,214,699</u>	<u>7,298,366</u>	<u>70,513,763</u>
<u>\$ 5,666,905</u>	<u>\$ 29,074,033</u>	<u>\$ 36,924</u>	<u>\$ 8,105,885</u>	<u>\$ 51,021,675</u>

Continued

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF CASH FLOWS (continued)
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Reimbursable Expenses</u>	<u>Fire Communications</u>	<u>Print Media</u>	<u>Computer Services</u>	<u>Communications</u>	<u>Automotive Operations</u>
Reconciliation of operating income (loss)						
to net cash provided by (used in)						
operating activities:						
Operating income (loss)	\$ (9,391)	\$ (185,982)	\$ (32,602)	\$ (334,307)	\$ 25,100	\$ 1,474,699
Adjustments to reconcile operating						
income (loss) to net cash provided						
by (used in) operating activities:						
Depreciation		275,714	38,622	118,547	52,709	3,244,951
Change in assets and liabilities:						
(Increase) decrease in						
accounts receivable	(128)					37,903
(Increase) decrease in						
loans receivable	9,626					
(Increase) decrease in inter-						
governmental receivable	259	918,562				(20,100)
(Increase) decrease in due						
from other funds	(1,091,369)		(21,168)			
(Increase) decrease in						
inventories			(6,806)	(20,634)		(61,236)
Increase (decrease) in						
accounts payable	9,439	2,126	(18,309)	(79,287)	21,299	(75,007)
Increase (decrease) in						
salaries payable	(20,099)	832	(210)	(3,259)	906	(7,321)
Increase (decrease) in						
compensated absences						
payable	8,239	52,893	(36,548)	1,173	(1,451)	(45,889)
Increase (decrease) in						
deposits payable		(22,251)				
Increase (decrease) in						
contracts payable						
Increase (decrease) in						
benefits payable						
Increase (decrease) in claims						
and judgments payable						
Increase (decrease) in						
unearned revenue						
Increase (decrease) in						
intergovernmental payable		(13,832)				
Net cash provided by (used in)						
operating activities	<u>\$ (1,093,424)</u>	<u>\$ 1,028,062</u>	<u>\$ (77,021)</u>	<u>\$ (317,767)</u>	<u>\$ 98,563</u>	<u>\$ 4,548,000</u>
Decrease in fair value of investments						

See accompanying independent auditors' report.

<u>Employee Benefit</u>	<u>Liability Insurance & Property Damage</u>	<u>City Facilities</u>	<u>Totals</u>
\$ (12,118,705)	\$ 102,621	\$ 5,897,314	\$ (5,181,253)
		418	3,730,961
(1,597,712)	(15,067)	(2,479)	(1,577,483)
			9,626
	6,732		905,453
			(1,112,537)
			(88,676)
165,254	(11,797)	(145,148)	(131,430)
(217,122)	(5,036)	(21,963)	(273,272)
(7,006)	12,010	8,014	(8,565)
		(1,758)	(24,009)
		2,368	2,368
(17,063)			(17,063)
	18,133		18,133
		(130,000)	(130,000)
			<u>(13,832)</u>
\$ <u>(13,792,354)</u>	\$ <u>107,596</u>	\$ <u>5,606,766</u>	\$ <u>(3,891,579)</u>
26,390	39,995		66,385

CITY OF LAS VEGAS, NEVADA
REIMBURSABLE EXPENSES INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 3,842,395	\$ 3,842,395	\$ 3,178,181	\$ (664,214)
Miscellaneous			5	5
Total operating revenues	<u>3,842,395</u>	<u>3,842,395</u>	<u>3,178,186</u>	<u>(664,209)</u>
Operating expenses:				
Salaries and employee benefits	3,063,680	3,063,680	2,648,772	414,908
Services and supplies	780,065	780,065	538,805	241,260
Total operating expenses	<u>3,843,745</u>	<u>3,843,745</u>	<u>3,187,577</u>	<u>656,168</u>
Operating income (loss)	<u>(1,350)</u>	<u>(1,350)</u>	<u>(9,391)</u>	<u>(8,041)</u>
Nonoperating revenues (expenses):				
Interest revenue	37,387	37,387	26,195	(11,192)
Total nonoperating revenues (expenses)	<u>37,387</u>	<u>37,387</u>	<u>26,195</u>	<u>(11,192)</u>
Changes in net assets	36,037	36,037	16,804	(19,233)
Total net assets, July 1	<u>1,553,801</u>	<u>1,553,801</u>	<u>1,553,801</u>	
Total net assets, June 30	<u>\$ 1,589,838</u>	<u>\$ 1,589,838</u>	<u>\$ 1,570,605</u>	<u>\$ (19,233)</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 FIRE COMMUNICATIONS INTERNAL SERVICE FUND
 SCHEDULE OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 9,517,006	\$ 9,517,006	\$ 8,872,905	\$ (644,101)
Miscellaneous			8,245	8,245
Total operating revenues	<u>9,517,006</u>	<u>9,517,006</u>	<u>8,881,150</u>	<u>(635,856)</u>
Operating expenses:				
Salaries and employee benefits	7,408,840	7,408,840	7,154,883	253,957
Services and supplies	2,108,166	2,108,166	1,636,535	471,631
Depreciation	273,700	273,700	275,714	(2,014)
Total operating expenses	<u>9,790,706</u>	<u>9,790,706</u>	<u>9,067,132</u>	<u>723,574</u>
Operating income (loss)	<u>(273,700)</u>	<u>(273,700)</u>	<u>(185,982)</u>	<u>87,718</u>
Nonoperating revenues (expenses):				
Interest revenue	31,114	31,114	20,209	(10,905)
Total nonoperating revenues (expenses)	<u>31,114</u>	<u>31,114</u>	<u>20,209</u>	<u>(10,905)</u>
Changes in net assets	(242,586)	(242,586)	(165,773)	76,813
Total net assets, July 1	<u>2,127,114</u>	<u>2,127,114</u>	<u>2,127,114</u>	
Total net assets, June 30	<u>\$ 1,884,528</u>	<u>\$ 1,884,528</u>	<u>\$ 1,961,341</u>	<u>\$ 76,813</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
 PRINT MEDIA INTERNAL SERVICE FUND
 SCHEDULE OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 1,040,987	\$ 1,040,987	\$ 1,096,594	\$ 55,607
Total operating revenues	<u>1,040,987</u>	<u>1,040,987</u>	<u>1,096,594</u>	<u>55,607</u>
Operating expenses:				
Salaries and employee benefits	330,460	330,460	322,528	7,932
Services and supplies	624,822	624,822	734,521	(109,699)
Cost of stores issued	100,000	100,000	33,525	66,475
Depreciation	63,332	63,332	38,622	24,710
Total operating expenses	<u>1,118,614</u>	<u>1,118,614</u>	<u>1,129,196</u>	<u>(10,582)</u>
Operating income (loss)	<u>(77,627)</u>	<u>(77,627)</u>	<u>(32,602)</u>	<u>45,025</u>
Nonoperating revenues (expenses):				
Interest revenue	10,126	10,126	3,643	(6,483)
Total nonoperating revenues (expenses)	<u>10,126</u>	<u>10,126</u>	<u>3,643</u>	<u>(6,483)</u>
Income (loss) before contributions and transfers	(67,501)	(67,501)	(28,959)	38,542
Transfers out	<u>(350,000)</u>	<u>(350,000)</u>	<u> </u>	<u>350,000</u>
Changes in net assets	(417,501)	(417,501)	(28,959)	388,542
Total net assets, July 1	<u>488,221</u>	<u>488,221</u>	<u>488,221</u>	<u> </u>
Total net assets, June 30	<u>\$ 70,720</u>	<u>\$ 70,720</u>	<u>\$ 459,262</u>	<u>\$ 388,542</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
COMPUTER SERVICES INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 6,673,853	\$ 6,673,853	\$ 6,008,175	\$ (665,678)
Miscellaneous			16,867	16,867
Total operating revenues	<u>6,673,853</u>	<u>6,673,853</u>	<u>6,025,042</u>	<u>(648,811)</u>
Operating expenses:				
Salaries and employee benefits	1,674,830	1,674,830	1,576,258	98,572
Services and supplies	6,281,459	6,281,459	4,560,101	1,721,358
Cost of stores issued	1,206,300	1,206,300	104,443	1,101,857
Depreciation	160,000	160,000	118,547	41,453
Total operating expenses	<u>9,322,589</u>	<u>9,322,589</u>	<u>6,359,349</u>	<u>2,963,240</u>
Operating income (loss)	<u>(2,648,736)</u>	<u>(2,648,736)</u>	<u>(334,307)</u>	<u>2,314,429</u>
Nonoperating revenues (expenses):				
Interest revenue	141,047	141,047	76,211	(64,836)
Total nonoperating revenues (expenses)	<u>141,047</u>	<u>141,047</u>	<u>76,211</u>	<u>(64,836)</u>
Income (loss) before contributions and transfers	(2,507,689)	(2,507,689)	(258,096)	2,249,593
Transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u> </u>	<u>1,000,000</u>
Changes in net assets	(3,507,689)	(3,507,689)	(258,096)	3,249,593
Total net assets, July 1	<u>5,243,701</u>	<u>5,243,701</u>	<u>5,243,701</u>	<u> </u>
Total net assets, June 30	<u>\$ 1,736,012</u>	<u>\$ 1,736,012</u>	<u>\$ 4,985,605</u>	<u>\$ 3,249,593</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
COMMUNICATIONS INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 1,623,413	\$ 1,623,413	\$ 1,493,294	\$ (130,119)
Miscellaneous			15,348	15,348
Total operating revenues	<u>1,623,413</u>	<u>1,623,413</u>	<u>1,508,642</u>	<u>(114,771)</u>
Operating expenses:				
Salaries and employee benefits	282,250	282,250	288,569	(6,319)
Services and supplies	1,445,296	1,445,296	1,142,264	303,032
Cost of stores issued	25,000	25,000		25,000
Depreciation	52,709	52,709	52,709	0
Total operating expenses	<u>1,805,255</u>	<u>1,805,255</u>	<u>1,483,542</u>	<u>321,713</u>
Operating income (loss)	<u>(181,842)</u>	<u>(181,842)</u>	<u>25,100</u>	<u>206,942</u>
Nonoperating revenues:				
Interest revenue	24,721	24,721	3,816	(20,905)
Total nonoperating revenues	<u>24,721</u>	<u>24,721</u>	<u>3,816</u>	<u>(20,905)</u>
Income (loss) before contributions and transfers	(157,121)	(157,121)	28,916	186,037
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>		<u>200,000</u>
Changes in net assets	(357,121)	(357,121)	28,916	386,037
Total net assets, July 1	<u>358,930</u>	<u>358,930</u>	<u>358,930</u>	
Total net assets, June 30	<u>\$ 1,809</u>	<u>\$ 1,809</u>	<u>\$ 387,846</u>	<u>\$ 386,037</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
AUTOMOTIVE OPERATIONS INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 12,366,764	\$ 12,366,764	\$ 11,842,013	\$ (524,751)
Miscellaneous	<u>104,716</u>	<u>104,716</u>	<u>37,812</u>	<u>(66,904)</u>
Total operating revenues	<u>12,471,480</u>	<u>12,471,480</u>	<u>11,879,825</u>	<u>(591,655)</u>
Operating expenses:				
Salaries and employee benefits	3,272,070	3,272,070	2,849,589	422,481
Services and supplies	2,527,535	2,527,535	1,198,663	1,328,872
Cost of stores issued	3,135,500	3,135,500	3,111,923	23,577
Depreciation	<u>3,995,000</u>	<u>3,995,000</u>	<u>3,244,951</u>	<u>750,049</u>
Total operating expenses	<u>12,930,105</u>	<u>12,930,105</u>	<u>10,405,126</u>	<u>2,524,979</u>
Operating income (loss)	<u>(458,625)</u>	<u>(458,625)</u>	<u>1,474,699</u>	<u>1,933,324</u>
Nonoperating revenues:				
Interest revenue	74,510	74,510	297,367	222,857
Gain (loss) on sale of capital assets	<u>100,000</u>	<u>100,000</u>	<u>11,929</u>	<u>(88,071)</u>
Total nonoperating revenues	<u>174,510</u>	<u>174,510</u>	<u>309,296</u>	<u>134,786</u>
Income (loss) before contributions and transfers	(284,115)	(284,115)	1,783,995	2,068,110
Transfers out	<u>(22,250,000)</u>	<u>(22,250,000)</u>	<u>(22,253,000)</u>	<u>(3,000)</u>
Changes in net assets	(22,534,115)	(22,534,115)	(20,469,005)	2,065,110
Total net assets, July 1	<u>34,177,911</u>	<u>34,177,911</u>	<u>34,177,911</u>	
Total net assets, June 30	<u>\$ 11,643,796</u>	<u>\$ 11,643,796</u>	<u>\$ 13,708,906</u>	<u>\$ 2,065,110</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
EMPLOYEE BENEFIT INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 149,228,000	\$ 149,228,000	\$ 148,013,395	\$ (1,214,605)
Miscellaneous			34,266	34,266
Total operating revenues	<u>149,228,000</u>	<u>149,228,000</u>	<u>148,047,661</u>	<u>(1,180,339)</u>
Operating expenses:				
Salaries and employee benefits	123,823,000	135,783,000	140,000,557	(4,217,557)
Services and supplies	1,500,000	1,500,000	1,327,859	172,141
Insurance claims	17,500,000	18,340,000	15,529,920	2,810,080
Insurance premiums	4,000,000	4,300,000	3,308,030	991,970
Total operating expenses	<u>146,823,000</u>	<u>159,923,000</u>	<u>160,166,366</u>	<u>(243,366)</u>
Operating income (loss)	<u>2,405,000</u>	<u>(10,695,000)</u>	<u>(12,118,705)</u>	<u>(1,423,705)</u>
Nonoperating revenues (expenses):				
Interest revenue	1,008,000	1,008,000	482,271	(525,729)
Intergovernmental expense	(2,100,000)	(2,250,000)	(2,240,824)	9,176
Total nonoperating revenues (expenses)	<u>(1,092,000)</u>	<u>(1,242,000)</u>	<u>(1,758,553)</u>	<u>(516,553)</u>
Income (loss) before contributions and transfers	1,313,000	(11,937,000)	(13,877,258)	(1,940,258)
Transfers in	<u>17,579,405</u>	<u>17,579,405</u>	<u>17,579,405</u>	
Changes in net assets	18,892,405	5,642,405	3,702,147	(1,940,258)
Total net assets, July 1	<u>15,450,077</u>	<u>15,450,077</u>	<u>15,450,077</u>	
Total net assets, June 30	<u>\$ 34,342,482</u>	<u>\$ 21,092,482</u>	<u>\$ 19,152,224</u>	<u>\$ (1,940,258)</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
LIABILITY INSURANCE AND PROPERTY DAMAGE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 1,800,000	\$ 1,800,000	\$ 1,944,185	\$ 144,185
Miscellaneous			83,072	83,072
Total operating revenues	<u>1,800,000</u>	<u>1,800,000</u>	<u>2,027,257</u>	<u>227,257</u>
Operating expenses:				
Salaries and employee benefits	511,340	511,340	470,619	40,721
Services and supplies	330,000	330,000	382,831	(52,831)
Insurance claims	800,000	800,000	821,598	(21,598)
Insurance premiums	350,000	350,000	249,588	100,412
Total operating expenses	<u>1,991,340</u>	<u>1,991,340</u>	<u>1,924,636</u>	<u>66,704</u>
Operating income (loss)	<u>(191,340)</u>	<u>(191,340)</u>	<u>102,621</u>	<u>293,961</u>
Nonoperating revenues:				
Interest revenue	193,600	193,600	141,373	(52,227)
Total nonoperating revenues	<u>193,600</u>	<u>193,600</u>	<u>141,373</u>	<u>(52,227)</u>
Income (loss) before contributions and transfers	2,260	2,260	243,994	241,734
Transfers out	<u>(3,529,000)</u>	<u>(3,529,000)</u>	<u>(3,529,000)</u>	
Changes in net assets	(3,526,740)	(3,526,740)	(3,285,006)	241,734
Total net assets, July 1	<u>8,634,318</u>	<u>8,634,318</u>	<u>8,634,318</u>	
Total net assets, June 30	<u>\$ 5,107,578</u>	<u>\$ 5,107,578</u>	<u>\$ 5,349,312</u>	<u>\$ 241,734</u>

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
CITY FACILITIES INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
Charges for services	\$ 22,490,968	\$ 22,490,968	\$ 23,945,373	\$ 1,454,405
Miscellaneous	401,815	401,815	599,204	197,389
Total operating revenues	<u>22,892,783</u>	<u>22,892,783</u>	<u>24,544,577</u>	<u>1,651,794</u>
Operating expenses:				
Salaries and employee benefits	8,495,020	8,495,020	7,601,631	893,389
Services and supplies	14,397,763	14,397,763	11,045,214	3,352,549
Depreciation			418	(418)
Total operating expenses	<u>22,892,783</u>	<u>22,892,783</u>	<u>18,647,263</u>	<u>4,245,520</u>
Operating income (loss)	<u>0</u>	<u>0</u>	<u>5,897,314</u>	<u>5,897,314</u>
Nonoperating revenues:				
Interest revenue			178,122	178,122
Total nonoperating revenues	<u>0</u>	<u>0</u>	<u>178,122</u>	<u>178,122</u>
Income (loss) before contributions and transfers	0	0	6,075,436	6,075,436
Transfers out	<u>(3,301,916)</u>	<u>(5,001,916)</u>	<u>(4,913,191)</u>	<u>88,725</u>
Changes in net assets	(3,301,916)	(5,001,916)	1,162,245	6,164,161
Total net assets, July 1	<u>4,985,978</u>	<u>4,985,978</u>	<u>4,985,978</u>	
Total net assets, June 30	<u>\$ 1,684,062</u>	<u>\$ (15,938)</u>	<u>\$ 6,148,223</u>	<u>\$ 6,164,161</u>

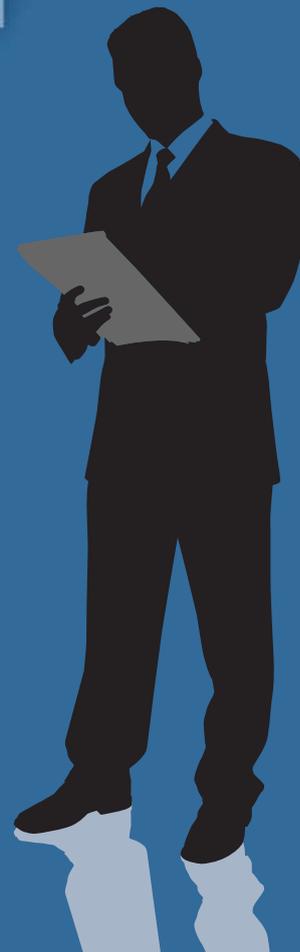
See accompanying independent auditors' report.



THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FIDUCIARY
FUNDS**



Fiduciary Funds

AGENCY FUNDS

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, and other governments. These funds are custodial in nature and do not involve measurement of operations. Agency Funds are merely clearing accounts and have no fund equity.

Deposits Fund—This fund is used to account for the collection and disbursement of monies deposited with the City. Monies collected and disbursed from this fund include room tax, local gaming tax, payroll deductions, unclaimed monies, water planning fees and various other deposits.

Municipal Court Bail Fund—This fund is used to account for the collection and disbursement of monies deposited by individuals awaiting trial and final adjudication of the charges filed against them.

Developer Special Assessment Fund—This fund is used to account for the debt service, collection of assessments and arbitrage payments for developer special improvement districts on behalf of the property owners. The City is not obligated in any manner for the debt and is only acting as an agent for the assessed property owners and the bondholders.

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2011

	AGENCY	
	Deposits	Municipal Court Bail
ASSETS		
Pooled cash and investments	\$ 7,351,559	\$ 3,389,308
Receivables (net of allowances for uncollectibles):		
Interest		
Total assets	\$ 7,351,559	\$ 3,389,308
 LIABILITIES		
Deposits payable	\$ 5,478,320	\$
Intergovernmental payable	1,544,431	673,950
Outstanding bail payable		2,715,358
Unclaimed monies payable	328,808	
Arbitrage rebate payable		
Total liabilities	\$ 7,351,559	\$ 3,389,308

FUNDS

<u>Developer Special Assessment</u>	<u>Totals</u>
\$ 16,435,347	\$ 27,176,214
<u>68</u>	<u>68</u>
<u>\$ 16,435,415</u>	<u>\$ 27,176,282</u>

\$ 16,435,412	\$ 21,913,732
	2,218,381
	2,715,358
	328,808
<u>3</u>	<u>3</u>
<u>\$ 16,435,415</u>	<u>\$ 27,176,282</u>

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND
 LIABILITIES - ALL AGENCY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
DEPOSITS FUND:				
ASSETS				
Pooled cash and investments	\$ 8,437,030	\$ 246,305,894	\$ 247,391,365	\$ 7,351,559
Total assets	<u>\$ 8,437,030</u>	<u>\$ 246,305,894</u>	<u>\$ 247,391,365</u>	<u>\$ 7,351,559</u>
LIABILITIES				
Accounts payable	\$	\$ 15,614,224	\$ 15,614,224	\$
Salaries payable		239,830,187	239,830,187	
Deposits payable	6,620,777	1,003,094	2,145,551	5,478,320
Intergovernmental payable	1,668,429	44,502,241	44,626,239	1,544,431
Payroll liabilities payable		55,056,561	55,056,561	
Unclaimed monies payable	147,824	401,142	220,158	328,808
Total liabilities	<u>\$ 8,437,030</u>	<u>\$ 356,407,449</u>	<u>\$ 357,492,920</u>	<u>\$ 7,351,559</u>
MUNICIPAL COURT BAIL FUND:				
ASSETS				
Pooled cash and investments	\$ 3,829,428	\$ 11,592,645	\$ 12,032,765	\$ 3,389,308
Total assets	<u>\$ 3,829,428</u>	<u>\$ 11,592,645</u>	<u>\$ 12,032,765</u>	<u>\$ 3,389,308</u>
LIABILITIES				
Accounts payable	\$	\$ 9,585,291	\$ 9,585,291	\$
Intergovernmental payable	710,295	9,001,688	9,038,033	673,950
Outstanding bail payable	3,119,133	5,022,771	5,426,546	2,715,358
Total liabilities	<u>\$ 3,829,428</u>	<u>\$ 23,609,750</u>	<u>\$ 24,049,870</u>	<u>\$ 3,389,308</u>

See accompanying independent auditor's report.

Continued

CITY OF LAS VEGAS, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND
 LIABILITIES - ALL AGENCY FUNDS (continued)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
DEVELOPER SPECIAL ASSESSMENT FUND:				
ASSETS				
Pooled cash and investments	\$ 16,436,617	\$ 32,747,599	\$ 32,748,869	\$ 16,435,347
Interest receivable	313	68	313	68
Total assets	\$ 16,436,930	\$ 32,747,667	\$ 32,749,182	\$ 16,435,415
LIABILITIES				
Accounts payable	\$ 429	\$ 558,231	\$ 558,660	\$
Deposits payable	16,346,297	17,818,418	17,729,303	16,435,412
Arbitrage rebate payable	90,204	7	90,208	3
Total liabilities	\$ 16,436,930	\$ 18,376,656	\$ 18,378,171	\$ 16,435,415
 TOTAL - ALL AGENCY FUNDS				
ASSETS				
Pooled cash and investments	\$ 28,703,075	\$ 290,646,138	\$ 292,172,999	\$ 27,176,214
Interest receivable	313	68	313	68
Total assets	\$ 28,703,388	\$ 290,646,206	\$ 292,173,312	\$ 27,176,282
LIABILITIES				
Accounts payable	\$ 429	\$ 25,757,746	\$ 25,758,175	\$
Salaries payable		239,830,187	239,830,187	
Deposits payable	22,967,074	18,821,512	19,874,854	21,913,732
Intergovernmental payable	2,378,724	53,503,929	53,664,272	2,218,381
Payroll liabilities payable		55,056,561	55,056,561	
Outstanding bail payable	3,119,133	5,022,771	5,426,546	2,715,358
Unclaimed monies payable	147,824	401,142	220,158	328,808
Arbitrage rebate payable	90,204	7	90,208	3
Total liabilities	\$ 28,703,388	\$ 398,393,855	\$ 399,920,961	\$ 27,176,282

See accompanying independent auditor's report.

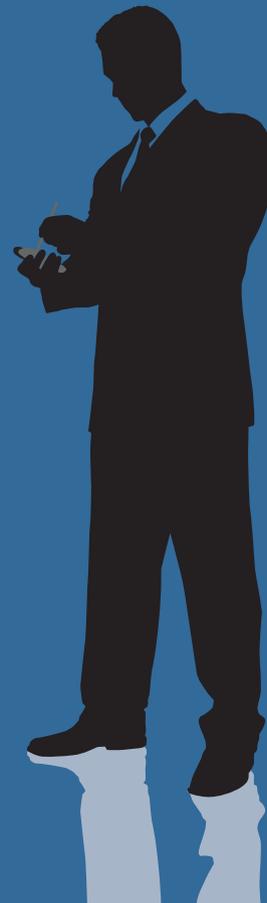
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THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**GOVERNMENTAL
CAPITAL ASSETS**



CITY OF LAS VEGAS, NEVADA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
JUNE 30, 2011

	2011	2010
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 1,171,020,202	\$ 1,166,653,154
Land improvements	298,907,401	265,764,011
Buildings	274,241,639	272,653,520
Building improvements	95,426,484	91,442,141
Machinery and equipment	37,711,540	36,603,919
Vehicles	29,263,400	29,094,157
Roadways	1,145,336,454	1,080,172,916
Traffic signals and lighting	166,174,025	161,697,687
Traffic signage	1,783,572	1,642,538
Traffic pavement markers	2,199,845	2,115,892
Storm drainage	598,887,137	553,005,693
Construction in progress	863,499,970	682,225,977
	\$ 4,684,451,669	\$ 4,343,071,605

**INVESTMENTS IN GOVERNMENTAL FUNDS
CAPITAL ASSETS BY SOURCE**

General obligation bonds	\$ 368,434,258	\$ 334,461,188
Current revenues	3,517,023,533	3,262,795,497
Federal grants	178,371,554	155,196,041
State grants	4,341,561	3,762,150
Donations	614,500,290	585,076,256
Property transfer	1,780,473	1,780,473
	\$ 4,684,451,669	\$ 4,343,071,605

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

See accompanying independent auditors' report.

CITY OF LAS VEGAS, NEVADA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2011

Function and Activity	Land	Land Improvements	Buildings
General government:			
Legislative and elections	\$	\$	\$
Executive		90,400	
Financial administration			
Other	33,651,523	1,276,496	69,696,340
Total general government	<u>33,651,523</u>	<u>1,366,896</u>	<u>69,696,340</u>
Judicial:			
Alternative sentencing and education			
Municipal courts		252,773	192,629
Public defender			81,200
Total judicial	<u>0</u>	<u>252,773</u>	<u>273,829</u>
Public safety:			
Police	50,000	657,559	7,223,696
Fire	3,261,999	11,689,938	44,070,985
Fire communications			
Corrections		259,278	11,266,637
Protective inspections			
Other protection	478,477	3,346	2,950,945
Total public safety	<u>3,790,476</u>	<u>12,610,121</u>	<u>65,512,263</u>
Public works:			
Administration and engineering	3,483,549	872,610	2,270,892
Engineering	1,735,303	20,238	
Paved streets	982,512,420	199,099	
Special assessments	118,636	1,221,155	
Storm drainage	783,422	6,288	
Total public works	<u>988,633,330</u>	<u>2,319,390</u>	<u>2,270,892</u>
Health:			
Animal control		84,137	385,167
Cemetery	23,810	1,186,864	43,221
Total health	<u>23,810</u>	<u>1,271,001</u>	<u>428,388</u>
Culture and recreation:			
Culture and recreation administration		21,125	107,518
Participant recreation	5,555,282	16,270,805	87,850,247
Spectator recreation	331,981		2,754,049
Parks	94,271,742	260,641,624	2,297,745
Special Facilities	2,314,004		267,358
Senior citizens	2,500	1,233,395	2,341,731
Total culture and recreation	<u>102,475,509</u>	<u>278,166,949</u>	<u>95,618,648</u>
Economic development and assistance:			
Administration			
Urban redevelopment	31,816,684	434,212	31,516,479
Community action programs			23,893
Economic development and assistance	3,236,775	3,953	1,089,918
Housing	5,816,307		
Neighborhood services	1,574,788	2,086,999	7,810,989
Total economic development and assistance	<u>42,444,554</u>	<u>2,525,164</u>	<u>40,441,279</u>
Transit systems:			
Transportation services	1,000	395,107	
Total transit systems	<u>1,000</u>	<u>395,107</u>	<u>0</u>
Total governmental funds capital assets	<u>\$ 1,171,020,202</u>	<u>\$ 298,907,401</u>	<u>\$ 274,241,639</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

Building Improvements	Machinery and Equipment	Vehicles	Roadways	Traffic Signals and Lighting	Traffic Signage
\$ 70,520	\$	\$	\$	\$	\$
722,017	72,239				
13,264	267,663				
26,051,125	22,057,478	54,057			
<u>26,856,926</u>	<u>22,397,380</u>	<u>54,057</u>	<u>0</u>	<u>0</u>	<u>0</u>
37,965	39,236				
66,031					
6,391					
<u>110,387</u>	<u>39,236</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
216,008	284,554				
5,694,637	9,202,896	29,159,578			
		26,299			
16,151,451	2,642,975				
5,226					
687,343	203,937		3,516,903	165,474,189	1,783,572
<u>22,754,665</u>	<u>12,334,362</u>	<u>29,185,877</u>	<u>3,516,903</u>	<u>165,474,189</u>	<u>1,783,572</u>
1,933,128	28,512				
3,542	654,322				
			1,132,323,003	538,516	
			9,215,973	16,595	
			127,429		
<u>1,936,670</u>	<u>682,834</u>	<u>0</u>	<u>1,141,666,405</u>	<u>555,111</u>	<u>0</u>
9,834					
<u>9,834</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
38,373	81,568				
21,574,304	731,594				
1,351,177	620,124	23,466			
1,398,149	482,831			125,249	
4,161,102					
<u>28,523,105</u>	<u>1,916,117</u>	<u>23,466</u>	<u>0</u>	<u>125,249</u>	<u>0</u>
4,414	52,580				
13,477,088	125,239				
73,025	5,545			19,476	
			153,146		
1,680,370	158,247				
<u>15,234,897</u>	<u>341,611</u>	<u>0</u>	<u>153,146</u>	<u>19,476</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 95,426,484</u>	<u>\$ 37,711,540</u>	<u>\$ 29,263,400</u>	<u>\$ 1,145,336,454</u>	<u>\$ 166,174,025</u>	<u>\$ 1,783,572</u>

Continued

CITY OF LAS VEGAS, NEVADA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY (continued)
 JUNE 30, 2011

Function and Activity	Traffic Pavement Markers	Storm Drainage	Construction in Progress	Total
General government:				
Legislative and elections	\$	\$	\$	\$ 70,520
Executive				884,656
Financial administration				280,927
Other			115,126,978	267,913,997
Total general government	<u>0</u>	<u>0</u>	<u>115,126,978</u>	<u>269,150,100</u>
Judicial:				
Alternative sentencing and education				77,201
Municipal courts				511,433
Public defender				87,591
Total judicial	<u>0</u>	<u>0</u>	<u>0</u>	<u>676,225</u>
Public safety:				
Police				8,431,817
Fire			6,922,700	110,002,733
Fire communications				26,299
Corrections				30,320,341
Protective inspections				5,226
Other protection	2,151,407		15,499,769	192,749,888
Total public safety	<u>2,151,407</u>	<u>0</u>	<u>22,422,469</u>	<u>341,536,304</u>
Public works:				
Administration and engineering				8,588,691
Engineering		474,452,540		476,865,945
Paved streets	6,341		137,252,923	2,252,832,302
Special assessments			63,321,461	73,893,820
Storm drainage		124,417,535	85,609,719	210,944,393
Total public works	<u>6,341</u>	<u>598,870,075</u>	<u>286,184,103</u>	<u>3,023,125,151</u>
Health:				
Animal control				469,304
Cemetery				1,263,729
Total health	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,733,033</u>
Culture and recreation:				
Culture and recreation administration				248,584
Participant recreation			39,106,650	171,088,882
Spectator recreation				5,080,797
Parks	42,097	17,062	121,473,788	480,750,287
Special Facilities			243,021,280	245,602,642
Senior citizens				7,738,728
Total culture and recreation	<u>42,097</u>	<u>17,062</u>	<u>403,601,718</u>	<u>910,509,920</u>
Economic development and assistance:				
Administration				56,994
Urban redevelopment			357	77,370,059
Community action programs				23,893
Economic development and assistance			36,164,345	40,593,037
Housing				5,969,453
Neighborhood services				13,311,393
Total economic development and assistance	<u>0</u>	<u>0</u>	<u>36,164,702</u>	<u>137,324,829</u>
Transit systems:				
Transportation services				396,107
Total transit systems	<u>0</u>	<u>0</u>	<u>0</u>	<u>396,107</u>
Total governmental funds capital assets	<u>\$ 2,199,845</u>	<u>\$ 598,887,137</u>	<u>\$ 863,499,970</u>	<u>\$ 4,684,451,669</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CITY OF LAS VEGAS, NEVADA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
JUNE 30, 2011

Function and Activity	General Capital Assets July 1, 2010	Additions	Deletions	Transfers	General Capital Assets June 30, 2011
General government:					
Legislative and elections	\$ 70,520				\$ 70,520
Executive	884,656				884,656
Financial administration	1,198,321			(917,394)	280,927
Other	180,246,837	86,554,429		1,112,731	267,913,997
Total general government	<u>182,400,334</u>	<u>86,554,429</u>	<u>0</u>	<u>195,337</u>	<u>269,150,100</u>
Judicial:					
Alternative sentencing and education	77,201				77,201
Municipal courts	511,433				511,433
Public defender	87,591				87,591
Total judicial	<u>676,225</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>676,225</u>
Public safety:					
Police	7,514,423			917,394	8,431,817
Fire	108,212,267	1,790,466			110,002,733
Fire communications	26,299				26,299
Corrections	30,320,341				30,320,341
Protective inspections	5,226				5,226
Other protection	185,789,744	6,960,144			192,749,888
Total public safety	<u>331,868,300</u>	<u>8,750,610</u>	<u>0</u>	<u>917,394</u>	<u>341,536,304</u>
Public works:					
Administration and engineering	8,503,124			85,567	8,588,691
Engineering	466,697,299	11,281,377		(1,112,731)	476,865,945
Paved streets	2,205,769,750	47,146,119		(83,567)	2,252,832,302
Special assessments	73,236,308	657,512			73,893,820
Storm drainage	164,861,224	46,083,169			210,944,393
Total public works	<u>2,919,067,705</u>	<u>105,168,177</u>	<u>0</u>	<u>(1,110,731)</u>	<u>3,023,125,151</u>
Health:					
Animal control	469,304				469,304
Cemetery	1,263,729				1,263,729
Total health	<u>1,733,033</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,733,033</u>
Culture and recreation:					
Culture and recreation administration	248,584				248,584
Participant recreation	158,280,275	12,808,607			171,088,882
Spectator recreation	5,591,388	(510,591)			5,080,797
Parks	454,572,850	26,180,240	803	(2,000)	480,750,287
Special facilities	145,197,241	100,405,401			245,602,642
Senior citizens	7,738,728				7,738,728
Total culture and recreation	<u>771,629,066</u>	<u>138,883,657</u>	<u>803</u>	<u>(2,000)</u>	<u>910,509,920</u>
Economic development and assistance:					
Administration	4,414	52,580			56,994
Urban redevelopment	77,824,595		454,536		77,370,059
Community action programs	23,893				23,893
Economic development and assistance	38,167,087	2,541,505	115,555		40,593,037
Housing	5,969,453				5,969,453
Neighborhood services	13,311,393				13,311,393
Total economic development and assistance	<u>135,300,835</u>	<u>2,594,085</u>	<u>570,091</u>	<u>0</u>	<u>137,324,829</u>
Transit systems:					
Transportation services	396,107				396,107
Total transit systems	<u>396,107</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>396,107</u>
Total governmental funds capital assets	<u>\$ 4,343,071,605</u>	<u>\$ 341,950,958</u>	<u>\$ 570,894</u>	<u>\$ 0</u>	<u>\$ 4,684,451,669</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

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THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**STATISTICAL
SECTION**



STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Las Vegas' Comprehensive Annual Financial Report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the City of Las Vegas' financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City of Las Vegas' most significant local revenue source, the consolidated tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City of Las Vegas' current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City of Las Vegas' financial report related to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Note: Pages 204 – 224, excluding page 222, does not contain 10 year comparisons. Government Accounting Standards Board (GASB) Statement 44 , Economic Condition Reporting: the Statistical Section, states that Governments that prepare a statistical section, but did not present certain information are encouraged, but not required to report all required years (10 years) of information retroactively.

Prior to the City's implementation of GASB 34, certain statistical information was not presented. At the time of implementation, documentation was not available to compile prior years' comparative data.

City of Las Vegas
Net Assets by Component
Last Five Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)
(Amounts Expressed in Thousands)

		Fiscal Year				
		2007	2008	2009	2010	2011
Governmental activities						
	Invested in capital assets, net of related debt	\$ 2,475,416	\$ 2,690,892	\$ 2,859,756	\$ 3,059,630	\$ 3,218,014
	Restricted	115,479	80,506	231,245	36,710	109,426
	Unrestricted	310,308	325,683	180,256	246,016	136,896
	Total governmental activities net assets	<u>\$ 2,901,203</u>	<u>\$ 3,097,081</u>	<u>\$ 3,271,257</u>	<u>\$ 3,342,356</u>	<u>\$ 3,464,336</u>
Business-type activities						
	Invested in capital assets, net of related debt	\$ 428,712	\$ 450,267	\$ 471,232	\$ 479,204	\$ 498,052
	Unrestricted	156,947	165,193	178,428	216,972	225,588
	Total business-type activities net assets	<u>\$ 585,659</u>	<u>\$ 615,460</u>	<u>\$ 649,660</u>	<u>\$ 696,176</u>	<u>\$ 723,640</u>
Primary government						
	Invested in capital assets, net of related debt	\$ 428,712	\$ 3,141,159	\$ 471,232	\$ 3,538,834	\$ 3,716,066
	Restricted	115,479	80,506	231,245	36,710	109,426
	Unrestricted	467,255	490,876	358,684	462,988	362,484
	Total primary government net assets	<u>\$ 1,011,446</u>	<u>\$ 3,712,541</u>	<u>\$ 1,061,161</u>	<u>\$ 4,038,532</u>	<u>\$ 4,187,976</u>

City of Las Vegas
Changes in Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)
(Amounts Expressed in Thousands)

	Fiscal Year				
	2007	2008	2009	2010	2011
Expenses					
Governmental activities:					
General government	\$ 112,574	\$ 124,302	\$ 94,980	\$ 69,685	\$ 69,376
Judicial	25,292	30,838	27,168	27,790	25,893
Public safety	314,228	372,474	359,457	381,980	365,185
Public works	73,595	81,744	71,504	73,202	72,439
Welfare	1,104	1,223	1,117	3,454	1,057
Health	2,757	3,112	3,632	1,027	3,225
Culture and recreation	56,351	98,293	66,190	69,252	63,204
Economic development and assistance	25,917	27,773	30,082	33,941	32,614
Transit systems	1,219	1,363	1,204	181	15
Interest on long-term debt	14,110	12,157	14,121	40,270	38,301
Total governmental activities expenses	<u>627,147</u>	<u>753,279</u>	<u>669,455</u>	<u>700,782</u>	<u>671,309</u>
Business-type activities:					
Sanitation	71,096	83,274	95,284	88,060	83,377
Development services	15,108	16,966	16,250	7,761	6,720
Parking	4,008	3,836	4,118	3,936	3,696
Golf course	3,016	3,039	3,329	2,693	2,654
Video production	1,584	1,772	1,844	2,362	-
Land development	424	1,680	4,914	598	2,064
Total business-type activities	<u>95,236</u>	<u>110,567</u>	<u>125,739</u>	<u>105,410</u>	<u>98,511</u>
Total primary government expenses	<u>\$ 722,383</u>	<u>\$ 863,846</u>	<u>\$ 795,194</u>	<u>\$ 806,192</u>	<u>\$ 769,820</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 105,230	\$ 120,159	\$ 122,841	\$ 94,735	\$ 99,101
Judicial	20,759	22,657	25,107	28,636	30,658
Public safety	20,476	17,735	17,810	19,943	26,918
Public works	10,014	8,718	6,358	5,486	4,936
Welfare	33	55	45	208	672
Health	129	132	124	336	345
Culture and recreation	10,861	10,907	12,851	15,646	90,150
Economic development and assistance	3,464	1,528	1,787	2,697	10,528
Intergovernmental				-	
Transit systems	509	349	898	180	1
Operating grants and contributions	8,092	13,823	57,097	20,572	25,499
Capital grants and contributions	133,210	111,085	250,142	206,818	147,590
Total governmental activities program revenues	<u>312,777</u>	<u>307,148</u>	<u>495,060</u>	<u>395,257</u>	<u>436,398</u>

City of Las Vegas
Changes in Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting) (continued)
(Unaudited)
(Amounts Expressed in Thousands)

	Fiscal Year				
	2007	2008	2009	2010	2011
Business-type activities:					
Charges for services:					
Sanitation	79,788	83,048	88,373	97,469	94,153
Development services	18,910	15,646	11,013	7,516	7,307
Parking	6,359	6,147	6,675	6,669	6,404
Golf course	1,433	1,431	1,493	1,282	1,199
Video production	1,891	2,148	2,227	2,488	-
Land development	81	132	1,252	1,109	1,101
Operating grants and contributions	382	615		624	40
Capital grants and contributions	40,707	32,624	35,796	21,656	18,154
Total business-type activities program revenues	<u>149,551</u>	<u>141,791</u>	<u>146,829</u>	<u>138,813</u>	<u>128,358</u>
Total primary government program revenues	<u>\$ 462,328</u>	<u>\$ 448,939</u>	<u>\$ 641,889</u>	<u>\$ 534,070</u>	<u>\$ 564,756</u>
Net (expense)/revenue					
Governmental activities	<u>\$ (314,370)</u>	<u>\$ (446,131)</u>	<u>\$ (174,395)</u>	<u>\$ (305,525)</u>	<u>\$ (234,911)</u>
Business-type activities	<u>54,315</u>	<u>31,224</u>	<u>21,090</u>	<u>33,403</u>	<u>29,847</u>
Total primary government net expense	<u>\$ (260,055)</u>	<u>\$ (414,907)</u>	<u>\$ (153,305)</u>	<u>\$ (272,122)</u>	<u>\$ (205,064)</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Consolidated tax	\$ 264,253	\$ 263,250	\$ 250,914	\$ 201,519	\$ 207,962
Property taxes	120,803	138,428	153,145	158,783	122,487
Room tax	4,109	4,187	4,519	2,894	3,026
Residential construction tax	4,034	2,041	1,721	864	372
Motor vehicle fuel tax	8,794	8,808	8,279	7,185	7,316
Unrestricted investment earnings	13,074	27,378	28,019	13,065	7,918
Contributions not restricted to specific programs		107,429	2,493	59	43
Gain on disposal of capital assets	1,170	775	1,773	112	1,272
Transfers	1,293	(5,764)	3,232	(7,857)	6,497
Total governmental activities	<u>417,530</u>	<u>546,532</u>	<u>454,095</u>	<u>376,624</u>	<u>356,893</u>
Business-type activities:					
Unrestricted investment earnings	2,744	7,392	9,469	5,257	4,111
Gain on disposal of capital assets	6,687		2,475		
Transfers	(1,293)	5,764	(3,232)	7,857	(6,497)
Total business-type activities	<u>8,138</u>	<u>13,156</u>	<u>8,712</u>	<u>13,114</u>	<u>(2,386)</u>
Total primary government	<u>\$ 425,668</u>	<u>\$ 559,688</u>	<u>\$ 462,807</u>	<u>\$ 389,738</u>	<u>\$ 354,507</u>
Change in Net Assets					
Governmental activities	<u>\$ 103,160</u>	<u>\$ 100,401</u>	<u>\$ 279,700</u>	<u>\$ 71,099</u>	<u>\$ 121,982</u>
Business-type activities	<u>62,453</u>	<u>44,380</u>	<u>29,802</u>	<u>46,517</u>	<u>27,461</u>
Total primary government	<u>\$ 165,613</u>	<u>\$ 144,781</u>	<u>\$ 309,502</u>	<u>\$ 117,616</u>	<u>\$ 149,443</u>

City of Las Vegas
 Governmental Activities Tax Revenues by Source
 Last Five Fiscal Years
 (Accrual Basis of Accounting)
 (Unaudited)
 (Amounts Expressed in Thousands)

<u>Fiscal Year</u>	<u>Consolidated Tax</u>	<u>Property Tax</u>	<u>Room Tax</u>	<u>Residential Tax</u>	<u>Motor Vehicle Fuel Tax</u>	<u>Total</u>
2007	\$ 263,250	\$ 138,428	\$ 4,187	\$ 2,041	\$ 8,808	\$ 416,714
2008	250,914	131,675	4,519	1,721	8,279	397,108
2009	219,965	166,539	3,364	652	7,646	398,166
2010	201,519	130,503	2,894	864	7,185	342,965
2011	207,962	104,708	3,026	372	7,316	323,384

Notes:

Values pertaining to the City of Las Vegas Redevelopment Agency have not been included in the above schedule in accordance with the City of Las Vegas Charter.

City of Las Vegas
Fund Balances of Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)
(Amounts Expressed in Thousands)

	Fiscal Year				
	2007	2008	2009	2010	2011
General fund:					
Reserved	\$ 4,464	\$ 19,454	\$ 1,666	\$ 1,635	\$
Unreserved:					
Undesignated	84,928	77,345	91,029	73,136	
¹ Nonspendable					14,842
¹ Assigned					50,561
¹ Unassigned					86,558
Total general fund	<u>89,392</u>	<u>96,799</u>	<u>92,695</u>	<u>74,771</u>	<u>151,961</u>
All other governmental funds:					
Reserved	12,778	11,875	16,234	11,034	
Unreserved, Reported in:					
Designated					
Construction Projects					
Special revenue funds	51,866	48,101	49,495	48,942	
Capital projects funds	262,107	245,123	238,582	419,489	
Redevelopment projects					
Special revenue funds		13,628	12,491	11,867	
Debt service funds				3,449	
Undesignated					
Special revenue funds	57,963	54,593	58,965	82,636	
Debt service funds	2,970	3,065	438	495	
¹ Nonspendable					10,438
¹ Restricted					263,973
¹ Committed					22,245
¹ Assigned					121,933
¹ Unassigned					(2,471)
Total all other governmental funds	<u>387,684</u>	<u>376,385</u>	<u>376,205</u>	<u>577,912</u>	<u>416,118</u>
Total Fund Balances of Governmental Funds	<u>\$ 477,076</u>	<u>\$ 473,184</u>	<u>\$ 468,900</u>	<u>\$ 652,683</u>	<u>\$ 568,079</u>

Notes:

¹ Due to the reporting change with GASB 54 for FY2011

City of Las Vegas
Changes in Fund Balances of Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)
(Amounts Expressed in Thousands)

	Fiscal Year				
	2007	2008	2009	2010	2011
Revenues					
Taxes	\$ 143,589	\$ 158,279	\$ 169,886	\$ 161,579	\$ 126,666
Licenses and permits	84,866	85,182	80,458	77,727	77,362
Intergovernmental	386,476	433,211	416,901	390,500	376,355
Charges for services	36,077	36,804	38,674	38,380	40,453
Fines and forfeits	6,343	17,446	3,799	20,509	20,160
Special assessments	16,683	18,218	22,027	3,779	3,438
Interest	22,309	21,783	15,585	10,547	6,146
Miscellaneous	6,947	12,273	6,062	5,271	87,931
Total revenues	<u>703,290</u>	<u>783,196</u>	<u>753,392</u>	<u>708,292</u>	<u>738,511</u>
Expenditures					
General government	101,839	101,696	64,101	58,448	55,036
Judicial	25,541	28,050	27,267	26,512	24,969
Public safety	301,399	298,322	330,698	326,496	311,503
Public works	33,439	38,037	29,437	28,939	26,048
Health	1,115	1,119	1,129	3,460	3,310
Welfare	2,759	2,901	3,639	1,034	1,040
Culture and recreation	48,690	85,596	58,078	54,984	47,934
Economic development and assistance	24,794	25,390	28,489	31,750	30,818
Transit systems	1,271	1,291	1,257	236	14
Debt service					
Principal retirement	22,875	23,328	24,798	24,864	19,963
Interest and fiscal charges	12,620	11,250	11,462	27,448	37,465
Bond issuance costs			3,375		
Capital outlay	170,840				
General government		32,891	8,548	33,045	86,255
Judicial		39			
Public safety		31,820	10,636	7,978	6,094
Public works		62,849	88,676	101,775	78,700
Culture and recreation		49,516	76,518	182,077	138,884
Economic development and assistance		17,621	15,680	7,859	2,594
Total expenditures	<u>747,182</u>	<u>811,716</u>	<u>783,788</u>	<u>916,905</u>	<u>870,627</u>
Excess of revenues over (under) expenditures	<u>(43,892)</u>	<u>(28,520)</u>	<u>(30,396)</u>	<u>(208,613)</u>	<u>(132,116)</u>

City of Las Vegas
 Changes in Fund Balances of Governmental Funds
 Last Five Fiscal Years (continued)
 (Modified Accrual Basis of Accounting)
 (Unaudited)
 (Amounts Expressed in Thousands)

	Fiscal Year				
	2007	2008	2009	2010	2011
Other financing sources (uses)					
Transfers in	100,861	85,035	244,272	107,441	143,268
Transfers out	(104,895)	(81,366)	(210,868)	(114,278)	(123,656)
Sale of capital assets	1,447	1,474			1,687
Bond escrow refunding to defease debt	(44,505)				
General obligation bond proceeds	93,532	22,500	186,220	204,509	26,321
Premium/(Discount)		342	1,391		(108)
Special assessment bonds & interim warrants		320			
sources (uses)	<u>46,440</u>	<u>28,305</u>	<u>221,015</u>	<u>197,672</u>	<u>47,512</u>
Net changes in fund balances	<u>\$ 2,548</u>	<u>\$ (215)</u>	<u>\$ 190,619</u>	<u>\$ (10,941)</u>	<u>\$ (84,604)</u>
Debt service as a percentage of noncapital expenditures	6.16%	5.60%	6.21%	8.95%	10.29%

City of Las Vegas
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Five Fiscal Years
 (Unaudited)
 (Amounts Expressed in Thousands)

Fiscal Year Ended June 30	Real Property				Personal Property		Less: Tax Exempt Real Property ⁴	Total Taxable Assessed Value ⁴	Total Direct Tax Rate	Estimated Actual Taxable Value ²	Assessed Value as a ³ Percentage of Actual Value
	Residential Property ⁴	Industrial Property ⁴	Commercial Property ⁴	Vacant ¹	Personal Prop Tax Roll						
2007	\$ 16,481,776	\$ 188,800	\$ 4,584,412	\$ 2,897,343	\$ 569,019	\$ 2,296,948	\$ 22,424,402	\$ 3.2802	\$ 64,069,720	38.59%	
2008	18,415,506	227,682	5,294,188	3,548,515	481,896	2,815,693	25,152,094	3.2714	71,863,126	38.92%	
2009	18,175,717	244,130	5,686,552	3,367,011	401,461	2,905,863	24,969,008	3.2714	71,340,023	39.07%	
2010	12,840,772	242,627	5,680,118	2,302,176	422,412	2,481,876	19,006,229	3.2760	54,303,511	39.57%	
2011	10,021,898	188,332	4,835,890	1,066,514	385,262	1,845,594	14,652,302	3.2866	41,863,720	39.41%	

Source: Clark County Assessor's Office

Notes:

Property in the County is reassessed annually. The county assesses property at approximately 35% of actual value for all types of real and personal property.

¹ Vacant parcels include those with minor improvements.

² Estimated Taxable Actual Value is calculated by dividing Total Taxable Assessed Value by the current 35% tax rate.

³ Includes Tax-Exempt Property

⁴ The Net Assessed value that is used in this section will vary to the amount utilized in the Annual Budget book for the City of Las Vegas due to the timing of data from the Clark County Assessor and the State of Nevada, Department of Taxation.

City of Las Vegas
Property Tax Rates (per \$100 of Assessed Value)
Direct and Overlapping Governments
Last Five Fiscal Years
(Unaudited)

Fiscal Year	City of Las Vegas			County			School District		State	² Special Districts	Total Direct & Overlapping Rates
	¹ Operating	Debt Service	Total City	Operating	Debt Service	Total County	Operating	Total School	Total State		
2007	0.7715	0.0062	0.7777	0.6162	0.0254	0.6416	1.3034	1.3034	0.1700	0.3875	3.2802
2008	0.7715	0.0000	0.7715	0.6162	0.0229	0.6391	1.3034	1.3034	0.1700	0.3874	3.2714
2009	0.7715	0.0000	0.7715	0.6262	0.0129	0.6391	1.3034	1.3034	0.1700	0.3874	3.2714
2010	0.7715	0.0000	0.7715	0.6262	0.0129	0.6391	1.3034	1.3034	0.1700	0.392	3.2760
2011	0.7715	0.0000	0.7715	0.6262	0.0129	0.6391	1.3034	1.3034	0.1700	0.4026	3.2866

Source: Clark County Treasurer's Office

Notes:

The State Constitution has a maximum rate limit of \$5 per \$100 assessed value and Nevada Revised Statutes further lower the limit to a total combined tax rate of \$3.64. The overlapping rates include the County, School District, State and Special Districts (LVMPD 911, LVMPD Manpower, Library and Artesian Basin). These apply to taxpayers whose property is located within the City of Las Vegas boundaries.

¹ City of Las Vegas operating tax rate includes .06765 for regular operating and .0950 Fire initiative tax which is distributed at 80% operating and 20% capital.

² The Special Districts include the State Indigent Trust at a rate of .015 with the other districts stated in the notes above.

City of Las Vegas
Property Tax Levies and Collections
Last Five Fiscal Years
(Unaudited)
(Amounts Expressed in Thousands)

Fiscal Year Ended June 30	¹ Total Tax Levy for Fiscal Year	Collected Within the		Year of Levy	Collections of Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy				Amount	Percentage of Current Year Levy
		Amount	Percentage of Levy			Amount	
2007	\$ 114,647	\$ 113,301	98.83%	2006	588	\$ 113,889	99.34%
2008	126,587	124,316	98.21%	2007	1,116	125,432	99.09%
2009	133,452	131,005	98.17%	2008	2,002	133,007	99.67%
2010	124,445	122,641	98.55%	2009	1,894	124,535	100.07%
2011	99,338	97,793	98.44%	2010	2,140	99,933	100.60%

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Notes:

¹Levy includes general fund and fire safety but does not include personal property.

Values pertaining to the City of Las Vegas Redevelopment Agency have not been included in the above schedule in accordance with the City of Las Vegas Charter.

City of Las Vegas
Ratios of Outstanding Debt by Type
Last Five Fiscal Years
(Unaudited)
(Amounts Expressed in Thousands)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	² Percentage of Personal Income	² Per Capita
	¹ General Obligation Bonds	Special Assessment Bonds	Sanitation Bonds	Municipal Golf Course Bonds			
2007	\$ 210,450	\$ 8,587	\$ 96,320	\$ 10,470	\$ 325,827	6.59%	551
2008	214,005	8,203	85,705	10,015	317,928	5.99%	528
2009	295,760	7,502	74,640	9,535	387,437	7.13%	647
2010	478,280	6,903	66,370	9,025	560,578	11.01%	988
2011	473,499	6,250	57,765	8,490	546,004	10.75%	931

Notes:

¹ Values pertaining to the City of Las Vegas Redevelopment Agency have not been included in the above schedule in accordance with the City of Las Vegas Charter.

² See the Schedule of Demographic and Economic Statistics for personal income and population data

City of Las Vegas
Ratios of General Bonded Debt Outstanding
Last Five Fiscal Years
(Unaudited)
(Amounts Expressed in Thousands)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property ¹</u>	<u>Per Capita ²</u>
2007	\$ 210,450	\$ 7,236	\$ 203,214	0.32%	344
2008	214,005	5,787	208,218	0.32%	342
2009	295,760	5,393	290,367	0.41%	485
2010	478,280	538	477,742	0.41%	786
2011	473,499	4,131	469,368	0.86%	800

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements and the City's Debt Policy.

¹ See the schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Las Vegas
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011
(Unaudited)
(Amounts Expressed in Thousands)

Governmental Unit	General Obligation Debt Outstanding	Less Debt Service Fund Balance	¹ Net General Obligation Indebtedness	Estimated Percentage Applicable ^{2,3}	Estimated Share of Overlapping Debt
City of Las Vegas	\$ 546,004	\$ 4,131	\$ 541,873	100.00%	\$ 541,873
Total Direct Debt					541,873
⁴ Clark County	4,856,677	178,152	4,678,525	20.60%	963,776
Clark County School District	3,860,905	361,212	3,499,693	30.25%	1,058,657
Las Vegas-Clark County Library District	53,765	11,546	42,219	36.00%	15,199
State of Nevada	2,167,665	650,645	1,517,020	14.60%	221,485
Total Overlapping Debt					2,259,117
Total Direct and Overlapping Debt					\$ 2,800,990

Sources: Debt amounts are acquired from the various entities; percentage applicable is derived from the assessed value in the State of Nevada Department of Taxation's 'Redbook' and the Clark County Assessor Segregation Report. Clark County School District percentage was taken from the annual report. The Library District is from the annual report.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Las Vegas. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹ Net general obligation excludes Special Assessment bonds.

² The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value that is within the County's boundaries and dividing it by the County's total taxable assessed value and the State's total taxable assessed value.

³ The percentage of the School District is the total schools in the City of Las Vegas divided by the total schools in the District. Library percentage is the total of branches in the City of Las Vegas divided by the total number of branches in the District.

⁴ The Clark County debt includes the Las Vegas Valley Water District (\$1,811,885,000).

City of Las Vegas
 Legal Debt Margin Information
 Last Five Fiscal Years
 (Unaudited)
 (Amounts Expressed in Thousands)

	Fiscal Year				
	2007	2008	2009	2010	2011
Debt limit (20% of Assessed Value)	\$ 4,944,270	\$ 5,593,557	\$ 5,574,974	\$ 4,297,621	\$ 3,299,579
Total net debt applicable to limit	<u>310,004</u>	<u>304,376</u>	<u>374,542</u>	<u>553,137</u>	<u>535,623</u>
Legal debt margin	<u>\$ 4,634,266</u>	<u>\$ 5,289,181</u>	<u>\$ 5,200,432</u>	<u>\$ 3,744,484</u>	<u>\$ 2,763,956</u>
Total net debt applicable to the limit as a percentage of debt limit	6.27%	5.44%	6.72%	12.87%	16.23%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed Value	\$ 14,652,302
Add back: exempt real property	<u>1,845,594</u>
Total assessed value	<u>\$ 16,497,896</u>
Debt limit (20% of total assessed value)	\$ 3,299,579
Debt applicable to limit:	
Total Bonded Debt (Including Special Assessment Bonds)	546,004
Less:	
Special Assessment Bonds	(6,250)
Amount Available for Repayment	<u>(4,131)</u>
Total net debt applicable to limit	<u>535,623</u>
Legal debt margin	<u>\$ 2,763,956</u>

Notes:

Per City Charter, the City of Las Vegas' bonded debt cannot exceed 20 percent of total assessed property value.

By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Values pertaining to the City of Las Vegas Redevelopment Agency have not been included in the above schedule in accordance with the City of Las Vegas Charter.

City of Las Vegas
Pledged-Revenue Coverage
Last Five Fiscal Years
(Unaudited)
(Amounts Expressed in Thousands)

<u>Fiscal Year</u>	<u>¹ Sewer and Other Charges</u>	<u>² Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>³ Debt Service</u>		<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	
<u>Sewer Revenue Bonds</u>						
2007	\$ 117,028	\$ 50,047	\$ 66,981	\$ 10,000	\$ 4,802	4.57 %
2008	103,334	51,755	51,579	10,615	4,056	3.52
2009	103,005	54,406	48,599	11,065	3,511	3.33
2010	103,058	56,746	46,312	8,270	3,237	4.02
2011	98,256	55,696	42,560	8,605	2,893	3.70

<u>Fiscal Year</u>	<u>¹ Golf Course Fees and Other Charges</u>	<u>² Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>³ Debt Service</u>		<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	
<u>Municipal Golf Course Enterprise Fund</u>						
2007	\$ 1,453	\$ 1,615	\$ (162)	\$ 425	\$ 617	(0.16) %
2008	1,494	1,931	(437)	455	587	(0.42)
2009	1,318	1,603	(285)	480	563	(0.27)
2010	1,282	1,345	(63)	510	529	(0.06)
2011	1,199	1,341	(142)	535	498	(0.14)

<u>Fiscal Year</u>	<u>⁴ Special Assessment Collections</u>	<u>³ Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
<u>Special Assessment Bonds</u>				
2007	\$ 1,685	\$ 560	\$ 293	1.98 %
2008	1,758	384	371	2.33
2009	1,334	701	344	1.28
2010	2,618	599	296	2.93
2011	2,259	653	296	2.38

Notes:

Details regarding the government's outstanding debt can be found in the notes to the financial statements.

¹ Gross revenues include sewer connection charges, golf course fees and miscellaneous fees, but excludes interest income

² Operating expenses exclusive of depreciation.

³ Includes principal and interest of general obligation revenue and refunding bonds.

⁴ SID collections are principal and interest plus late fees.

City of Las Vegas
Demographic and Economic Statistics
Last Five Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>² Population</u>	<u>¹ Personal Income (amounts expressed in thousands)</u>	<u>¹ Per Capita Personal Income</u>	<u>¹ Median Age</u>	<u>¹ Educational Attainment High School Graduate</u>	<u>¹ Educational Attainment Bachelors Degree or Higher</u>	<u>³ School Enrollment (thousands)</u>	<u>⁴ Unemployment Rate</u>
2007	602,697	\$ 53,111	\$ 26,773	35.2	81.2%	20.8%	85	4.4%
2008	599,087	54,357	27,239	36.0	81.4%	22.0%	93	6.1%
2009	607,876	53,097	27,045	35.7	81.1%	21.4%	94	9.2%
2010	567,610	50,935	24,246	33.7	79.9%	20.5%	94	13.5%
2011	586,536	50,783	24,360	36.8	82.2%	20.3%	94	14.3%

Data Sources:

¹ US Census Bureau

² Nevada State Demographer

³ Clark County School District

⁴ State of Nevada-Dept of Employment, Training & Rehabilitation

City of Las Vegas
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

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Employer	2011			2002		
	Employees	Rank	Percentage of Total County Employment*	Employees	Rank	Percentage of Total County Employment*
Clark County School District	35,000	1	4.28%	23,500	1	3.25%
Clark County	8,500	2	1.04%	7,500	2	1.04%
Las Vegas Metropolitan Police	5,500	3	0.67%	3,500	5	0.48%
UNLV	5,500	4	0.67%	3,500	4	0.48%
State of Nevada	4,000	5	0.49%	4,500	3	0.62%
UMC	3,500	6	0.43%	3,500	6	0.48%
City of Las Vegas	3,000	7	0.37%	2,500	8	0.35%
Sunrise Hospital	2,500	8	0.31%	3,000	7	0.41%
College of Southern NV	2,000	9	0.24%	1,000	15	0.14%
Golden Nugget Hotel & Casino	2,000	10	0.24%			
Stratosphere Tower/American Casino	2,000	11	0.24%	2,000	10	0.28%
Southern Nevada HCS	1,000	12	0.12%			
Citibank N.A.	1,000	13	0.12%	1,500	13	0.21%
Valley Hospital Medical Center	1,000	14	0.12%	1,000	14	0.14%
Sun Coast Hotel & Casino	1,000	15	0.12%			
Palace Station Casino	1,000	16	0.12%			
Cox Communications	1,000	17	0.12%			
Summerlin Hospital	1,000	18	0.12%			
HSBC Card Services	1,000	19	0.12%			
Sante Fe Station Casino	1,000	20	0.12%			
	82,500		8.86%	57,000		7.88%
Total County Employment	FY2010	817,600		FY2001	723,600	

Source: Nevada Dept of Employment, Training and Rehabilitation

* Employment figures are for the greater Clark County area. The City of Las Vegas is within Clark County.

City of Las Vegas
 Full-time Equivalent City Government Positions by Function
 Last Ten Fiscal Years
 (Unaudited)

Full-time Equivalent Employees as of June 30

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government	583	589	561	573	584	604	604	583	555	482
Judicial	179	186	215	218	223	229	237	239	214	184
Public Safety	1,107	1,196	1,224	1,274	1,290	1,328	1,317	1,300	1,266	1,234
Public Works	179	181	184	188	192	208	207	190	183	136
Sanitation	195	199	198	203	207	206	207	203	206	191
Health	16	18	18	18	15	15	15	15	15	14
Welfare	9	9	9	10	10	10	11	11	11	11
Culture & Recreation	432	454	458	472	480	501	505	489	654	598
Economic Development & Assistance	81	90	88	95	97	95	98	96	97	62
Transit Systems	11	11	9	10	12	12	12	9	-	-
Total Government	2,792	2,933	2,964	3,061	3,110	3,208	3,213	3,135	3,201	2,912

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Source: City of Las Vegas Final Budget Data
 and Human Resources Data

City of Las Vegas
Operating Indicators by Function
Last Five Fiscal Years
(Unaudited)

Function	Fiscal Year				
	2007	2008	2009	2010	2011
General Government					
Parking violations	97,557	80,805	95,200	101,487	81,547
Judicial					
Traffic Cases	103,018	176,977	189,276	163,609	151,942
Criminal Cases		37,893	42,627	27,004	41,531
Total cases	237,246	214,870	231,903	190,613	193,473
Public safety					
Marshals					
Inmate bookings/releases	34,993	32,666	28,497 / 28,651	34,962/35,227	31,241/32,052
Fire					
Fire and Medical Response	73,006	80,084	79,990	78,647	90,391
Inspections	25,149	27,982	24,283	25,299	17,308
Public works					
Asphalt reconstruction (sq yards)	173,283	304,616	124,499	66,267	78,356
Asphalt Overlay (sq yards)				305,952	401,553
Pavement surface treatment (sq yards)	2,237,168	5,106,433	3,176,931	1,920,453	3,660,421
Sanitation					
Number of service connections	184,059	198,900	203,136	207,423	206,874
Daily average treatment in Million Gallons per Day (MGD)	70.0	70.0	68	66	43
Health					
Animal control					
Number of pick-ups	10,694	10,464	26,483	17,149	10,063
Citations issued	317	484	681	499	437
Culture and recreation					
Number safekey sites	56	69	70	69	68
Grant funds received	\$ 164,089	\$121,060	\$94,480	\$85,275	\$254,403
Economic development & assistance					
Code enforcement inspections	28,861	30,400	24,860	30,715	27,438
Number of citizen complaints					
Hotline calls	24,881	25,034	17,466	25,744	25,152
Website				5,477	3,589
Number of citizens assisted with public service grants	85,290	96,154	238,213	40,507	41,610
Transit Systems					
¹ Ridership	336,434	298,314	225,578	0	0

Source: Various City of Las Vegas departments

¹The City transit program was transferred to the RTC beginning with Fiscal Year 2010.

City of Las Vegas
Capital Asset Statistics by Function
Last Five Fiscal Years
(Unaudited)

Function	2007	2008	2009	2010	2011
General government					
Parking patrol units	23	23	21	15	16
Public safety					
Marshals					
Patrol units	54	47	60	44	45
Fire					
Fire stations	16	17	17	17	17
Public works					
Streets (miles)	1,296	1,297	1,307	1,309	1,316
Streetlights	52,000	51,500	50,340	52,835	53,455
Traffic signals	3,172	3,172	3,187	3,187	3,187
Sanitation					
Miles of sanitary sewers	1,702	1,715	1,722	1,723	1,726
Miles of storm drain channels	381	350	430	435	439
Health					
Animal control					
Patrol units	18	14	14	11	9
Culture and recreation					
Parks acreage	909.82	910.00	927.00	1086.76	1101.82
Parks	68	68	65	65	76
Golf Courses		4	4	4	4
Tennis courts	65	65	65	66	66
Swimming Pools		12	6	6	6
Community centers	7	18	18	19	18
Economic development & assistance					
Number of newly constructed affordable housing units	0	0	0	0	0
Transit systems					
¹ Fleet units	10	10	10	0	0

Source: Various City of Las Vegas departments; Budget In Brief publications

¹ The City transit program was transferred to the RTC beginning with Fiscal Year 2010.



THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**COMPLIANCE
SECTION**

AND SUPPLEMENTARY INFORMATION



COMPLIANCE SECTION
AND SUPPLEMENTARY INFORMATION



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Las Vegas, Nevada, (the "City"), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 11, 2012. 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.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Mayor, City Council, and City management, as well as the City's federal awarding and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
January 11, 2012

**CITY OF LAS VEGAS, NEVADA
AUDITOR'S COMMENTS
JUNE 30, 2011**

CURRENT YEAR STATUTE COMPLIANCE

The required disclosure on compliance with Nevada Revised Statutes and Administrative Code is contained in Note 3B to the financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The City continues to have funds with expenditures exceeding appropriations.

PRIOR YEAR RECOMMENDATIONS

We noted one material weakness in internal control over financial reporting, which was reported in the Schedule of Findings and Questioned Costs for the year ended June 30, 2010, as item 2010-1-FS. This finding was corrected, and we did not note similar issues during the year ended June 30, 2011.

CURRENT YEAR RECOMMENDATIONS

We noted significant deficiencies in internal control over the Community Development Block Grant and Energy Efficiency and Conservation Block Grant Program that have been included within our report related to OMB Circular A-133.



KAFOURY, ARMSTRONG & CO.
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have received from City management the statement required by Nevada Revised Statute 354.624(5)(a) which indicates for each of the funds set forth in that paragraph:

- The identified funds are being used in accordance with the provisions of NRS Chapter 354.
- The funds are administered in accordance with accounting principles generally accepted in the United States of America.
- The reserves (ending fund balances/net assets) in the funds at June 30, 2011, are limited to amounts that are reasonable and necessary to carry out the purposes of the funds (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau).
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements.
- The statutory and regulatory requirements applicable to each of the funds.
- The balance and net assets of the funds are as noted in the financial statements.

This assertion (statement) is the responsibility of the management of City of Las Vegas, Nevada. Our responsibility is to review this assertion.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management referred to above is not fairly stated in all material respects.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
January 11, 2012

CITY OF LAS VEGAS, NEVADA
 SCHEDULE OF BUSINESS LICENSE FEES
 SUBJECT TO THE PROVISIONS OF NRS 354.5989
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Nevada Revised Statutes, Chapter 354.5989 - As required by Nevada Revised Statutes (NRS) 354.624, Sec. 4(a), a schedule of all fees imposed by the City are subject to the provisions of NRS 354.5989. The City may adopt new business license fees only if the revenue from the fees is less than a calculated maximum prescribed by the statute.

FLAT / FIXED FEES:

<u>Base June 30, 2010</u>	*	<u>Growth Factor</u>	=	<u>FY 2011 Maximum Allowable Revenue</u>	-	<u>FY 2011 Actual Revenue Received</u>	=	<u>Amount Over/(Under) Allowable</u>
\$ 6,020,228		1.033433		\$ 6,221,502		\$ 5,739,699		\$ (481,803)

FEES CALCULATED ON A PERCENTAGE OF GROSS REVENUE:

<u>Base June 30, 2010</u>	*	<u>Increase in CPI</u>	=	<u>FY 2011 Maximum Allowable Revenue</u>	-	<u>FY 2011 Actual Revenue Received</u>	=	<u>Amount Over/(Under) Allowable</u>
\$ 9,845,050		1.0090		\$ 9,933,498		\$ 8,182,190		\$ (1,751,308)

See accompanying independent auditors' report.

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THE CITY OF
**LAS
VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**SINGLE AUDIT
SECTION**





KAFOURY, ARMSTRONG & CO.
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

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

Compliance

We have audited City of Las Vegas, Nevada's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as items 2011-1.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-1 and 2011-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Mayor, City Council, and City's management, as well as federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
January 11, 2012

CITY OF LAS VEGAS, NEVADA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program or Award Amount	Receipts or Revenues Recognized	Federal Disbursements/ Expenditures
<u>U.S. Department of Housing and Urban Development</u>					
Direct Programs:					
CDBG - Entitlement Grants Cluster					
Community Development Block Grant/Entitlement Grant	14.218	B-09-MC320001	\$ 5,133,572	\$ 3,757,095	\$ 3,757,095
	14.218	B-10-MC320001	5,540,639	1,537,336	1,537,336
	14.218	B-08-MN-32-0002	14,775,270	5,613,541	5,613,541
			<u>25,449,481</u>	<u>10,907,972</u>	<u>10,907,972</u>
ARRA - Community Development Block Grant	14.253	CDBG-R	1,376,738	1,225,121	1,225,121
Passed through Nevada Dept. of Business and Industry Housing Division					
Community Development Block Grant/Entitlement Grant	14.218	B-08-DN-32-0001	5,920,350	3,821,262	3,821,262
Total CDBG - Entitlement Grants Cluster			<u>32,746,569</u>	<u>15,954,355</u>	<u>15,954,355</u>
Emergency Shelter Grant	14.231	S-09-MC320001	225,677	131	131
ARRA - Emergency Shelter Grant	14.231	S-10-MC320001	225,482	222,266	222,266
			<u>451,159</u>	<u>222,397</u>	<u>222,397</u>
ARRA - Homeless Prevention and Rapid Re-Housing Program					
	14.257	ESG - HPRP	2,105,118	1,060,128	1,060,128
Housing Opportunities for Persons with Aids					
	14.241	NV-H09F0-01	1,002,015	36,352	36,352
	14.241	NV-H10F0-01	1,098,706	876,844	876,844
			<u>2,100,721</u>	<u>913,196</u>	<u>913,196</u>
Home Investment Partnerships Program					
	14.239	M07-DC32-0224	2,328,299	300	300
	14.239	M08-DC32-0224	2,217,826	1,274,378	1,274,378
	14.239	M09-DC32-0224	2,463,627	781,665	781,665
	14.239	M10-DC32-0224	2,456,084	3,813	3,813
			<u>9,465,836</u>	<u>2,060,156</u>	<u>2,060,156</u>
Passed through Clark County Dept of Finance Community Resources Mgmt. Division					
Home Investment Partnerships Program	14.239	M03-DC32-0224	2,578,046	80,905	80,905
	14.239	M04-DC32-0224	2,864,232	217,947	217,947
	14.239	M05-DC32-0224	2,505,966	46,835	46,835
			<u>7,948,244</u>	<u>345,687</u>	<u>345,687</u>
Subtotal HOME Program			<u>17,414,080</u>	<u>2,405,843</u>	<u>2,405,843</u>
Total U.S. Department of Housing and Urban Development			<u>54,817,647</u>	<u>20,555,919</u>	<u>20,555,919</u>
<u>U.S. Department of Health and Human Services</u>					
Direct Programs:					
Substance Abuse & Mental Health Services	93.243	1H9TI10562-01	383,187	153,855	153,855
Passed through Nevada Dept. of Health and Aging Cluster Human Services, Aging Services Division Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers					
Senior Law Project - Supplement	93.044	03-009-11-BX-11	104,704	104,704	104,704
Senior Law Project	93.044	03-009-11-LX-10	45,000	11,250	11,250
Independent Living Grant	93.044	03-009-11-LX-11	33,750	33,750	33,750
			<u>183,454</u>	<u>149,704</u>	<u>149,704</u>
Passed through United Way of Southern Nevada CCDF Cluster					
Child Care Mandatory and Matching Funds	93.596		95,000	85,160	85,160
Total U.S. Department of Health and Human Services			<u>661,641</u>	<u>388,719</u>	<u>388,719</u>

The notes to the SEFA are an integral part of this schedule.

continued

CITY OF LAS VEGAS, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program or Award Amount	Receipts or Revenues Recognized	Federal Disbursements/ Expenditures
<u>U.S. Department of Energy</u>					
Direct Programs:					
ARRA Energy Efficiency & Conservation Block Grant	81.128	DE-EE0000683	\$ 5,449,200	\$ 4,601,243	\$ 4,601,243
Passed through Nevada State Office of Energy					
State Energy Program	81.041	DE-EE0004471	500,000	2,573	2,573
ARRA - State Energy Program	81.041	SEPARRA032910003	394,800	394,800	394,800
			<u>894,800</u>	<u>397,373</u>	<u>397,373</u>
Total U.S. Department of Energy			<u>6,344,000</u>	<u>4,998,616</u>	<u>4,998,616</u>
<u>U.S. Department of Homeland Security</u>					
Passed through Nevada Dept. of Public Safety Emergency Management Division					
Homeland Security Grant					
Emergency Management Project	97.042	9704210	391,886	98,259	98,259
Emergency Management Project-Supplemental	97.042	9704210	7,318	7,318	7,318
Emergency Management Project	97.042	9704211	391,886	297,907	297,907
			<u>791,090</u>	<u>403,484</u>	<u>403,484</u>
Homeland Security Cluster					
State Homeland Security - ODP Ph VII	97.067	97067HL7	185,400	42,375	42,375
Citizen Corps Program	97.067	97053CL10	47,758	7,132	7,132
Urban Area Security Initiative - CBRNE	97.067	97067U10	107,009	819	819
Metropolitan Medical Response System - FF07	97.067	97067M08	321,221	13,695	13,695
Metropolitan Medical Response System - FF08	97.067	97067M09	311,585	117,816	117,816
Metropolitan Medical Response System - FF09	97.067	97067M10	301,548	27,661	27,661
			<u>1,274,521</u>	<u>209,498</u>	<u>209,498</u>
Passed through Clark County Office of Emergency Management and Homeland Security					
Citizen Corps Program	97.067	97053CL8	19,612	17,509	17,509
Citizen Corps Program	97.067	97053CL9	41,064	15,000	15,000
Urban Area Security Initiative - Bomb Squad	97.067	97067U08	1,792,588	206,345	206,345
Urban Area Security Initiative - CCP	97.067	97067U08	246,043	92,851	92,851
Urban Area Security Initiative - CCP	97.067	97067U09	230,244	88,536	88,536
Urban Area Security Initiative - RPSC	97.067	97067U08	477,391	14,399	14,399
Urban Area Security Initiative - Advanced IED	97.067	97067U09	291,595	147,547	147,547
Urban Area Security Initiative - CBRNE	97.067	97067U09	91,983	50,299	50,299
			<u>3,190,520</u>	<u>632,486</u>	<u>632,486</u>
Total Homeland Security Cluster			<u>4,465,041</u>	<u>841,984</u>	<u>841,984</u>
Total U.S. Department of Homeland Security			<u>5,256,131</u>	<u>1,245,468</u>	<u>1,245,468</u>
<u>U.S. Department of Agriculture</u>					
Passed through Nevada Dept. of Education					
Child and Adult Food Program	10.558	03-44-2000-000	82,185	82,185	82,185
Total U.S. Department of Agriculture			<u>82,185</u>	<u>82,185</u>	<u>82,185</u>

The notes to the SEFA are an integral part of this schedule.

CITY OF LAS VEGAS, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program or Award Amount	Receipts or Revenues Recognized	Federal Disbursements/ Expenditures
<u>U.S. Department of the Interior</u>					
Direct Programs:					
Southern Nevada Public Land Management					
Bonanza Trail LV03	15.235	L04AC13847	\$ 14,040,000	\$ 4,787,092	\$ 4,787,092
Multi Use Transportation Trails LV14	15.235	L05AC13234	11,151,360	1,455,068	1,455,068
Cultural Corridor Trails LV15	15.235	L09AC15697	2,323,200	227,431	227,431
Neon Boneyard LV16	15.235	L05AC12957	5,227,200	1,647,280	1,647,280
Boulder Plaza Park LV17	15.235	L05AC14882	1,626,240	443,346	443,346
Las Vegas Wash Trail LV20	15.235	L07AC14876	5,500,000	124,753	124,753
Lone Mountain Trail Ph II LV21	15.235	L07AC13810	3,080,000	1,436,444	1,436,444
Freedom Park LV22	15.235	L07AC14119	17,600,000	1,081,048	1,081,048
Lorenzi Park Renovation LV23	15.235	L07AC13493	28,523,000	1,134,513	1,134,513
Sandhill Owens Park (Private) LV24	15.235	L07AC13811	2,640,000	1,308,477	1,308,477
Pedestrian Bridge LV Wash LV25	15.235	L07AC14394	3,300,000	201,316	201,316
Sandhill Owens Park (City) LV26	15.235	L07AC14396	2,068,000	1,192,293	1,192,293
Jaycee Park Renovations LV27	15.235	L07AC12953	10,087,000	52,261	52,261
Pedestrian Bridge Lone Mtn Trail LV28	15.235	L07AC13679	3,300,000	2,060,073	2,060,073
I-215 Beltway Trail Segments LV29	15.235	L07AC12955	6,773,000	328,414	328,414
Pedestrian Bridge Cultural Corridor Trail LV30	15.235	L07AC14118	1,650,000	999,268	999,268
Las Vegas Springs Preserve LV31	15.235	L08AC14129	12,100,000	524,920	524,920
Las Vegas Wash Trail Bridge LV33	15.235	L08AC13544	2,860,000	615,469	615,469
Floyd Lamb Park Trail LV34	15.235	L09AC15526	2,497,000	391,146	391,146
Doolittle Park Renovation LV35	15.235	L11AC20020	1,400,000	10,008	
Vias Verdes PPP PV03	15.235	L08AC14126	295,000	29,853	29,853
			<u>138,041,000</u>	<u>20,050,473</u>	<u>20,040,465</u>
Passed through Nevada Dept. of Cultural Affairs					
State Historic Preservation Office					
Historic Preservation Fund	15.904	32-09-21834(4)	40,000	40,000	40,000
Total U.S. Department of the Interior			<u>138,081,000</u>	<u>20,090,473</u>	<u>20,080,465</u>

The notes to the SEFA are an integral part of this schedule.

CITY OF LAS VEGAS, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program or Award Amount	Receipts or Revenues Recognized	Federal Disbursements/ Expenditures
<u>U.S. Department of Transportation</u>					
Passed through Nevada Dept. of Transportation					
Highway Planning and Construction Cluster					
ARRA - Stewart Avenue Reconstruction	20.205	P188-09-063	\$ 1,871,000	\$ 847,491	\$ 847,491
ARRA - Alexander Road Repaving	20.205	P187-09-063	1,086,000	494,048	494,048
ARRA - Durango Drive Repaving	20.205	P184-09-063	814,000	407,613	407,613
ARRA - Hills Center Drive Repaving	20.205	P185-09-063	1,292,000	636,669	636,669
ARRA - Lamb Boulevard Repaving	20.205	P186-09-063	2,199,000	403,601	403,601
ARRA - Rainbow-Smoke Ranch to Gowen	20.205	P005-10-063	1,910,537	1,538,165	1,538,165
ARRA - Traffic Package No.7	20.205	P261-09-063	1,956,952	962,037	962,037
ARRA - Traffic Package No.7A	20.205	P260-09-063	937,000	614,669	614,669
Safe Routes to School Ph II	20.205	P191-09-802	33,826	1,350	1,350
Safe Routes to School	20.205	P257-08-802	185,688	46,030	46,030
Stewart Avenue Streetscape Ph I	20.205	PR382-06-063	600,000	186,890	186,890
ITS Comm Infrastructure Ph II	20.205	P121-09-050	5,480,000	96,398	96,398
US95 at Horse NDOT RTC-STP	20.205	PR057-08-015	21,000,000	1,713,009	1,713,009
			<u>39,366,003</u>	<u>7,947,970</u>	<u>7,947,970</u>
Passed through Clark County Office of Emergency Management and Homeland Security					
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	10-HEMP-03-01	17,361	7,500	7,500
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	11-HEMP-03-01	5,446	4,806	4,806
			<u>22,807</u>	<u>12,306</u>	<u>12,306</u>
Total U.S. Department of Transportation			<u>39,388,810</u>	<u>7,960,276</u>	<u>7,960,276</u>
<u>U.S. Department of Justice</u>					
JAG Program Cluster:					
Direct Programs:					
ARRA - Edward Bryne Memorial Justice	16.804	2009-SB-B9-1637	7,558,206	2,726,934	2,726,934
Edward Bryne Memorial Justice	16.738	2008-DJ-BX-0466	1,822,534	416,839	416,839
			<u>9,380,740</u>	<u>3,143,773</u>	<u>3,143,773</u>
Passed through Clark County Dept. of Finance Community Resources Management Division					
Edward Bryne Memorial Justice	16.804	2010-DJ-BX-0933	186,451	68,234	68,234
			<u>9,567,191</u>	<u>3,212,007</u>	<u>3,212,007</u>
Direct Programs:					
State Criminal Alien Assistance Program Part E - Developing Testing and Demonstrating Promising New Programs	16.606	2010-AP-BX-0554	181,562	181,562	242,226
	16.541	2008-JL-FX-0039	156,511	35,066	35,066
Total U.S. Department of Justice			<u>9,905,264</u>	<u>3,428,635</u>	<u>3,489,299</u>
Total Federal Assistance			<u>\$ 254,536,678</u>	<u>\$ 58,750,291</u>	<u>\$ 58,800,947</u>

The notes to the SEFA are an integral part of this schedule.

CITY OF LAS VEGAS, NEVADA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

(1) Reporting Entity

The accompanying schedule of expenditures of federal awards presents the expenditure activity of all federal award programs of the City of Las Vegas, Nevada (the City) for the fiscal year ended June 30, 2011. The City's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

(2) Basis of Accounting

The accompanying schedule of expenditures of federal awards is not prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local governments and Non-Profit Organizations. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are used during the year for budgetary control purposes and lapse at fiscal year end.

(3) Relationship to Basic Financial Statements

Expenditures of federal awards are reported in the City's basic financial statements as follows:

Capital Project Fund	\$ 32,031,777
Special Revenue Fund	26,769,170
	<u>\$ 58,800,947</u>

(4) Subrecipient Expenditures

The total amount provided to subrecipients from each federal program for the fiscal year ended June 30, 2011, is listed below:

Community Development Block Grant (CFDA Number 14.218)	\$ 842,444
Emergency Shelter Grant (CFDA Number 14.231)	945,743
Housing Opportunities for Persons with Aids (CFDA Number 14.241)	880,404
Distribution of Receipts to Local Governments (CFDA Number 15.235)	524,920
HOME Program (CFDA Number 14.239)	4,196,932
Energy Efficiency and Conservation Block Grant (CFDA Number 81.128)	392,000
Total	<u>\$ 7,782,443</u>

(5) Economic Development Funds

The City of Las Vegas received federal funding in a prior year from the U.S. Department of Commerce, Economic Development Administration (EDA), for the purposes of funding and operating a Revolving Loan Fund Program (CFDA Number 11.307). Resources are presented below:

Loan Receivable Balance June 30, 2011	\$ 0
Revolving Loan Fund Assets:	
Cash	135,427
Total Value of Revolving Loan Fund	<u>\$ 135,427</u>

CITY OF LAS VEGAS, NEVADA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued	Unqualified
Internal control over financial reporting:	
Material weakness identified?	None
Significant deficiencies identified that are not considered to be material weaknesses?	None
Noncompliance material to financial statements noted	None

Federal Awards

Internal control over major programs:	
Material weakness identified?	None
Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Type of auditor’s report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) Circular A-133?	None

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>
Community Development Block Grants – Entitlement Grants Cluster	14.218/14.253
Homelessness Prevention and Rapid Re-Housing Program	14.257
JAG Program Cluster – Edward Byrne Memorial Justice Assistance Grant	16.804/16.738
Energy Efficiency & Conversation Block Grant	81.128
Highway Planning & Construction Cluster	20.205

Dollar threshold used to distinguish between Type A and Type B programs: \$1,764,028

Auditee qualified as a low-risk auditee? No

CITY OF LAS VEGAS, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no findings

CITY OF LAS VEGAS, NEVADA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (DIRECT PROGRAMS AS WELL AS PASSED THROUGH NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY HOUSING DIVISION)

**Questioned
Costs**

FINDING 2011-1	Community Development Block Grants (CDBG) – CFDA No. 14.218; Community Development Block Grant ARRA Entitlement Grants (CDBG-R) – CFDA No. 14.253
Criteria:	The City is required to submit financial and performance reports for the CDBG grant – quarterly cash financial reports, activity summary report, a financial summary report, a performance report, and quarterly Section 1512 reports under the American Recovery and Reinvestment Act of 2009. Required reports for Federal awards should include all activities of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements.
Condition:	Our testing revealed errors with the SF-425 and PR26 reports. For all of the quarterly SF-425 reports tested, the City incorrectly reported cash receipts and cash disbursements by using quarterly totals instead of the required cumulative totals. The PR26 incorrectly excluded the beginning unexpended funds from the end of the previous program year.
Effect:	Total grant receipts and outlays (grant expenditures) and unexpended funds are improperly reported to the grantor.
Cause:	It appears that there was ineffective management oversight over the reporting compliance requirement, as the internal control process failed to ensure that all required information was properly included in the reports prior to their submission.
Recommendation:	The City should strengthen its procedures over the review process of the federal reports for the CDBG program.
Views of responsible Officials and Planned Corrective Actions:	SF-425 Report: Cash receipts and disbursements on the SF-425 report were being reported on a quarter to date basis rather than the required cumulative basis. After being notified of the discrepancy, Economic and Urban Development (EUD) management instructed personnel on the proper preparation of the SF-425 report. Beginning with the report for the quarter ending September 30, 2011, cash receipts and disbursements are presented on a cumulative basis on the SF-425 report. The report is reviewed by EUD management prior to submission to ensure all information is properly reported.

CITY OF LAS VEGAS, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS-CONTINUED

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (DIRECT PROGRAMS AS WELL AS PASSED THROUGH NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY HOUSING DIVISION)– CONTINUED

**Questioned
Costs**

PR26 Report:

Two separate, but similar federal portals are maintained by Housing and Urban Development (HUD) for reporting purposes; the Disaster Recovery Grant Reporting (DRGR) portal and the Integrated Disbursement and Information System (IDIS) portal. The PR26 report is an on-line report completed by EUD personnel in conjunction with the annual CAPER report to HUD and is available in both federal portals. EUD personnel were utilizing the PR26 report generator in the DRGR federal portal, rather than the correct one in the IDIS federal portal.

The PR26 report generator in the DRGR federal portal does not allow for amounts to be entered into all required reporting fields, including the field to capture and report unexpended funds from the end of the prior program year. The PR26 report generator in the IDIS federal portal allows the preparer this flexibility. EUD management has instructed personnel on the correct federal portal to use. Going forward personnel will use the IDIS federal portal to prepare the PR26 report.

DEPARTMENT OF ENERGY (DIRECT PROGRAM)

FINDING 2011-2 Energy Efficiency and Conservation Block Grant Program (EECBG) (ARRA) – CFDA No. 81.128

Criteria: The Department of Energy requires that the City prepare and submit financial reports for the EECBG grant – quarterly accrual financial reports (SF-425), monthly cash drawdowns, and quarterly Section 1512 reports under the American Recovery and Reinvestment Act of 2009. In addition, OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the City is required to “maintain internal control over Federal programs that provides reasonable assurance that the [City] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

Condition: Our testing revealed that there was no review and approval process in place for the preparation and submission of the cash drawdown report and the SF-425 Federal Financial report, as they were authorized by the preparer without any supervisor review.

Effect: Although our audit procedures revealed that the SF-425 report and cash drawdown report were tested properly prepared by the City, incorrect reports could be submitted to federal agencies as a result of inadequate controls.

Cause: It appears that there was ineffective management oversight over the reporting compliance requirement.

CITY OF LAS VEGAS, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS-CONTINUED

DEPARTMENT OF ENERGY (DIRECT PROGRAM) – CONTINUED

**Questioned
Costs**

Recommendation: The City should strengthen its controls over the reporting process by developing procedures and documentation to support review and approval of the SF-425 and cash drawdown reports by someone other than the preparer prior to their submission.

Views of responsible Officials and Planned Corrective Actions: Cash Draw Downs:
The Energy Efficiency and Conservation Block Grant is a direct award and draws can be made as needed. In November 2010 a draw was made when expenditures were in excess of \$2,000,000. No review by management was obtained on the draw prior to submission to the Department of Energy. The expenses incurred in November 2010 were reported on the SF-425 report for the quarter ending December 31, 2010. The SF-425 report was reviewed and signed by the Financial Services Manager prior to submission. Going forward, all draws will be reviewed and approved by the Financial Services Manager or designee prior to draw.

SF-425 Report:
For the quarter ending March 31, 2011, the Financial Services Manager reviewed and signed the expenditure recap detail report in lieu of the SF-425 report. The expenditure recap detail report lists all expenditures for the quarter and is utilized in the preparation of the SF-425 report. All expenditures reported for the quarter ending March 31, 2011 were reviewed by management prior to submission, but the SF-425 report was not signed. Beginning with the report for the quarter ending September 30, 2011, the Financial Services Manager or designee will sign the SF-425 report prior to submission.

CITY OF LAS VEGAS, NEVADA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**Findings Relating to Federal Awards – Prior Year:
None Reported**

