Agenda Item No.: **4.**

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: JANUARY 6, 2010

DEPARTMENT: FINANCE AND BUSINESS SERVICES
DIRECTOR: MARK R. VINCENT ☐**Consent** ☒ **Discussion**

SUBJECT:
ABEYANCE ITEM - Discussion and possible action on the City of Las Vegas Redevelopment Agency (component unit) Comprehensive Annual Financial Report (CAFR) for Fiscal Year ending June 30, 2009

Fiscal Impact

☐ **No Impact** ☐ **Augmentation Required**
☐ **Budget Funds Available**

Amount:
Funding Source:
Dept./Division: Finance and Business Services

PURPOSE/BACKGROUND:
NRS 354.624 requires an annual audit of the City be conducted by an independent public accounting firm. It further requires the audit report and the CAFR be presented to the governing body with the recommendations and the summary of narrative comments. The audit was conducted by Kafoury, Armstrong & Co. The City received an unqualified opinion.

RECOMMENDATION:
Receive the audit report and provide guidance for any management actions.

BACKUP DOCUMENTATION:
Submitted after Final Agenda - PowerPoint Presentation and Redevelopment Agency Comprehensive Annual Financial Report by Staff

Motion made by GARY REESE to Accept the report

Passed For: 6; Against: 0; Abstain: 0; Did Not Vote: 1; Excused: 0
RICKI Y. BARLOW, LOIS TARKANIAN, OSCAR B. GOODMAN, GARY REESE, STEVEN D. ROSS, STAVROS S. ANTHONY; (Against-None); (Abstain-None); (Did Not Vote-STEVE WOLFSON); (Excused-None)

Minutes:
MARK VINCENT, Chief Financial Officer, provided a PowerPoint presentation and explained that the Nevada Revised Statutes require an independent audit by an outside certified accounting firm. Kafoury, Armstrong Co. performed the audit and issued an unqualified opinion.

MR. VINCENT stated that the Redevelopment Agency (RDA) revenue growth is entirely from tax increment from new development occurring in the RDA area, and 2009 showed healthy growth, but it is not anticipated in 2010 that same growth.

Regarding fund balances, MR. VINCENT indicated that the RDA five-year plan contains significant projects that will draw down the fund balance. He explained the reason for the negative net assets is because the RDA sold RDA bonds last fiscal year, and the money was contributed to the City of Las Vegas to fund a portion of the construction of the performing art center.

MEMBER WOLFSON emphasized that this report pertains only to the RDA, which is a separate entity from the City of Las Vegas.

MR. VINCENT showed the RDA Comprehensive Annual Financial Report (CAFR) booklet, which can be found in the City's website within the Department of Finance.

CHAIRMAN GOODMAN requested a hardcopy of the PowerPoint presentation so that he could use the information during the State of the City Address scheduled for next Tuesday.

MEMBER BARLOW asked MR. VINCENT to clarify his statement regarding the unlikely positive growth in 2010. MR. VINCENT replied that the current Assess or's priority values published in the newspaper are down for the City by more than 20 percent. It is expected there will be appeals made, commercial than residential. Those appeals will be based upon the profitability of the businesses, which have been significantly impacted. While there has been a 20 percent value reduction, there has to be an appeal process concluding at the end of February or beginning of March 2010. The RDA budgeted for a 15 percent reduction in existing revenues and any existing construction will add to the valuation. The City Hall and performing art center projects are tax exempt. Some of the projects expected to come on the 2010 tax roll are the Golden Nugget tower addition and the Metroplex, as there is a lease in place, and then the Assessor will assess the tax on that until the County exercises its purchase option.