DOWNTOWN LAS VEGAS

City of Las Vegas Redevelopment Agency
Council Chambers • 400 East Stewart Avenue
Phone - 229-6011 [Voice] 386-9108 [TDD]

MINUTES

Meeting of
FEBRUARY 2, 2000
9:00 A.M.

(Following the morning session of the City Council Meeting)

Called To Order: 5:06 P.M.
Adjourned: 5:14 P.M.

REDEVELOPMENT AGENCY	PRESENT	ABSENT	EXCUSED
CHAIRMAN OSCAR B. GOODMAN	☒	☐	☐
MEMBER MICHAEL J. McDONALD - VICE-CHAIRMAN	☒	☐	☐
MEMBER GARY REESE	☒	☐	☐
MEMBER LARRY BROWN	☒	☐	☐
MEMBER LYNETTE BOGGS McDONALD	☒	☐	☐
MEMBER LAWRENCE WEEKLY	☒	☐	☐
MEMBER MICHAEL MACK	☒	☐	☐
VIRGINIA VALENTINE, EXECUTIVE DIRECTOR	☒	☐	☐
BRADFORD R. JERBIC, CITY ATTORNEY	☒	☐	☐
BARBARA JO RONEMUS, SECRETARY	☒	☐	☐

APPROVED BY REFERENCE: February 16, 2000

ATTEST:

SECRETARY

CHAIRMAN

DOWNTOWN LAS VEGAS

City of Las Vegas Redevelopment Agency
COUNCIL CHAMBERS • 400 STEWART AVENUE
CITY OF LAS VEGAS INTERNET ADDRESS: http://www.ci.las-vegas.nv.us
PHONE 229-6100
FEBRUARY 2, 2000

9.00 A.M.

(Following Morning Session of City Council Meeting)

AGENDA

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE.

HESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV CHANNEL 2 BY THE U.N.L.V. HANK GREENSPUN CHOOL OF COMMUNICATION THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 THE WEDNESDAY OF THE MEETING AT 8:00 PM AND ARE ALSO REBROADCAST ON FRIDAY AT 4.00 AM, SATURDAY AT 7·00 PM, SUNDAY AT 7:30 AM AND THE FOLLOWING MONDAY AT 10.00 AM

I. CALL TO ORDER

II. ANNOUNCEMENT RE: COMPLIANCE WITH THE OPEN MEETING LAW

III. APPROVAL OF THE MINUTES BY REFERENCE FOR THE MEETING OF JANUARY 19, 2000

IV. NEW BUSINESS

A. **ABEYANCE ITEM** - PRESENTATION OF THE COMPONENT UNIT FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 1999

B. REPORT ON FINANCIAL CONDITION OF THE REDEVELOPMENT AGENCY AS OF DECEMBER 31, 1999

. CITIZEN PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISION OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A REDEVELOPMENT AGENCY MATTER NOT LISTED ON THE AGENDA, PLEASE STEP UP TO THE PODIUM AND CLEARLY STATE YOUR NAME AND ADDRESS. PLEASE LIMIT YOUR REMARKS TO THOSE MATTERS UNDER THE EXPRESS JURISDICTION OF THE REDEVELOPMENT AGENCY. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES.

Facilities are provided throughout City Hall for the convenience of disabled persons. Special equipment for the hearing impaired is available for use at meetings. If you need an accommodation to attend and participate in this meeting, please call the City Clerk's office at 229-6311 and advise of your need at least 48 hours in advance of the meeting. The City's TDD number is 386-9108.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

Downtown Transportation Center, City Clerk's Board
Senior Citizen Center, 450 East Bonanza Road
Clark County Government Center, 500 So. Grand Central Parkway
Court Clerk's Office Bulletin Board, City Hall Plaza
City Hall Plaza, Special Outside Posting Bulletin Board

AFFIDAVIT OF MAILING

(Mailing required under the provisions of NRS Chapter 241)

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

Eva Cotton, an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the **27th** day of **January, 2000**, a copy of NOTICE, the attached of which is a true and correct copy of the Public Hearing - re: **A Redevelopment Agency Meeting** to be held on the **2nd** day of **February, 2000** was deposited in the United States Mail, Postage prepaid, First Class Mail, to each person and/or organization whose name appears on the list maintained in the Office of the City Clerk.

SIGNATURE

City Clerk
DEPARTMENT

Subscribed and sworn to before me this

27th day of January, 2000

NOTARY PUBLIC in and for said County and State

Notary Public - State of Nevada
COUNTY OF CLARK
BEVERLY K BRIDGES
No 93-4081-1 My Appointment Expires July 25, 2001

AFFIDAVIT OF POSTING
(Posting required under the provisions of NRS Chapter 241)

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

Eva Cotton an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the **28th** day of **January, 2000**, at the hour of **8:30 a.m.** there were posted copies of a NOTICE, the attached of which is a true and correct copy of a **Redevelopment Agency Meeting** to be held on the **2nd** day of **February, 2000** at **9:00 a.m.**, Las Vegas, Nevada; to be posted on Public Bulletin Boards at the following locations:

ec 1. On the City Clerk's Bulletin Board at the Downtown Transportation Center;

ec 2. In the Senior Citizens Center, 450 E. Bonanza Road;

ec 3. Clark County Government Center, 500 S. Grand Central Parkway; (Faxed)

ec 4. On the Public Bulletin Board at the Plaza Level of City Hall, 400 E. Stewart Avenue (near the entrance to the Court Clerk's Office); and

ec 5. On the Special Bulletin Board at the Plaza Level of City Hall, 400 E. Stewart Avenue (in the walkway area between Metro and Municipal Court).

E Cotton
SIGNATURE

City Clerk
DEPARTMENT

Subscribed and sworn to before me

this 28th day of January, 2000

Beverly K Bridges
NOTARY PUBLIC in and for said County and State

Notary Public - State of Nevada
COUNTY OF CLARK
BEVERLY K BRIDGES
No 93-4081-1 My Appointment Expires July 25 2001

City of Las Vegas

REDEVELOPMENT AGENCY AGENDA
MEETING OF: FEBRUARY 2, 2000

THESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV CHANNEL 2 BY THE U.N.L.V. HANK GREENSPUN SCHOOL OF COMMUNICATION. THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 THE WEDNESDAY OF THE MEETING AT 8:00 PM AND ARE ALSO REBROADCAST ON FRIDAY AT 4:00 AM, SATURDAY AT 7:00 PM, SUNDAY AT 7:30 AM AND THE FOLLOWING MONDAY AT 10:00 AM

I CALL TO ORDER

II ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:
CALLED TO ORDER BY CHAIRMAN GOODMAN AT 5:06 P.M.

PRESENT: CHAIRMAN GOODMAN and MEMBERS M. McDONALD, REESE, BROWN, L. McDONALD, WEEKLY, and MACK

ALSO PRESENT: VIRGINIA VALENTINE, Executive Director, BRAD JERBIC, City Attorney, and BARBARA JO RONEMUS, Secretary

ANNOUNCEMENT MADE: Posted as follows:

Downtown Transportation Center, City Clerk's Board
Senior Citizens Center, 450 E. Bonanza Road
Clark County Government Center, 500 S. Grand Central Pkwy.
Court Clerk's Bulletin Board, City Hall
City Hall Plaza, Posting Board

(5:06)
6-730

City of Las Vegas

Agenda Item No. **III**

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 2, 2000

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT
DIRECTOR: JEFFREY MARESH

SUBJECT:

Approval of the minutes by reference for the meeting of January 19, 2000.

MOTION:
M. McDONALD - APPROVED by Reference - UNANIMOUS

MINUTES:
There was no discussion.

(5:06)
6-736

City of Las Vegas

Agenda Item No.: A

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 2, 2000

DEPARTMENT: FINANCE & BUSINESS SERVICES
DIRECTOR: MARK VINCENT

SUBJECT:
ABEYANCE ITEM - PRESENTATION OF THE COMPONENT UNIT FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 1999.

Fiscal Impact

X	**No Impact**	**Amount:**
	Budget Funds Available	**Dept./Division:**
	Augmentation Required	**Funding Source:** REDEVELOPMENT AGENCY

PURPOSE/BACKGROUND:
To fulfill the Indenture of Trust requirement of the 1986 bond issue, the City of Las Vegas Redevelopment Agency must prepare a complete financial statement separate from that of the City of Las Vegas. This Component Unit Financial Report for the year ended June 30, 1999, was audited by KPMG Peat Marwick LLP. The auditors issued an unqualified opinion with no material findings, improvements, or recommendations. The report will be filed as a public record with the City Clerk, the Clark County Clerk, and the Nevada Department of Taxation.

RECOMMENDATION:
Report only, no action required

BACKUP DOCUMENTATION:
None

MOTION:
None required.

MINUTES:
MARK VINCENT, Director, Finance and Business Services, indicated that KPMG, LLP, conducted the audit in accordance with auditing standards and opined that the financial position and operating results of the Redevelopment Agency are in accordance with generally accepted accounting principles and noted no material weaknesses involving Redevelopment Agency internal control over financial reporting or operations.

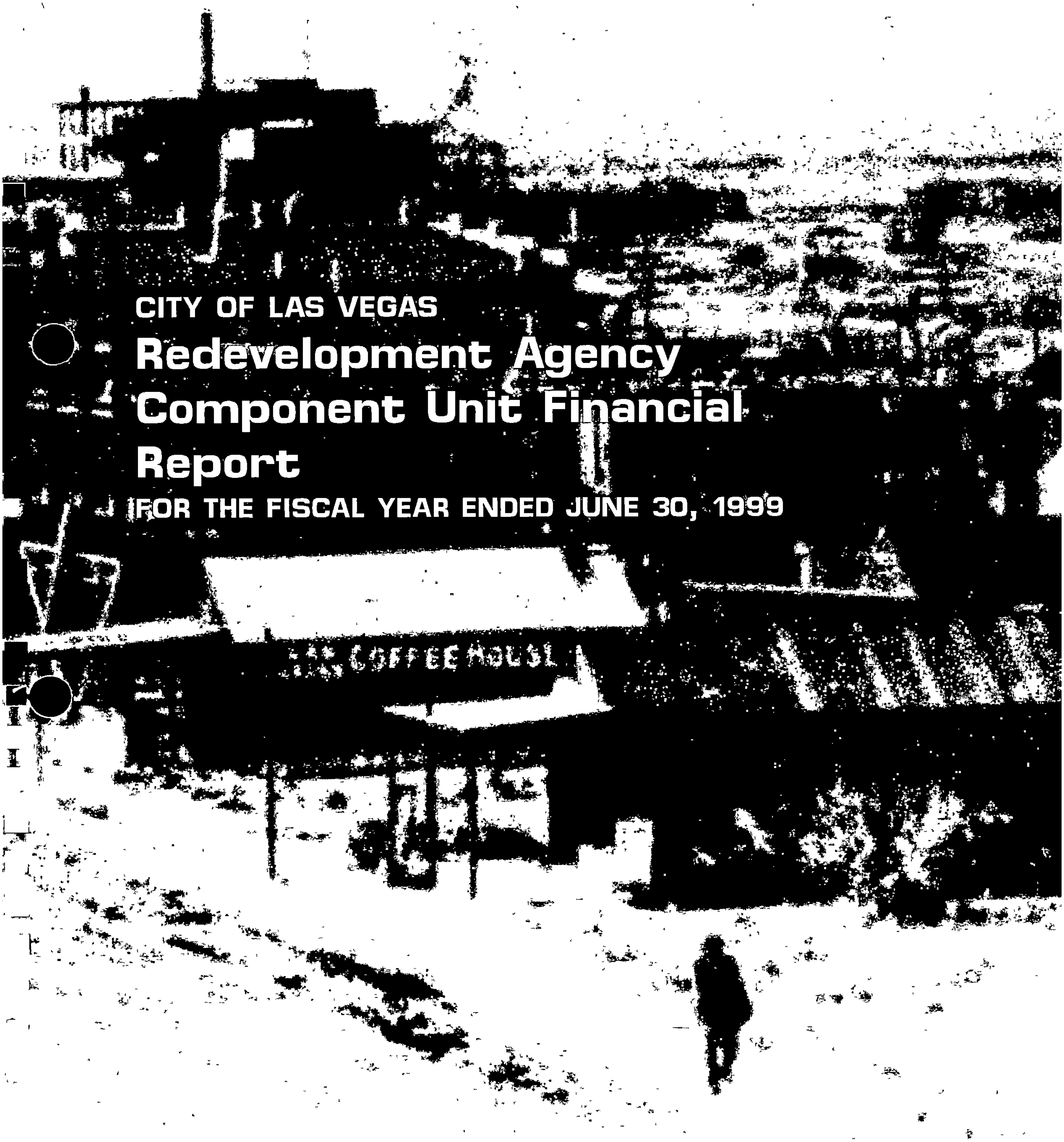
There was no further discussion.

(5:06)
6-736

CITY OF LAS VEGAS

Redevelopment Agency Component Unit Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 1999



CITY OF LAS VEGAS

REDEVELOPMENT AGENCY

Component Unit Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 1999

Prepared by
Department of Finance and Business Services
Mark R. Vincent, CPA, Director

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
COMPONENT UNIT FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

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CITY OF LAS VEGAS
Redevelopment Agency

400 LAS VEGAS BLVD SOUTH
LAS VEGAS, NEVADA 89101
(702) 229-6100

November 25, 1999

Board of Dırectors
City of Las Vegas Redevelopment Agency
Las Vegas, Nevada

We are pleased to present the Cıty of Las Vegas Redevelopment Agency's (Agency) Component Unıt Fınancıal Report for the fiscal year ended June 30, 1999. The report was prepared by the Agency's staff followıng generally accepted accounting prıncıples Responsibılıty for both the accuracy of the data and faırness of the presentatıon, ıncludıng all dısclosures, rests wıth the Agency To the best of our knowledge and belıef, the enclosed data ıs accurate ın all materıal respects and ıs reported ın a manner desıgned to present fairly the financial posıtıon and results of ıts operatıons for the year then ended.

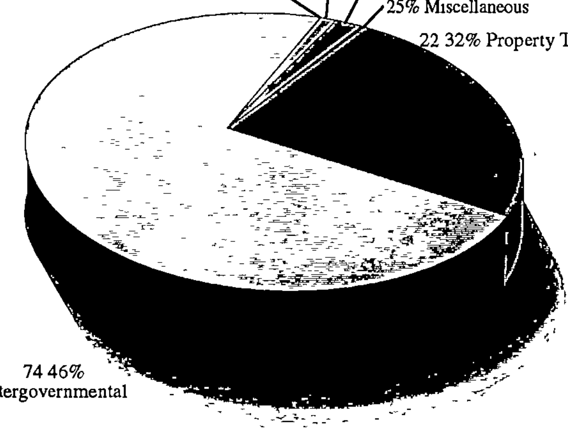
The Agency was establıshed November 6, 1985, by the Las Vegas, Nevada Cıty Council The mıssıon of the Agency is to stimulate economıc growth ın decayıng areas of the Cıty On March 5, 1986, the Agency Board members adopted the Redevelopment Plan that specıfied the boundarıes of the Redevelopment Area The use of emınent domaın and tax ıncrement financıng are the prımary tools made available to the Agency to carry out the Redevelopment Plan

The followıng table represents the property tax revenue for the Agency from ıts ınceptıon

FISCAL YEAR ENDED	AMOUNT	PERCENT INCREASE (DECREASE)
1987	$ 1,229,320	
1988	2,447,182	99 07 %
1989	3,036,054	24 06 %
1990	3,014,599	(0071)%
1991	3,921,236	30 07 %
1992	5,557,606	41 73 %
1993	5,767,116	3 77 %
1994	5,408,373	(0622)%
1995	5,520,639	2 08 %
1996	5,157,519	(0658)%
1997	7,520,159	45 82%
1998	8,356,253	11 12%
1999	8,719,334	4 35%

The Agency's revenue summary as compared to the prıor fiscal year ıs ıllustrated on the chart shown on the followıng page The Cıty's contributıon of bond proceeds for the Neonopolıs Project ıs the primary cause of the ıncrease in ıntergovernmental revenues The ıncrease ın investment ıncome ıs because the Agency dıd not have to recognıze any Government Accounting Standards Board (GASB) 31 ınvestment losses as ıt did in the prıor fiscal year. Also, durıng the fiscal year, the Agency refunded a bond ıssue that resulted ın the release of a $1.65 mıllıon reserve fund float contract, whıch accounts for the decrease ın fee revenue

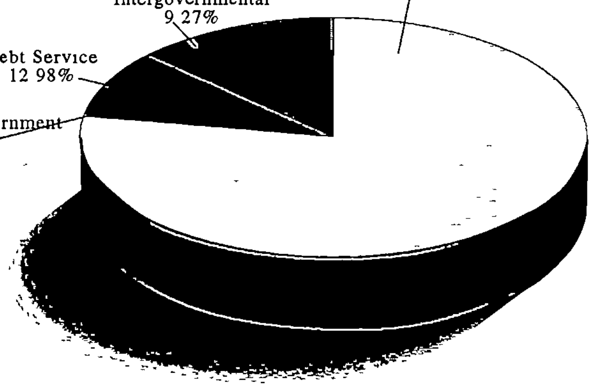
REVENUES FISCAL YEAR ENDED JUNE 30, 1999



REVENUES	AMOUNT	% OF TOTAL	INCREASE (DECREASE) FROM 1998	INCREASE (DECREASE)
PROPERTY TAX	$ 8.719.334	22 32%	$ 363,081	4 35%
INTERGOVERNMENTAL	29,083,653	74 46%	27,232,850	1471 41%
FEDERAL GRANTS	29,378	08%	29,378	100 00%
INVESTMENT INCOME	429,180	1 10%	151,438	54 52%
FEES			(3.026,000)	(100 00)%
RENTAL INCOME	701,024	1 79%	(333,107)	(32 21)%
MISCELLANEOUS	97,832	25%	(117.798)	(54 74)%
	$ 39,059.951	100 00%	$ 24,299,842	164 63%

The Agency's expenditure summary as compared to the prior fiscal year, is illustrated on the chart below The start up of the Neonopolis Project accounts for the increase in economic development. The increase in intergovernmental expenditures is due to the City allowing the Agency to retain $1 million of the prior year's annual parking fund transfer that was to be used for the Clark Street Associates Project parking garage As mentioned under the revenue analysis, a bond refunding is the cause for the debt service decrease.

EXPENDITURES FISCAL YEAR ENDED JUNE 30, 1999



EXPENDITURES	AMOUNT	% OF TOTAL	INCREASE (DECREASE) FROM 1998	% INCREASE (DECREASE)
GENERAL GOVERNMENT	$ 7,568	0 02%	$ (23,508)	(75 65)%
ECONOMIC DEVELOPMENT	26,980,855	77 73%	19,509,007	261 10%
INTERGOVERNMENTAL	3,217.267	9 27%	976,999	43 61%
DEBT SERVICE	4,505,009	12 98%	(1,858,623)	(29 21)%
	$ 34,710,699	100 00%	$ (18,603,875)	115 50%

During the year, the Agency has been involved with various projects Below are brief descriptions of some of the Agency's most recent activities.

- The Agency entered into an agreement with the General Services Administration (GSA) of the Federal Government for the construction of a new Federal Courthouse and office complex. The Agency contributed approximately six acres of land to the GSA for the project. The project is expected to be completed in the Spring of 2000

- A 12,000 square foot office addition to an existing bank facility located downtown was recently completed This addition will provide the necessary facilities to accommodate the growing financial needs in the rapidly expanding Las Vegas area

- The Agency has entered into a contractual agreement with Clark Street Associates for the development of an 80,000 square foot office building/parking garage Construction will begin in 2000

- The Agency entered into an agreement with Eddie Escobedo for the development of 22,000 square feet of single story office space located near the eastern boundary of the Redevelopment area The project will provide sorely needed services to the residents of the area

- In conjunction with the City Centre Development Corporation (CCDC), the Agency was involved in negotiating an agreement for a City-owned parking garage and corresponding three-level retail project known as "Neonopolis" Construction commenced in December 1998 and is scheduled to be completed in winter of 2000. CCDC has supervised the construction of the Agency's garage, which commenced in March 1999.

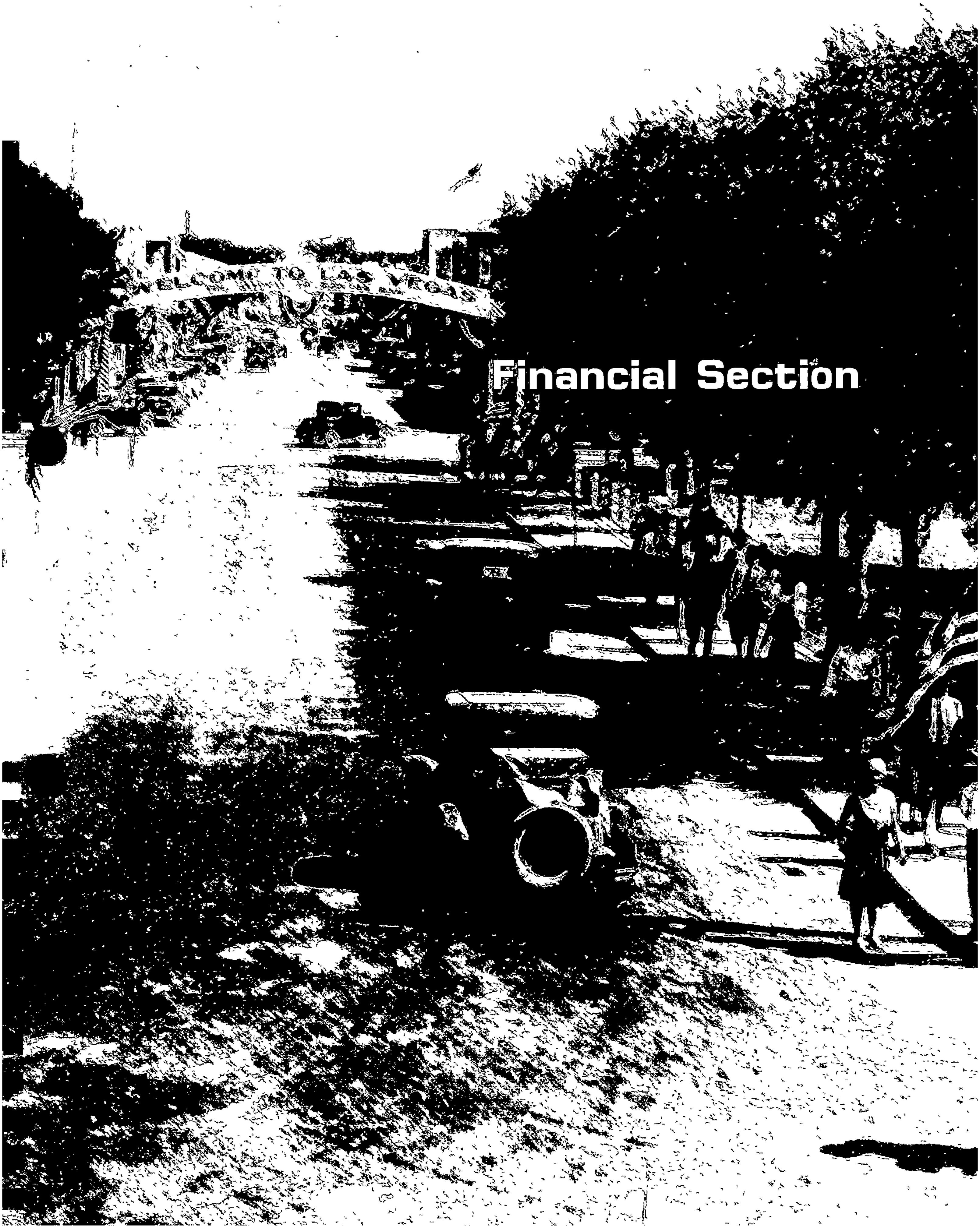
- The Agency is negotiating a development agreement with the Pauls Corporation for the construction of a 110,000 square foot, Class A office building in the downtown area. Agency participation on this project will include development of a 600 space parking garage

The mission of the Redevelopment Agency is to stimulate the economic growth in decaying areas of the City The Agency's goals of economic growth and revitalization of commercial areas will be accomplished through visionary leadership and the continued implementation of projects like those mentioned above

Respectfully submitted,

Mark R. Vincent, CPA
Financial Officer

Financial Section



KPMG

2300 West Sahara Avenue
Suite 300, Box 28
Las Vegas, NV 89102

Independent Auditors' Report

Honorable Chairperson, Members of the Board
and Executive Director
City of Las Vegas Redevelopment Agency:

We have audited the accompanying general-purpose financial statements of the City of Las Vegas Redevelopment Agency ("Agency"), a component unit of the City of Las Vegas, Nevada, as of and for the years ended June 30, 1999 and 1998, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audits in accordance with generally accepted accounting standards 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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 audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned general purpose financial statements present fairly, in all material respects, the financial position of the City of Las Vegas Redevelopment Agency, as of and for the years ended June 30, 1999 and 1998 and the results of its operations for the years then ended in conformity with generally accepted accounting principles.

The year 2000 supplemental information on pages 29 and 30 is not a required part of the financial statements, but is supplemental information required by the Governmental Accounting Standards Board, and we did not and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the Agency is or will be successful in whole or in part, or that parties with which the Agency does business are or will become year 2000 compliant.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Agency taken as a whole. The individual fund financial statements listed in the foregoing table of contents are also presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

The introduction letter listed in the foregoing table of contents is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such additional information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 1999 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

KPMG LLP

October 8, 1999

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CITY OF LAS VEGAS REDEVELOPMENT AGENCY
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1999
(WITH COMPARATIVE TOTALS FOR JUNE 30, 1998)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
ASSETS AND OTHER DEBITS				
Assets				
Cash and cash equivalents (Note 3)	$ 2,289.935	$ 4,135,323	$ 3.542.427	$ 135,163
Investments (Note 3)			1.936.000	
Receivables				
Accounts		51,360		
Property taxes			500,227	
Interest	21.225		6,893	312
Intergovernmental			569,484	
Due from other funds (Note 10)				
Deposits on land (Note 5)		1.205.000		
Fixed assets (Note 4)				
Other debits				
Amount available in debt service fund				
Amount to be provided for retirement of general long-term debt				
Amount to be provided for loans payable				
Total assets and other debits	$ 2,311.160	$ 5.391,683	$ 6,555.031	$ 135.475
LIABILITIES. EQUITY AND OTHER CREDITS				
Liabilities				
Accounts payable	$ 7,568	$ 2,019,026	$	$
Contracts payable		390.112		
Deferred revenue			209,243	
Deposits held (Note 6)		1,118.118		
Intergovernmental payable (Note 7)	256,736	439,585	123,237	
Due to other funds (Note 10)				
Tax increment revenue bonds payable (Note 8)				
Loans payable (Note 8)				
Total liabilities	264,304	3.966.841	332,480	
Equity and other credits				
Investment in general fixed assets				
Fund balances				
Reserved for debt service (Note 8)			2,265,822	
Reserved for maintenance of bond funded projects				135.475
Unreserved				
Designated for redevelopment projects	2,046.856	1,424,842		
Undesignated			3,956,729	
Total equity and other credits	2.046.856	1,424,842	6.222.551	135,475
Total liabilities. equity and other credits	$ 2,311,160	$ 5,391,683	$ 6,555,031	$ 135,475

See accompanying notes to the financial statements

ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
GENERAL LONG-TERM DEBT	GENERAL FIXED ASSETS	1999	1998
$	$	$ 10,102.848	$ 4.171.130
		1,936.000	6,954.278
		51,360	37,390
		500.227	668.223
		28.430	703
		569.484	213.811
			1,126,451
		1,205,000	1,205.000
	37,954.407	37.954,407	23,800,157
2,265,822		2,265.822	7,279.995
45,449,178		45,449,178	43,210,005
7,605.000		7.605,000	8,520,000
$ 55,320.000	$ 37,954.407	$ 107.667,756	$ 97,187.143
$	$	$ 2.026.594	$ 350,280
		390,112	
		209,243	581,035
		1.118,118	1,341.158
		819.558	652,941
			1,126,451
47,715,000		47,715,000	50.490.000
7,605.000		7,605,000	8,520,000
55,320.000		59.883,625	63.061.865
	37.954.407	37,954,407	23,800,157
		2.265,822	7,279.995
		135,475	
		3,471.698	2,987,857
		3,956.729	
	37,954,407	47,784,131	34,068.009
$ 55.320.000	$ 37,954.407	$ 107,667 756	$ 97,129.874

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1999
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1998)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
Revenues				
Property taxes	$	$	$ 8,719,334	$
Federal grants		29,378		
Intergovernmental (Notes 8 and 9)	1,400,000	27,158,351	450,302	75,000
Investment income	199,897	20,815	205,262	3,206
Fees (Note 8)				
Rental income		701,024		
Miscellaneous		97,382		
Total revenues	1,599,897	28,006,950	9,374,898	78,206
Expenditures				
Current				
General government	7,568			
Economic development and assistance		26,980,855		
Intergovernmental	1,909,367		1,307,900	
Debt service				
Principal retirement			1,290,000	
Interest and fiscal charges			3,215,009	
Total expenditures	1,916,935	26,980,855	5,812,909	
Excess (deficiency) of revenues over (under) expenditures	(317,038)	1,026,095	3,561,989	78,206
Other financing sources (uses)				
Revenue bonds payable			9,890,000	
Payment to defease debt			(13,084,649)	
Payment to reduce reserve fund float			(1,650,000)	
Operating transfers in (Note 10)	1,376,878			
Operating transfers out (Note 10)			(1,376,878)	
Total other financing sources (uses)	1,376,878		(6,221,527)	
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,059,840	1,026,095	(2,659,538)	78,206
Fund balances, July 1	987,016	398,747	8,882,089	57,269
Fund balances, June 30	$ 2,046,856	$ 1,424,842	$ 6,222,551	$ 135,475

See accompanying notes to the financial statements

TOTALS (MEMORANDUM ONLY)	
1999	1998
$ 8,719,334	$ 8,356,253
29,378	
29,083,653	1,850,803
429,180	277,742
	3,026,000
701,024	1,034,131
97,382	215,180
39.059,951	14,760,109
7.568	31,076
26.980,855	7,471,848
3,217,267	2,240,268
1.290,000	2,655,000
3.215,009	3,708,632
34,710,699	16,106,824
4,349,252	(1,346,715)
9,890,000	
(13,084,649)	
(1.650,000)	
1,376.878	8,303,409
(1,376,878)	(8,303,409)
(4.844,649)	
(495,397)	(1,346,715)
10,325.121	11,671,836
$ 9,829,724	$ 10,325,121

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	GENERAL FUND			SPECIAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues						
Federal grants	$	$	$	$	$ 29,378	$ 29,378
Property taxes						
Intergovernmental	1,400,000	1,400,000		31,197,371	27,158,351	(4,039,020)
Investment income	150,000	199,897	49,897	35,000	20,815	(14 185)
Miscellaneous				783,700	798,406	14,706
Total revenues	1 550,000	1,599,897	49,897	32,016,071	28,006,950	(4,009,121)
Expenditures						
Current						
General government	50,000	7,568	42,432			
Economic development and assistance				32,843,689	26,980,855	5,862,834
Intergovernmental	2 054 671	1,909,367	145,304	240,000		240,000
Debt Service						
Principal retirement						
Interest and fiscal charges						
Total expenditures	2,104,671	1,916,935	187,736	33,083,689	26,980,855	6,102,834
Excess (deficiency) of revenues over (under) expenditures	(554,671)	(317,038)	237,633	(1,067,618)	1,026,095	2,093,713
Other financing sources (uses)						
Revenue bonds payable						
Payment to defease debt						
Payment to reduce reserve fund float						
Operating transfers in	8,500,000	1,376,878	(7,123,122)	8,000,000		(8,000,000)
Operating transfers out	(8,000,000)		8,000,000	(4,500,000)		4,500 000
Proceeds from reserve fund float						
Total other financing sources (uses)	500,000	1,376,878	876,878	3,500,000		(3,500,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(54,671)	1,059,840	1,114,511	2,432,382	1,026,095	(1,406,287)
Fund balances, July 1	987,016	987,016		398,747	398,747	
Fund balances, June 30	$ 932,345	$ 2,046,856	$ 1,114,511	$ 2,831,129	$ 1,424,842	$ (1,406,287)

See accompanying notes to the financial statements.

DEBT SERVICE FUND			CAPITAL PROJECTS FUND		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
$	$	$	$	$	$
8,294,586	8,719,334	424,748			
450,303	450,302	(1)		75,000	75,000
175,000	205,262	30 262	3,200	3 206	6
8,919,889	9,374,898	455,009	3,200	78,206	75,006
1,244,188	1,307,900	(63,712)			
1,290,000	1,290,000				
3,241,520	3,215,009	26 511			
5,775,708	5,812,909	(37,201)			
3,144,181	3,561,989	417 808	3,200	78 206	75,006
9,890,000	9,890,000				
(13,084,649)	(13,084 649)				
(1,650,000)	(1,650,000)				
(4,000,000)	(1,376,878)	2 623,122			
(8,844,649)	(6,221,527)	2,623,122			
(5,700,468)	(2,659,538)	3,040,930	3,200	78 206	75,006
8 882,089	8,882,089		57,257	57,269	12
$ 3,181,621	$ 6,222,551	$ 3,040,930	$ 60,457	$ 135,475	$ 75,018

1 Summary of significant accounting policies

The financial statements of the City of Las Vegas Redevelopment Agency have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles The more significant accounting policies are described below

A Reporting entity

The City of Las Vegas Redevelopment Agency (hereafter referred to as the Agency) is a component unit of the City of Las Vegas, Nevada's financial reporting entity and is included with the comprehensive annual financial report of the City of Las Vegas, Nevada The purpose of a separate Agency component unit financial report is to fulfill a trust indenture requirement and the requirements of Nevada law

On November 6, 1985, the City Council of the City of Las Vegas, acting pursuant to the provisions of the Nevada Community Redevelopment Law (NRS 279 382 to 279 680, inclusive), created by resolution the City of Las Vegas Redevelopment Agency City Council members also serve as members of the Board of Directors for the Agency

On March 5, 1986, the official Redevelopment Plan was adopted to facilitate redevelopment efforts for the downtown Las Vegas area.

B Measurement focus and basis of accounting

The Agency uses funds and account groups to report its financial position and the results of its operations Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities

A fund is a separate accounting entity with a self-balancing set of accounts An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources

Funds are classified into three categories governmental, proprietary and fiduciary Each category, in turn, is divided into separate "fund types " During fiscal year 1999, the Agency only used the governmental fund category Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds) and the acquisition of fixed assets or construction projects (capital projects funds) The general fund is used to account for all activities of the entity not accounted for in some other fund.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus All governmental funds are accounted for using a current financial resources measurement focus With this measurement focus, only current assets and current liabilities generally are included on the balance sheet Operating statements of these funds present increases (i e., revenues and other financing sources) and decreases (i e , expenditures and other financing uses) in net current assets

1 Summary of significant accounting policies (continued)

B Measurement focus and basis of accounting (continued)

The modified accrual basis of accounting is used by all governmental funds Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i e, when they become both measurable and available) "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period The Agency considers property taxes as available if they are collected within 60 days after year end A one-year availability period is used for revenue recognition for all other governmental fund revenues Expenditures are recorded when the related fund liability is incurred Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year

The Agency reports deferred revenue on its combined balance sheet Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized

C Assets, liabilities and equity

1 Cash, cash equivalents and investments

Cash and cash equivalents include currency on hand, demand deposits with banks or other financial institutions, and highly liquid investments with a maturity of three months or less when purchased

Investments include short-term investments that are not easily converted to cash and long-term investments with a maturity of more than three months when purchased Investments are stated at market value or amortized cost, in accordance with Governmental Accounting Standards Board (GASB) Statement No 31, Accounting and Reporting for Certain Investments and for External Investment Pools

The Agency reports investments at amortized cost if they have a remaining maturity at time of purchase of one year or less Fair market value of investments is determined by using quoted market prices provided by the Bank of New York

Nevada Revised Statutes authorize the Agency to invest in obligations of the U.S Government and its agencies, commercial paper, corporate bonds, mutual funds, repurchase agreements, or other securities in which commercial banks may legally invest money

2 Fixed assets

All fixed assets acquired are reported as expenditures in the fund that finances the asset acquisition and capitalized in the General Fixed Asset Account Group at historical cost Donated assets are stated at fair market value at the date of donation

1. Summary of significant accounting policies (continued)

C. Assets, liabilities and equity (continued)

3. Long-term obligations

Long-term debt is recognized as a liability in the general long-term debt account group

4 Fund equity

Portions of fund balances are segregated and reserved for future use, and are therefore not available for appropriation or expenditures Amounts reserved for revenue bond debt service and retirement represent fund equity which is required to be segregated in accordance with the bond covenants

Designations of unreserved fund balances in governmental funds indicate the Agency's tentative plans for use of financial resources in a future period

5 Property taxes

The Agency's primary source of revenue is ad valorem property tax 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 levied in July and are payable to the County Treasurer in four equal installments, during August, October, January, and March Apportionment of taxes by Clark County, to the Agency, is made in the calendar quarters of September, December, March, and June

The Agency receives that portion of ad valorem tax which is produced by the rate at which the tax is levied each year by all taxing entities in the redevelopment area This tax is applied to that portion of the assessed valuation of all taxable property in the redevelopment area, which is in excess of the amount of the assessed valuation as certified by the Clark County Tax Assessor for the 1986 fiscal year For fiscal year 1999 the incremental valuation was $290,152,389 with a combined tax rate of $3 0479, apportionment to the Agency of $2.8587 per $1,000 of assessed value

6 Interfund transactions

During the course of normal operations the Agency has numerous transactions between funds, which include transfer of resources from one fund to the fund where the expenditure occurs The accompanying financial statements generally reflect such transactions as operating transfers which appear in the "Other financing sources (uses)" section

7. Memorandum only - total columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles Neither are such data comparable to a consolidation Interfund eliminations have not been made in the aggregation of this data

1 Summary of significant accounting policies (continued)

C. Assets, liabilities and equity (continued)

8 Comparative data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand

2 Stewardship and legal compliance

Budgetary information

Budgets are adopted on a basis consistent with generally accepted accounting principles Annual appropriated budgets are adopted for the general, special revenue, capital projects and debt service funds The budget is filed with the Nevada Department of Taxation, a branch of the state government charged with the responsibility to oversee local government finances The Agency Board of Directors approves annual appropriated budgets by expenditure categories, however, expenditures for all governmental fund types are controlled at the function level as prescribed by law

By February 1 of each year, Agency staff submits appropriation requests to the City of Las Vegas' Finance and Budget Division for the preparation of an Agency budget to be effective the following July 1 The budget is prepared by fund, function and activity and includes information on the prior year, current year estimates and requested appropriations for the next fiscal year.

A tentative budget is submitted to the Nevada Department of Taxation by April 15 A public hearing is required on the third Tuesday of May and the final budget must be adopted by the Agency Board and filed with the Department of Taxation by June 1 For fiscal year 1999, the Agency complied with all legal mandates

The Agency Board may amend or augment the annual budget following a public hearing. In any legislative year the Legislature increases the revenues of any local government, and such increase was not anticipated and included in the final budget, the local government may amend the final budget before August 15 and file such amended budget with the Department of Taxation, increasing budgeted revenues and expenditures (NRS 354.599). An augmented budget is approved and filed when the total revenues and corresponding expenditures change All budget appropriations lapse at the end of each fiscal year A budget is not required for the general long-term debt account group and general fixed asset account group

For the fiscal year ended June 30, 1999, an augmented budget was filed for the General Fund, Special Revenue Fund, and the Debt Service Fund

3 Cash, cash equivalents and investments

The Agency's cash and investments are held separately, and are displayed on the balance sheet as "Cash and cash equivalents" and "Investments " Cash in the bank and the investing of idle funds are governed by Nevada Revised Statutes, written policies, and the bond trust indenture.

3 Cash, cash equivalents and investments (continued)

Deposits The Agency's monies must be deposited in an insured bank, credit union, or savings and loan association At June 30, 1999, the Agency's cash deposits per general ledger were $124,592 and the bank balance total was $183,537 The limit on federal depository insurance is $100,000 There were no uninsured or uncollateralized deposits The Agency is not required by law to secure deposits by collateral, however, the Agency's investment policy requires that deposits be collateralized in excess of insurance

Cash equivalents Short-term highly liquid investments are reclassified as cash equivalents at year-end for financial statement purposes These investments are readily convertible to known amounts of cash and are so near their maturity, three months or less, that they present insignificant risk of changes in value because of fluctuation in interest rates

Investments. Statutes authorize the Agency to invest in obligations of the U S Treasury and U S agencies (i e , FNMA, FHLB, etc), repurchase agreements, certificates of deposit, money market mutual funds, or other securities in which banking institutions may legally invest

The Agency's cash equivalents and investments are categorized below to give an indication of the level of risk assumed by the entity at year-end Category 1 includes cash equivalents and investments that are insured or registered, or for which the securities are held by the Agency or its agent in the Agency's name Category 2 includes uninsured and unregistered cash equivalents and investments for which the securities are held by a trust department or agent in the Agency's name Category 3 includes uninsured and unregistered cash equivalents and investments for which the securities are held by a trust department or agency but not in the Agency's name

For the fiscal year ending June 30, 1999, the Agency has applied the provisions of GASB Statement No 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools This statement requires governmental entities to report all investments at fair value, except for certain investments that are considered to be short term and highly liquid instruments, which may be reported at amortized cost At June 30, 1999, the Agency had no investments reported at amortized cost

The Agency has no cash equivalents or investments in Categories 2 or 3

	Category			Fair Market Value
	1	2	3	
Cash equivalents				
Cash equivalents in money market mutual funds (not required to be categorized)				$ 9,978,256
Investments				
U S Treasury obligations	$ 1,936,000			$ 1,936,000

4 Changes in general fixed assets

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Construction in progress	$	$ 4,918,393		$ 4,918,393
Land and land improvements	23,785,287	20,390,676	$ (11,154,819)	33,021,144
Vehicles	14,870			14,870
Total	$ 23,800,157	$ 25,309,069	$ (11,154,819)	$ 37,954,407

The Agency has contributed land to various projects within the downtown area during the fiscal year as follows

Fremont Street Experience	$ 11,131,760
IBPO Elks	23,059
Total	$ 11,154,819

5 Deposits on land

Deposits on land include monies held by the Clerk of the Eighth Judicial Court and Lawyers Title of Nevada for the acquisition of property for the Fremont Street Experience and Stratosphere projects At June 30, 1999, deposit on land was $1,205,000

6. Deposits held

In prior years, Stratosphere Corporation deposited $4,295,000 with the Agency This money, along with interest earned is to be used for the acquisition of property. Any excess money will be returned to Stratosphere Corporation The Agency received additional deposits of $31,926 during the fiscal year for other projects At June 30, 1999, total customer deposits were $1,118,118

7. Intergovernmental payable

The Agency and the City of Las Vegas have entered into a cooperative agreement which provides the Agency with City staff assistance, supplies and services In turn, the Agency reimburses the City for all costs incurred, which is done by a quarterly billing At June 30, 1999, the intergovernmental payable was $819,558

8 General long-term debt

The Agency's long-term debt is payable from ad valorem tax levied against the incremental assessed value for all taxable property within the redevelopment area In addition, the Agency receives $1,400,000 from the City of Las Vegas parking fund per an agreement between the entities to be used for the repayment of principal and interest, if necessary. As added security, $2,265,882 has been deposited in a debt service reserve account with the Agency's trustee The Agency is in compliance with all bond covenants and restrictions required by the bond indenture.

8 General long-term debt (continued)

A Defeasance of debt (continued)

1 On December 1, 1989, the Agency placed $14,065,459 of the $35,000,000 long-term bond proceeds in trust to defease the outstanding December 1986 $15,000,000 tax increment revenue long-term bonds The 1986 bonds were defeased to relieve the Agency of restrictive covenants contained in that issue The current balance due on the 1986 bonds is $12,900,000

2 On June 28, 1995, the Agency issued $17,090,000 in tax increment revenue bonds The proceeds were used to defease $13,525,000 of the outstanding portion of the 1989 tax increment revenue bonds. The bonds were defeased to relieve the Agency of restrictive covenants contained in that issue The current balance due is $13,525,000

3. On September 1, 1998, the Agency issued $9,890,000 in Taxable Tax Increment Revenue Refunding Bonds, with an average interest rate of 5 30 percent, to advance refund $12,290,000 of outstanding Unrefunded Downtown Redevelopment Project Series 1986A (1989 Remarketing) Bonds with an average interest rate of 7 75 percent The net proceeds of $7,932,935 (after payment of $1,930,535 in underwriting fees, insurance, float contract payoff [$1,650,000] and other issuance costs), plus an additional $5,151,714 of 1995A Series Reserve Fund Monies, were used to purchase State and Local Government Securities (SIG) Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1986A Series Bonds As a result, the 1986A Series Bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group

The Agency advance refunded the 1986A Series Bonds to achieve interest rate savings. The refunding results in an increase in cash flow payments of $589,000 over the next seven years, and an economic gain (difference between the net present value of the old and new debt service payments) of $335,000 The current balance due on the 1986A Series Bonds was $10,720,000 at June 30, 1999.

8. General long-term debt (continued)

B. Changes in general long-term debt

The following schedule summarizes the changes in general long-term debt

	Balance July 1, 1998	Additions	Deletions	Balance June 30,1999
7 6 to 7 9% 1989 Tax Increment Revenue Bonds due, 6/1/09	$ 12,290,000	$	$ (12,290,000)	$
3 75 to 6 1% 1994 Tax Increment Subordinate Lien Revenue Bonds due, 6/15/14	21,750,000		(140,000)	21,610,000
4.25 to 5 6% Tax Increment Insured Refunding Parity Lien Revenue Bonds Series 1995 A, due 6/1/09	15,885,000		(210,000)	15,675,000
5 25 to 6 25% Tax Increment Insured Refunding Parity Lien Revenue Bonds Series 1995 B, due 6/15/09	565,000		(25,000)	540,000
5 25 to 5 35% Taxable Tax Increment Revenue Refunding Bonds, due 6/1/05		9,890,000		9,890,000
Total Bonds Payable	50,490,000	9,890,000	(12,665,000)	47,715,000
4.10 to 4 75% Loan Payable to the City of Las Vegas, due 6/15/09	8,520,000		(915,000)	7,605,000
Total Loans Payable	8,520,000		(915,000)	7,605,000
Total Long-Term Debt	$ 59,010,000	$ 9,890,000	$ (13,580,000)	$ 55,320,000

In September 1997, the Agency entered into a Forward Delivery Investment Agreement with Lehman Brothers Special Financing Inc and received $3,026,000 This represents interest that would have been earned on the reserve funds for the 1989, 1994A, 1995A, and 1995B bonds. In September 1998, the Agency canceled the portion of the Agreement associated with the 1989 and 1995A bond reserve funds at a cost of $1,650,000 (See Note A3). The portion of the Forward Delivery Agreement associated with the 1994 and 1995B bond reserve funds remains outstanding and will mature on June 14, 2014

8 General long-term debt (continued)

C Payment Requirements for debt service

The annual requirements to pay principal and interest on long-term debt are as follows

Year Ending June 30	Principal	Interest	Total
2000	$ 970,000	$ 2,711,160	$ 3,681,160
2001	2,405,000	2,661,002	5,066,002
2002	2,520,000	2,535,125	5,055,125
2003	2,665,000	2,401,868	5,066,868
2004	2,800,000	2,260,455	5,060,455
2005-2014	36,355,000	12,500,987	48,855,987
	$ 47,715,000	$ 25,070,597	$ 72,785,597

9 Intergovernmental revenue

The City of Las Vegas has pledged revenues from parking meter fees and fines for the benefit of the Agency in the amount of $1,400,000 This revenue category has been reclassified to intergovernmental revenue due to an interpretation of the 1986 bond covenant The Agency is required to set aside 15% of ad valorem revenues for affordable housing Throughout the year, the Agency made bond payments for the City of Las Vegas' affordable housing program For the 1999 fiscal year, the amount reimbursed by the City to the Agency was $450,302

10 Interfund transactions

A Interfund operating transfers are made from one fund to another fund to support expenditures in accordance with the budget Transfers between fund types during the year ended June 30, 1999, were as follows

		Transfers Out		
	Transfers In	General Fund	Special Revenue Fund	Debt Service Fund
General Fund	$ 1,376,878	$	$	$ 1,376,878

11 Contingent liabilities

a The Agency is currently in litigation involving the condemnation of property. These actions could result in additional costs which could materially affect its financial condition A fiscal impact cannot be determined at this time The Agency is appealing these cases and believes it will prevail

12. Related Party

The City Centre Development Corporation (Corporation) was formed to provide redevelopment services to the Agency The Corporation contracts with the Agency to provide staff services including but not limited to the following

a Effectuation of the general Las Vegas Redevelopment Plan and policies adopted by the Redevelopment Agency and the Las Vegas City Council,

b Negotiations and subsequent recommendations to the Redevelopment Agency with regard to property ownership, development and financial activity within redevelopment areas,

c. Recommendations concerning redevelopment plans and project areas and implementation strategies,

d. Recommendations regarding priority project areas within the redevelopment plan areas,

e Promotion of redevelopment projects

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REQUIRED SUPPLEMENTAL INFORMATION

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CITY OF LAS VEGAS REDEVELOPMENT AGENCY
YEAR 2000 ISSUES
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 1999
(UNAUDITED)

In October 1998, GASB issued Technical Bulletin 98-1, which was amended March 1999 with Technical Bulletin 99-1 These bulletins require certain disclosures with respect to Year 2000 issues The Agency, being a component unit of the City of Las Vegas, is encompassed within the City's Year 2000 Plan The City's approach to the Year 2000 issues is as follows

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the operations of the City as early as Fiscal Year 1999 Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter Management cannot assure that the City is or will be completely Year 2000 ready, that the City's remediation efforts will be successful in whole or in part, or that parties with whom the City does business will be Year 2000 ready The City has been working on its Y2K Plan since 1996 The City has invested approximately $2,100,000 in Y2K preparedness The following stages describe the work in process or completed that the City has undertaken to make computer systems and other electronic equipment critical to conducting operations Year 2000 compliant

Awareness State - In 1996, the City embarked on a program entitled "Virtual Las Vegas" that was designed to update all aspects of computing and data communications Since part of this goal was to replace or reengineer existing software systems to give them Windows-style functionality, switching to four-digit years would be part of the process A Year 2000 Committee, composed of members from key departments, was formed to oversee all Y2K project components and began meeting biweekly in June 1998 To help raise awareness in the community, letters describing the Year 2000 problem were generated and enclosed with business license renewals from June through November 1998

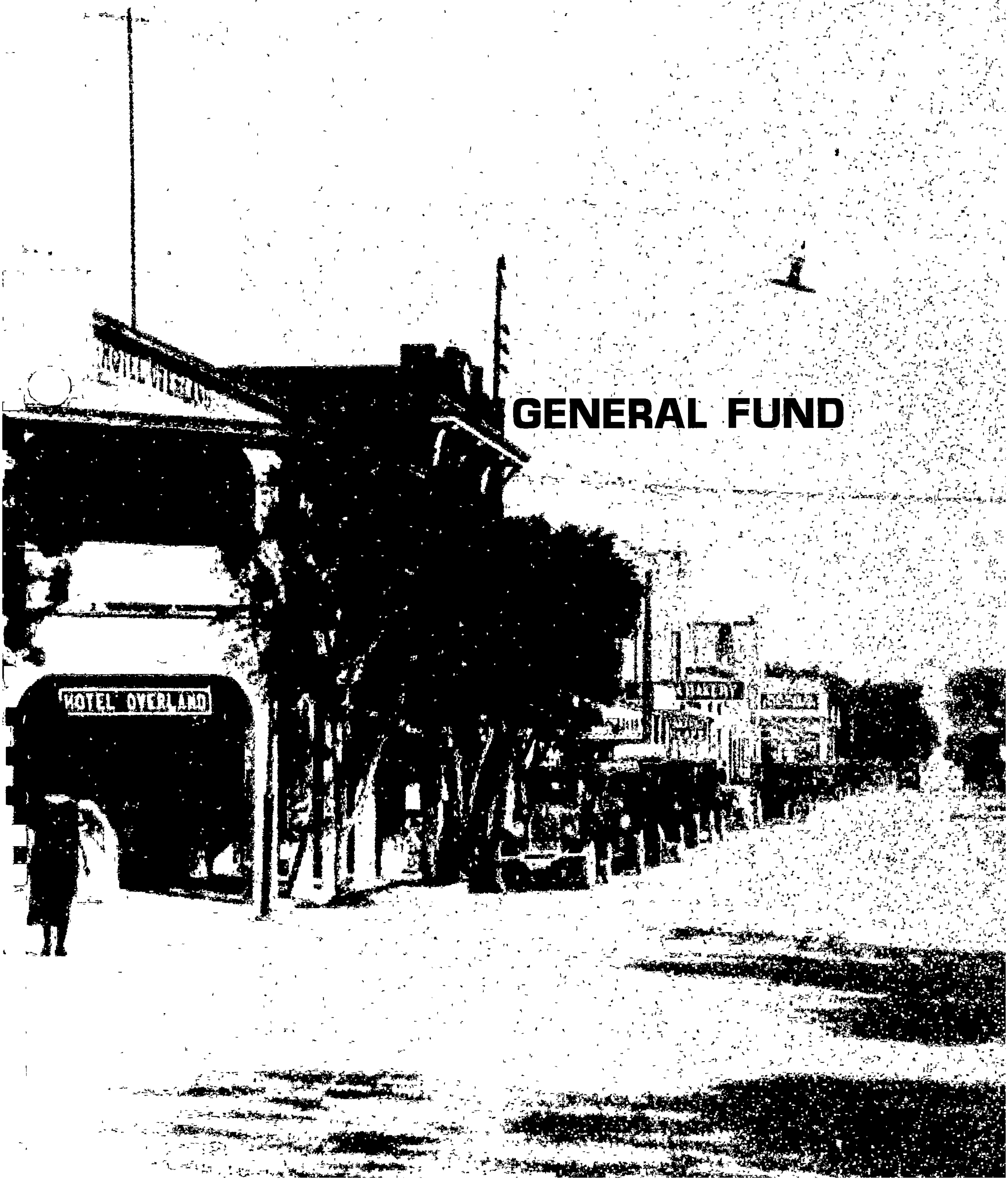
Assessment Stage - An onsite assessment of all items with potential Y2K-related problems began in February 1998 This included main system hardware and software, desktop hardware and software, data interfaces with external agencies, computer-related services, devices with embedded microchips, and critical supply-items vendors Vendor contact information was also gathered This process was completed and all items entered into a database by August 1998. Lists of items were generated and forwarded to each department to verify accuracy, supply missing information, and identify critical items Letters were then generated and mailed to vendors in November 1998, requesting compliance status Direct phone contact and Web sources were also used to obtain compliance information A comprehensive Year 2000 plan was prepared by the Y2K Committee during the Fall of 1998 An external firm, McGladrey and Pullen, was hired to review the City's Y2K plan and make recommendations Their report in March 1999, indicated that the City was on the right track but that more emphasis needed to be given to contingency planning Another external company, Science and Engineering Associates, Inc, then assisted the City in interviewing all City divisions and in developing a draft for an overall contingency plan that could be used for any emergency, not just potentially Y2K. The final contingency plans were adopted in September 1999 A third external firm, Logix Solutions, Inc., toured critical City facilities such as the Water Pollution Control Facility during June 1999, and identified equipment with possible embedded microchip problems that needed to be researched All of this research work was completed by August 1999 Emergency preparedness meetings with other local governments and agencies were held during the Spring of 1999

Remediation Stage - New Windows-style financial and human resources systems that are Y2K compliant were implemented in July 1998 All other systems were remediated by July 1999 Replacement of non-compliant equipment was begun in August 1999, and scheduled for completion by November 1999

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
YEAR 2000 ISSUES
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 1999
(UNAUDITED)

Validation/Testing Stage - Testing of all remediated systems was completed by the end of September 1999 This testing process included extensive client participation Programs are being written to periodically examine all dates in every database, to make sure they contain no two-digit years that might have been inserted by code overlooked during the remediation process, such as might result from infrequently-run quarterly or year-end programs If encountered, any errant dates will be automatically highlighted so that code repair can be initiated Testing to check for compliance of equipment with embedded systems was completed by August 1999. Equipment being replaced will be tested prior to installation by November 1999 All departments were instructed to develop contingency test plans by mid-August 1999, so their individual scenarios could be tested as necessary before Year 2000 rollover Emergency preparedness exercises in coordination with other local governments and agencies are scheduled for October through December 1999

GENERAL FUND



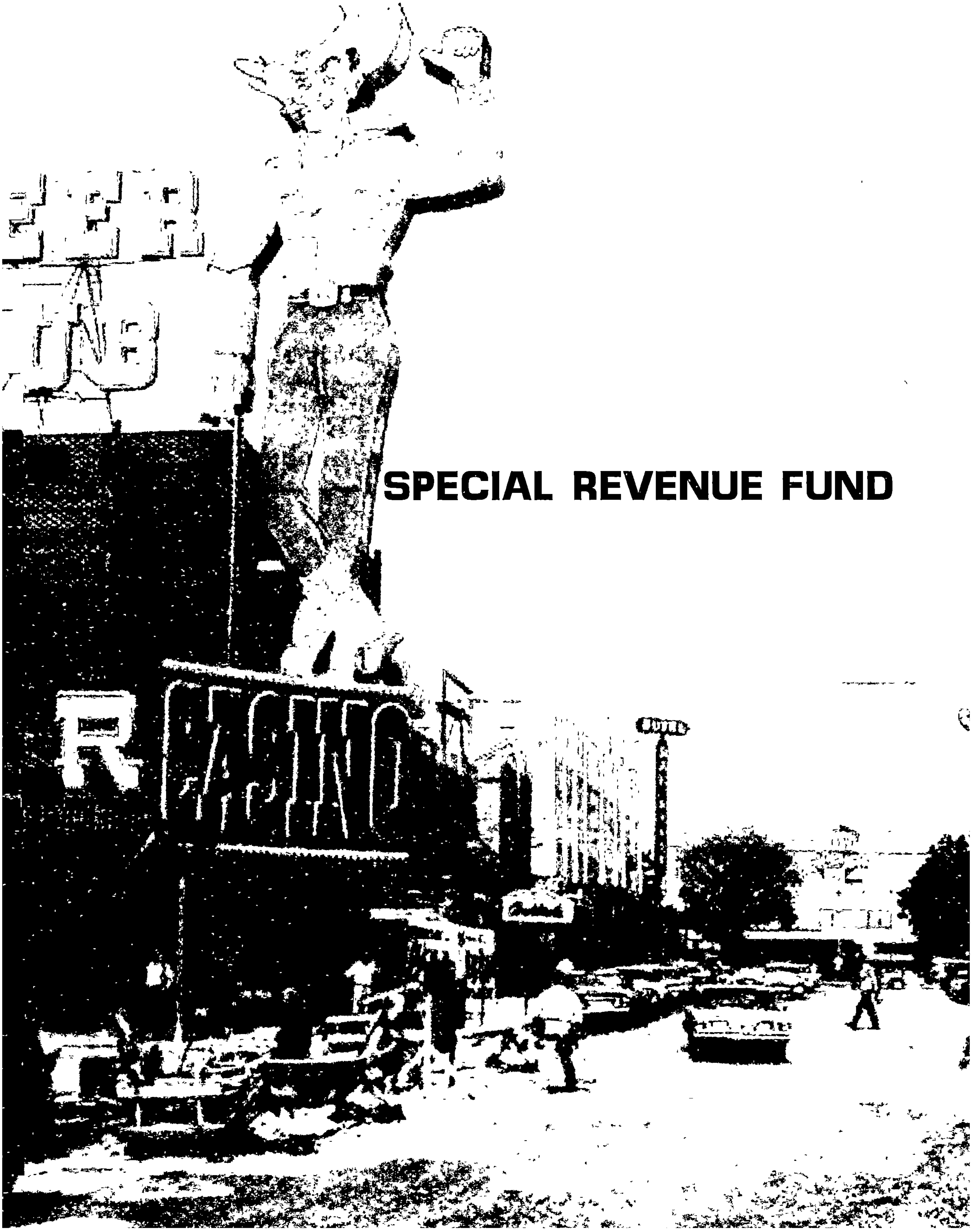
CITY OF LAS VEGAS REDEVELOPMENT AGENCY
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 1999 AND 1998

	1999	1998
ASSETS		
Cash and cash equivalents	$ 2,289,935	$ 13,960
Interest receivable	21,225	
Due from other funds		1,126,451
Total assets	$ 2,311,160	$ 1,140,411
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 7,568	$
Intergovernmental payable	256,736	153,395
Total liabilities	264,304	153,395
Fund balances		
Unreserved.		
Designated for redevelopment projects	2,046,856	987,016
Total fund balances	2,046,856	987,016
Total liabilities and fund balances	$ 2,311,160	$ 1,140,411

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEARS ENDED JUNE 30, 1999 AND 1998

	1999			1998		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues						
Intergovernmental	$ 1,400,000	$ 1,400,000	$	$ 1,400,000	$ 1,400.000	$
Investment income	150,000	199,897	49.897	35.000	38.537	3.537
Total revenues	1,550.000	1,599,897	49.897	1,435,000	1,438,537	3.537
Expenditures						
Current						
General government	50,000	7,568	42.432	40,000	31,076	8,924
Intergovernmental	2,054,671	1,909.367	145,304	1,094.234	988,910	105 324
Total expenditures	2.104.671	1.916.935	187.736	1.134.234	1.019 986	114.248
Excess (deficiency) of revenues over (under) expenditures	(554,671)	(317,038)	237 633	300.766	418.551	117,785
Other financing sources (uses)						
Operating transfers in	8,500,000	1,376,878	(7 123.122)	2,500.000	2,329.145	(170,855)
Operating transfers out	(8,000 000)		8,000.000	(5.500,000)	(2,774.264)	2.725,736
Total other financing sources (uses)	500.000	1.376 878	876,878	(3.000,000)	(445.119)	2.554.881
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(54,671)	1,059,840	1,114.511	(2,699,234)	(26,568)	2 672.666
Fund balances, July 1	987,016	987,016		2,926.417	1,013.584	(1 912.833)
Fund balances, June 30	$ 932.345	$ 2,046,856	$ 1,114.511	$ 227,183	$ 987.016	$ 759.833

SPECIAL REVENUE FUND



CITY OF LAS VEGAS REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 1999 AND 1998

	1999	1998
ASSETS		
Cash and cash equivalents	$ 4,135,323	$ 1,269,550
Receivables:		
Accounts	51,360	37,390
Deposits on land	1,205,000	1,205,000
Total assets	$ 5,391,683	$ 2,511,940
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 2,019,026	$ 350,280
Contracts payable	390,112	
Deposits held	1,118,118	1,341,158
Intergovernmental payable	439,585	421,755
Total liabilities	3,966,841	2,113,193
Fund balances		
Unreserved		
Designated for redevelopment projects	1,424,842	398,747
Total fund balances	1,424,842	398,747
Total liabilities and fund balances	$ 5,391,683	$ 2,511,940

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEARS ENDED JUNE 30, 1999 AND 1998

	1999			1998		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues						
Federal grants	$	$ 29,378	$ 29,378	$	$	$
Intergovernmental	31,197,371	27,158,351	(4,039 020)			
Investment income	35 000	20.815	(14 185)	100,000	85.829	(14,171)
Miscellaneous	783.700	798,406	14.706	25.000	1.249 311	1.224,311
Total revenues	32,016,071	28,006,950	(4.009.121)	125.000	1.335,140	1,210,140
Expenditures						
Current						
Economic development and assistance	32,843,689	26.980,855	5,862.834	13,117,482	7,471,848	5.645,634
Intergovernmental	240,000		240,000	300.000		300.000
Total expenditures	33,083.689	26.980.855	6,102.834	13.417.482	7.471.848	5.945,634
Excess (deficiency) of revenues over (under) expenditures	(1.067.618)	1.026,095	2,093,713	(13.292.482)	(6.136.708)	7.155.774
Other financing sources (uses)						
Operating transfers in	8.000,000		(8,000,000)	5.500.000	5,299,304	(200.696)
Operating transfers out	(4.500,000)		4,500.000	(3.145)	(3.145)	
Proceeds from reserve fund float				3 300.000		(3.300,000)
Total other financing sources (uses)	3.500.000		(3.500,000)	8,796.855	5.296.159	(3.500,696)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2,432,382	1,026,095	(1,406,287)	(4,495,627)	(840,549)	3,655,078
Fund balances, July 1	398.747	398,747		4,495,627	1,239,296	(3.256,331)
Fund balances, June 30	$ 2,831,129	$ 1.424,842	$ (1,406,287)	$	$ 398.747	$ 398,747

DEBT SERVICE FUND

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 1999 AND 1998

	1999	1998
ASSETS		
Cash and cash equivalents	$ 3,542,427	$ 2,830,351
Investments	1,936,000	6,954,278
Receivables		
Property taxes	500,227	668,223
Interest	6,893	703
Intergovernmental	569,484	213,811
Total assets	$ 6,555,031	$ 10,667,366
LIABILITIES AND FUND BALANCES		
Liabilities		
Deferred revenue	$ 209,243	$ 581,035
Intergovernmental payable	123,237	77,791
Due to other funds		1,126,451
Total liabilities	332,480	1,785,277
Fund balances:		
Reserved for debt service	2,265,822	7,279,995
Unreserved		
Undesignated	3,956,729	1,602,094
Total fund balances	6,222,551	8,882,089
Total liabilities and fund balances	$ 6,555,031	$ 10,667,366

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEARS ENDED JUNE 30, 1999 AND 1998

	1999			1998		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues						
Property taxes	$ 8 294,586	$ 8.719,334	$ 424.748	$ 9 262 017	$ 8,356,253	$ (905.764)
Intergovernmental	450,303	450,302	(1)	450,803	450,803	
Investment income	175.000	205 262	30,262		150.364	150,364
Miscellaneous				3.325,119	3,026,000	(299.119)
Total revenues	8.919,889	9,374.898	455 009	13 037 939	11,983 420	(1,054.519)
Expenditures						
Current						
Intergovernmental	1 244 188	1.307.900	(63,712)	1.389 303	1,251 358	137,945
Debt service						
Principal retirement	1,290.000	1,290,000		3,053,825	2,655,000	398,825
Interest and fiscal charges	3 241.520	3.215,009	26,511	3 708,632	3,708,632	
Total expenditures	5.775,708	5 812.909	(37.201)	8,151 760	7.614,990	536,770
Excess (deficiency) of revenues over (under) expenditures	3.144 181	3.561.989	417,808	4.886.179	4.368.430	(517.749)
Other financing sources (uses)						
Revenue bonds payable	9.890 000	9.890,000				
Payment to defease debt	(13.084.649)	(13.084.649)				
Payment to reduce reserve fund float	(1.650 000)	(1,650,000)				
Operating transfers in					674,960	674,960
Operating transfers out	(4,000,000)	(1,376,878)	2 623 122	(5 526,000)	(5,526,000)	
Total other financing sources (uses)	(8,844,649)	(6.221.527)	2.623.122	(5 526,000)	(4,851,040)	674.960
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(5,700,468)	(2,659,538)	3,040,930	(639,821)	(482,610)	157,211
Fund balances, July 1	8.882,089	8 882,089		8.095 643	9,364,699	1 269,056
Fund balances, June 30	$ 3,181.621	$ 6,222,551	$ 3.040,930	$ 7,455.822	$ 8,882,089	$ 1,426.267

CAPITAL PROJECTS FUND

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 1999 AND 1998

	1999	1998
ASSETS		
Cash and cash equivalents	$ 135,163	$ 57,269
Interest receivable	312	
Total assets	$ 135,475	$ 57,269
LIABILITIES AND FUND BALANCES		
Fund balances		
Reserved for maintenance of bond funded projects	$ 135,475	$ 57,269
Total fund balances	135,475	57,269
Total liabilities and fund balances	$ 135,475	$ 57,269

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEARS ENDED JUNE 30, 1999 AND 1998

	1999			1998		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues						
Intergovernmental	$	$ 75,000	$ 75,000	$	$	$
Investment income	3,200	3,206	6	2,700	3,012	312
Total revenues	3,200	78,206	75,006	2,700	3,012	312
General government						
Total expenditures						
Excess (deficiency) of revenues over (under) expenditures	3,200	78,206	75,006	2,700	3,012	312
Total other financing sources (uses)						
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	3,200	78,206	75,006	2,700	3,012	312
Fund balances, July 1	57,257	57 269	12	53,716	54,257	541
Fund balances, June 30	$ 60,457	$ 135,475	$ 75 018	$ 56,416	$ 57,269	$ 853

Auditors' Compliance Section

KPMG

2300 West Sahara Avenue
Suite 300, Box 28
Las Vegas, NV 89102

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Chairperson, Members of the Board
and Executive Director
City of Las Vegas Redevelopment Agency:

We have audited the financial statements of the City of Las Vegas Redevelopment Agency ("Agency") as of and for the year ended June 30, 1999, and have issued our report thereon dated October 8, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

KPMG

This report is intended solely for the information and use of the Agency's Chairperson, Members of the Board, Executive Director and management and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 8, 1999

City of Las Vegas

Agenda Item No.: B

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 2, 2000

DEPARTMENT: FINANCE & BUSINESS SERVICES
DIRECTOR: MARK VINCENT

SUBJECT:
REPORT ON FINANCIAL CONDITION OF THE REDEVELOPMENT AGENCY AS OF DECEMBER 31, 1999.

Fiscal Impact

[X]	No Impact	Amount:
[ ]	Budget Funds Available	Dept./Division:
[ ]	Augmentation Required	Funding Source:

PURPOSE/BACKGROUND:
The Redevelopment Agency bylaws requires that the Finance Officer present to the Agency board the financial condition of the Agency. Attached please find a schedule showing the total revenues and expenditures, actual and budgeted for fiscal year ended December 31, 1999. Current obligations of the Agency, as well as uncommitted balances are also shown.

RECOMMENDATION:
Report only, no action required

BACKUP DOCUMENTATION:
Spreadsheet

MOTION:
None required.

MINUTES:
DEPUTY CITY MANAGER STEVE HOUCHENS reported the current financial status of the Redevelopment Agency. The current annual tax increment is approximately $8 million, reduced slightly from last year due to a reduction in construction and waivers granted through the Board of Equalization. The current debt balance is about $55 million, spent predominantly on three projects - Fremont Street Experience, original Main Street Station, and an acquisition of property related to Fourth and Lewis. Annual debt service is approximately $6.3 million and will remain at that level until 2005, at which time it will drop $1 million. The unobligated balance, to date, of about $6 million is higher than six months ago because the purchase of the Nevada State Bank building, as part of the Sun Plaza development agreement, did not go forward.

REDEVELOPMENT AGENCY MEETING OF FEBRUARY 2, 2000
Item B – Financial Condition of the Redevelopment Agency

MINUTES – Continued:
On the down side, the Agency's operating annual surplus is only approximately $300,000, plus tax increments and the little bit of interest earned on investments total about $8 million. Offset to that, is debt, 18% set aside funds for affordable housing, and about $500,000 for administrative fees of the CCDC.

Assuming the projects for Fourth and Lewis, Neonopolis, Clark Street Associates, and the Stratosphere Expansion go forward, the financial outlook starting in the year 2004 will be about $2 million in surplus revenue. The debt will remain the same and the affordable housing set aside will increase proportionately.

There was no further discussion.

(5:07 – 5:11)
6-776

CIT "LAS VEGAS REDEVELOPMENT AGE

FINANCIAL STATUS

December 31, 1999

(50% of time expired)

DESCRIPTION	FY 2000 BUDGET	FY 2000 PROJECTIONS	FY TO DATE	%	NOTES
REVENUES					
AD VALOREM	7,931,252	7,931,252	4,133,909	52.12%	
INTEREST INCOME	190,000	268,625	172,502	64.22%	
BOND PROCEEDS / MEDIUM TERM FINANCING	8,346,167	12,280,187	6,489,948	52.85%	(1)
BOND PROCEEDS (INTOWN OFFICE)		7,500,000		0.00%	
PURCHASE OF LAND (INTOWN OFFICE)		500,000	50,000	10 00%	
FEDERAL GRANT (BROWNSFIELD GRANT)	170,000	170,622	15,515	9 09%	
LOAN FROM CLV - BROWNSFIELD GRANT		50,000	0	0 00%	
OTHER		45,000	45,000	100.00%	
TOTAL REVENUES	16,637,419	28,745,686	10,906,874	172 78%	
EXPENDITURES					
OPERATING	100,000	50,000	0	0 00%	
CCDC ADMINISTRATION	954,901	560,000	282,902	50.52%	
DEBT SERVICE	4,970,355	4,985,045	1,355,580	27 19%	(2)
HOUSING SET ASIDE	735,308	913,761	0	0.00%	
PROJECT COSTS	13,170,837	14,893,129	5,542,474	37.21%	(3)
TOTAL EXPENDITURES	19,931,401	21,401,935	7,180,956	107.38%	
REVENUES OVER (UNDER) EXPENDITURES	(3,293,982)	7,343,751			
BEGINNING FUND BALANCE (NET OF RESERVES)	6,634,234	7,428,427			
PROJECTED CASH BALANCE JUNE 30, 2000	**3,340,252**	**14,772,178**			
FUTURE YEAR COMMITMENTS		7,000,000			
AMOUNT RESERVED FOR FUTURE PROJECTS	**3,340,252**	**7,772,178**			

Notes:

(1) The City issued bonds for the Neonopolis project out of the parking fund The FY 2000 projection represents the City's intent to transfer money to the Agency on a reimbursement basis for costs incurred on that project At December 31, 1999, the City had $5,790,239 in the parking fund which will be transferred to the Agency in fiscal year 2000.

(2) Debt service to date is interest only Principal is due in June

(3) Project costs are not incurred on a linear basis

#B

City of Las Vegas

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 2, 2000

CITIZEN PARTICIPATION:

ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISION OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A REDEVELOPMENT AGENCY MATTER NOT LISTED ON THE AGENDA, PLEASE STEP UP TO THE PODIUM AND CLEARLY STATE YOUR NAME AND ADDRESS. PLEASE LIMIT YOUR REMARKS TO THOSE MATTERS UNDER THE EXPRESS JURISDICTION OF THE REDEVELOPMENT AGENCY. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES.

MINUTES:
TOM McGOWAN, 720 South Casino Center Boulevard, stated that the MAYOR'S State of the City Address was unique and quite a success, and more of an implementation plan than just a vision. But the plan did not contain public participation. He advised that his full critique of the plan would be submitted on or about 2/14/2000. He noted that the Citizens Agenda does not enumerate the Citizens Participation segment, which is unlawful because Nevada Revised Statutes mandate that citizen participation shall be itemized. MAYOR GOODMAN noted that the Citizens Agenda includes a citizen participation portion and states that all citizens have a right to make comment.

(5:11 – 5:14)
6-892

THE MEETING ADJOURNED AT 5:14 P.M.

BARBARA JO RONEMUS, SECRETARY