

CITY OF LAS VEGAS, NEVADA



DEBT MANAGEMENT POLICY AS OF JUNE 30, 2022



CITY OF LAS VEGAS

DEBT MANAGEMENT POLICY June 30, 2022

CITY COUNCIL

Carolyn G. Goodman, Mayor

Stavros Anthony, Mayor Pro-Tem

Michele Fiore

Cedric Crear

Brian Knudsen

Victoria Seaman

Olivia Diaz

CITY OFFICIALS

Jorge Cervantes, City Manager

Gary Ameling, Chief Financial Officer

Susan Heltsley, Director of Finance



TABLE OF CONTENTS

	<u>Page</u>
Debt Management Policy (NRS 350.013 Subsection 1(c))	3
Summary of Debt	4
Affordability of Debt	9
General Obligation Bonds	10
General Obligation Medium-Term Bonds	10
General Obligation/Revenue Bonds Paid from Consolidated Tax Revenues	14
General Obligation/Revenue Bonds Paid from Sanitation Enterprise Fund Revenues	19
General Obligation/Revenue Bonds Paid from Rental Car Fee Revenues	23
Debt Capacity	27
Debt Comparison	29
Las Vegas Redevelopment Agency Debt Summary	30
Policy Statement for Sale of Debt	31
Other City Debt Policies	35
Operation Costs and Revenue Sources for Projects in Capital Improvement Plan	38
Chief Financial Officer Information (NRS 350.013 Subsection 1(e))	39



**DEBT MANAGEMENT POLICY
NRS 350.013 Subsection 1(c)**

Listed below are excerpts from Nevada Law which requires local governments to submit a debt management policy:

NRS 350.013 1. Except as otherwise provided in this section, on or before August 1 of each year, the governing body of a municipality which proposes to issue or has outstanding any general obligation debt, other general obligations or special obligations, or which levies or proposes to levy any special elective tax, shall submit to the Department of Taxation and the commission:

(c) A written statement of the debt management policy of the municipality, which must include, without limitation;

- (1) A discussion of its ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;*
- (2) A discussion of its capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit;*
- (3) A discussion of its general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in this state;*
- (4) A discussion of its general obligation debt that is payable from property taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality;*
- (5) Policy regarding the manner in which the municipality expects to sell its debt;*
- (6) A discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt; and*
- (7) A discussion of its operational costs and revenue sources, for the ensuing 5 fiscal years, associated with each project included in its plan for capital improvement submitted pursuant to paragraph (d), if those costs and revenues are expected to affect the property tax rate.*

This document is intended to meet the requirements of NRS 350.013 subsection 1(c), it is not a review of the City of Las Vegas' total financial position.

The City of Las Vegas (the "City") has a Capital Improvement Plan ("CIP") which is a multi-year planning document that identifies and prioritizes the need for a variety of public improvements and coordinates the City's financing and construction time frames. More specifically, the CIP is a process that provides order and continuity to the repair, replacement, construction or expansion of the City's capital assets. With revenue limitations in mind, the City's CIP focuses primarily on the City's more immediate needs.



SUMMARY OF DEBT

OUTSTANDING GENERAL AND OTHER OBLIGATION INDEBTEDNESS ^{1/}
City of Las Vegas, Nevada
As of June 30, 2022

	Date of Issuance	Maturity Date	Original Amount	Principal Outstanding
<u>SELF-SUPPORTING GENERAL OBLIGATION BONDS</u> ^{2/}				
Main Street Parking Garage Refunding Bonds, Series 2014B	12/4/2014	5/1/2034	8,985,000	6,255,000
Sewer Bonds, Series 2014A	12/11/2014	5/1/2034	74,765,000	49,405,000
Various Purpose Refunding Bonds, Series 2015B (Taxable)	9/15/2015	6/1/2024	11,090,000	2,445,000
City Hall Refunding 2015C	12/22/2015	9/1/2039	160,805,000	150,785,000
Performing Arts Center Refunding Bonds, Series 2016A	5/3/2016	6/1/2039	90,100,000	81,090,000
Various Purpose Refunding Bonds, Series 2016B	5/3/2016	6/1/2036	42,590,000	34,830,000
Building Bonds, Series 2019A	2/13/2019	2/1/2039	30,840,000	29,490,000
Various Purpose Refunding Bonds, Series 2019C	7/1/2019	6/1/2036	23,300,000	21,830,000
TOTAL				<u>376,130,000</u>
<u>MEDIUM-TERM GENERAL OBLIGATION BONDS</u> ^{3/}				
Medium Term Recreation Projects Bonds, Series 2015A	9/15/2015	9/1/2025	26,000,000	11,420,000
Medium Term Various Purpose Bonds, Series 2016D	12/15/2016	12/1/2026	22,930,000	12,685,000
Various Purpose Bonds, Series 2018A	6/7/2018	6/1/2028	19,495,000	12,805,000
Various Purpose Bonds, Series 2018B (Taxable)	6/7/2018	6/1/2028	21,615,000	13,760,000
Medium Term Bonds, Series 2019B	2/13/2019	2/1/2029	6,705,000	4,985,000
TOTAL				<u>55,655,000</u>
GENERAL OBLIGATION TOTAL				<u>431,785,000</u>
<u>OTHER MEDIUM-TERM OBLIGATIONS</u> ^{4/}				
Lease Purchase Agreement (Phone System), Series 2018	9/21/2018	10/21/2023	2,626,725	914,559
TOTAL				<u>914,559</u>
<u>OTHER OBLIGATIONS</u> ^{5/}				
Non Developer Assessment District 1463 ^{6/}	12/1/2002	12/1/2022	4,245,000	145,000
Non Developer Assessment District 1481 ^{6/}	7/21/2004	6/1/2024	1,975,000	135,000
Non Developer Assessment District 1506 ^{6/}	6/1/2007	6/1/2027	1,724,000	566,000
Non Developer Assessment District 1507 ^{6/}	10/11/2012	6/1/2032	1,777,852	655,083
Installment Purchase Agreement - NCREB 2011	5/18/2011	5/1/2026	4,974,400	1,509,559
Installment Purchase Agreement - QECB 2011	5/18/2011	5/1/2026	5,874,300	1,782,648
Revenue Bond Series 14-R-1 2014 ^{7/}	6/30/2014	7/30/2028	251,000	129,566
Revenue Bond Series 14-R-2 2014 ^{7/}	6/30/2014	7/30/2028	463,400	239,207
Revenue Bond Series 14-R-3 2014 ^{7/}	6/30/2014	7/30/2028	529,600	273,380
Sales Tax Increment Revenue Bonds, Series 2016 ^{8/}	6/28/2016	6/15/2035	24,800,000	16,920,000
OTHER OBLIGATIONS TOTAL				<u>22,355,443</u>
TOTAL OBLIGATIONS				<u>\$ 455,055,002</u>

(Footnotes on following page)



- 1/ Bonds are tax-exempt unless designated otherwise.
- 2/ General obligation bonds secured by the full faith, credit and taxing power of the City. The ad valorem tax available to pay these bonds is limited to the \$3.64 statutory and the \$5.00 constitutional limit. These bonds are additionally secured by pledged revenues; if revenues are not sufficient, the City is obligated to pay the difference between such revenues and debt service requirements of the respective bonds subsequent to June 30, 2022.
- 3/ General obligation medium-term bonds secured by full faith and credit of the City and are payable from any legally available funds of the City. The ad valorem tax rate available to pay these bonds is limited to the statutory and the constitutional limit as well as to the City's maximum operating levy.
- 4/ This is a medium-term lease that is subject to annual appropriations.
- 5/ Payable from legally available City revenues and subject to annual appropriations.
- 6/ Secured by assessments against property improved; the City's General Fund is contingently liable if collection of assessments is insufficient.
- 7/ Revenue Bonds secured by the subordinate pledge of 15% of Consolidated Tax Revenues.
- 8/ These revenue bonds do not constitute a debt or indebtedness of the City within the meaning of any constitutional or statutory provision or limitation and are not a general obligation of the City.

Source: City of Las Vegas Department of Finance

[Remainder of page intentionally left blank]



The following table provides the debt service to maturity on the City's outstanding bonds.

TOTAL OUTSTANDING GENERAL OBLIGATION DEBT
Debt Service Requirements
As of June 30, 2022

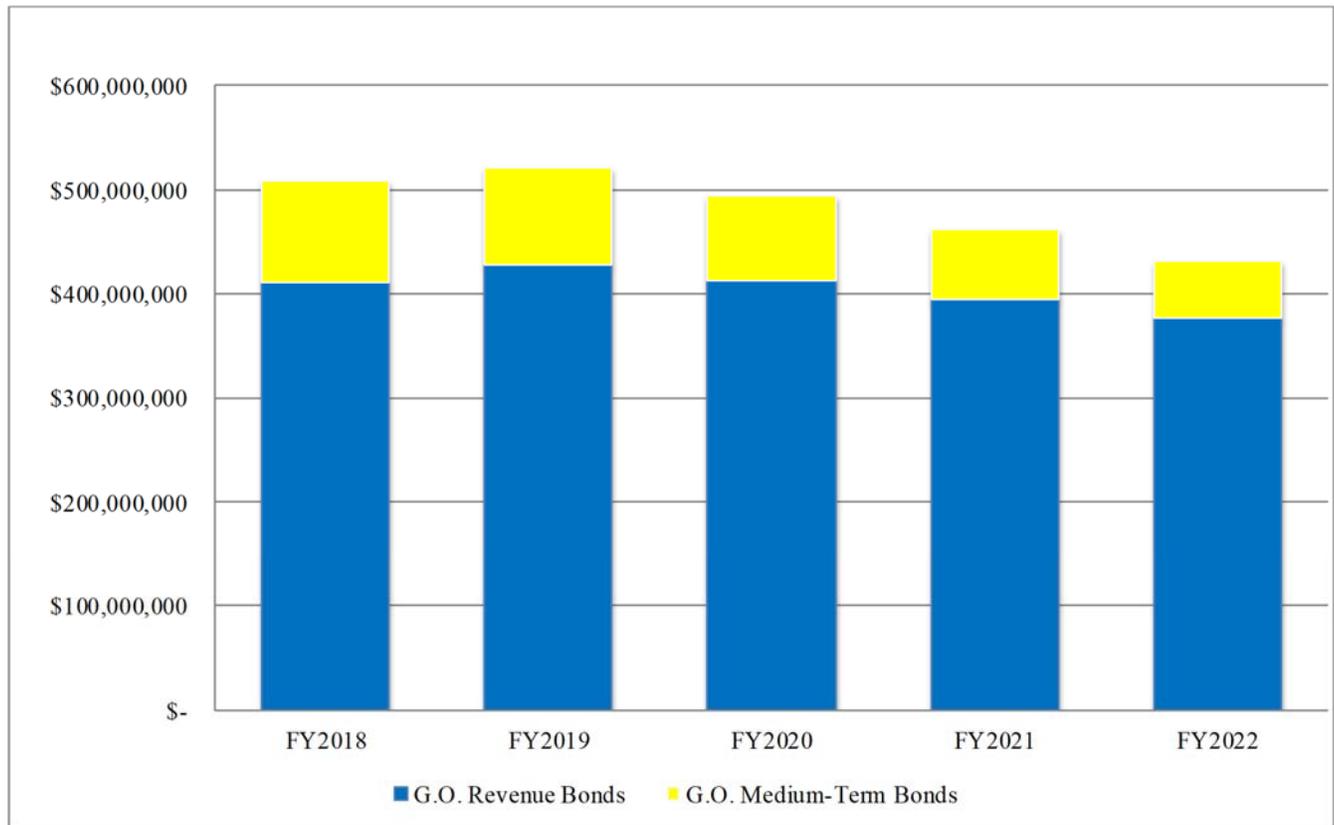
Table with columns: Fiscal Year Ended 30-Jun, General Obligation Revenue Bonds (Principal, Interest), General Obligation Medium-Term Bonds (Principal, Interest), Grand Total. Rows include fiscal years 2023 through 2040 and a TOTAL row.



The following table and chart illustrates the amount of general obligation bonds, as well as categories of bonds, outstanding as of June 30 for the past five years.

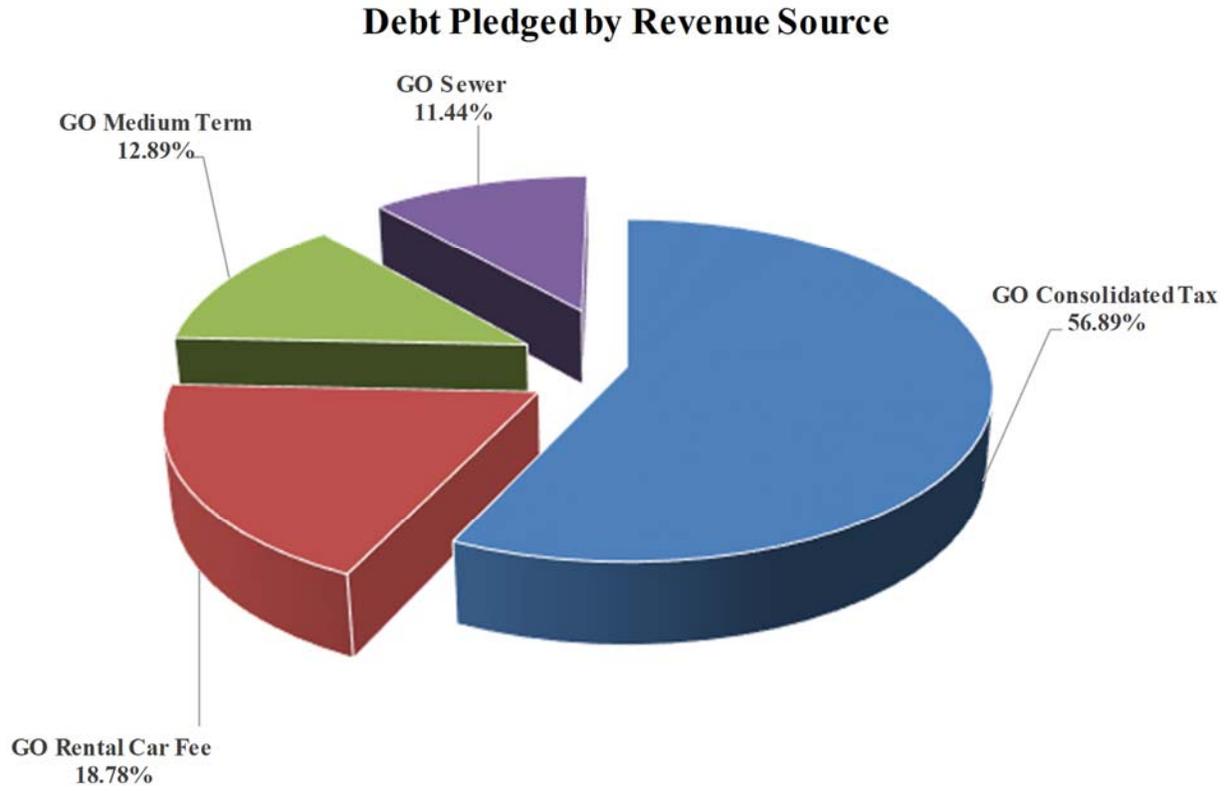
Category of Bonds	Fiscal Year Ending June 30 ^{1/}				
	FY2018	FY2019	FY2020	FY2021	FY2022
G.O. Revenue Bonds	\$ 410,070,000	\$ 427,885,000	\$ 412,555,000	\$ 393,625,000	\$ 376,130,000
G.O. Medium-Term Bonds	99,465,000	94,645,000	82,135,000	69,150,000	55,655,000
TOTAL GO BONDS	\$ 509,535,000	\$ 522,530,000	\$ 494,690,000	\$ 462,775,000	\$ 431,785,000

1/ Excludes other obligations.





**COMPOSITION OF OUTSTANDING GENERAL OBLIGATION DEBT
By Repayment Source
As of June 30, 2022**





AFFORDABILITY OF DEBT

Response to NRS 350.013 1(c):

- (1) A discussion of its ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt; and***
- (6) A discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt***

General Obligation Bond Indebtedness

The City has authority pursuant to Nevada state statutes and its City Charter to issue general obligation bonds. Ad valorem 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, subject to Nevada constitutional and statutory limitations on the aggregate amount of ad valorem taxes.

In any year in which the total property taxes levied within the City by all applicable taxing units (e.g. the State of Nevada, Clark County, the school district, any city, or any special district) exceed such property tax limitations, the reduction to be made by those units must be in property taxes levied for purposes other than the payment of their bonded indebtedness, including interest on such indebtedness.

Nevada statutes provide that no act concerning the City's bonds or their security may be repealed, amended, or modified in such a manner as to impair adversely the bonds or their security until all of the bonds have been discharged in full or provision for their payment and redemption has been fully made.

[Remainder of page intentionally left blank]



GENERAL OBLIGATION BONDS

**Existing, Authorized and Proposed General Obligation Bonded Indebtedness
Paid from Ad Valorem Taxes ("General Obligation Bonds")**

The General Obligation Bonds are direct and general obligations of the City, and the full faith and credit of the City is pledged for the payment of principal and interest, subject to Nevada constitutional and statutory limitations on the aggregate amount of ad valorem taxes that may be levied and statutory limitations on the City's operating tax rate. General Obligation Bonds are a debt of the City payable from all legally available funds of the City.

No Authorized and Proposed Future Ad Valorem Tax Supported Bonds

The City does not currently have authorization from its electorate to issue additional general obligation bonds paid from ad valorem taxes. However, the City reserves the privilege of issuing bonds or other securities at any time legal requirements are satisfied.

General Obligation Bonded Indebtedness

The City has no outstanding general obligation bonded indebtedness paid from ad valorem taxes as of June 30, 2022.

GENERAL OBLIGATION MEDIUM-TERM BONDS

**Existing, Authorized and Proposed General Obligation Bonded Indebtedness
Paid from the General Fund and Other Legally Available Funds ("Medium-Term Bonds")**

The Medium-Term 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, subject to Nevada constitutional and statutory limitations regarding the City's operating ad valorem levy. The ad valorem tax levy available to pay the Medium-Term Bonds is limited to the City's maximum operating levy. The City's operating levy for fiscal year 2023 is \$0.7715 which includes \$0.0950 in voter approved overrides. The ad valorem tax rate available to pay the bonds is further limited by the limitation on the combined overlapping tax rate of \$3.64 per \$100 of assessed valuation. The Medium-Term Bonds are a debt of the City and the City shall pledge all legally available funds of the City for their payment.

Provision for the payment of principal and interest requirements on the Medium-Term Bonds is as provided in NRS 350.093 through 350.095. Nevada statutes provide that no act concerning the Medium-Term Bonds or their security may be repealed, amended, or modified in such a manner as to impair materially and adversely the Medium-Term Bonds or their security until all of the Medium-Term Bonds have been discharged in full or provision for their payment has been fully made.

No Authorized and Proposed Future Medium-Term Bonds

The City plans to seek authorization to issue \$5 million in general obligation medium-term bonds for a parking garage. The City reserves the privilege of issuing bonds or other securities at any time legal requirements are satisfied.



Medium-Term Bonded Indebtedness

The following table sets forth the City’s existing and future medium-term bonded indebtedness as of June 30, 2022.

**OUTSTANDING
MEDIUM-TERM INDEBTEDNESS
As of June 30, 2022**

	Date of Issuance	Maturity Date	Original Amount	Principal Outstanding
<u>EXISTING MEDIUM-TERM GENERAL OBLIGATION BONDS</u>				
Medium Term Recreation Projects Bonds, Series 2015A	9/15/2015	9/1/2025	26,000,000	11,420,000
Medium Term Various Purpose Bonds, Series 2016D	12/15/2016	12/1/2026	22,930,000	12,685,000
Various Purpose Bonds, Series 2018A	6/7/2018	6/1/2028	19,495,000	12,805,000
Various Purpose Bonds, Series 2018B (Taxable)	6/7/2018	6/1/2028	21,615,000	13,760,000
Medium Term Bonds, Series 2019B	2/13/2019	2/1/2029	6,705,000	4,985,000
TOTAL OUTSTANDING				55,655,000
<u>OTHER MEDIUM-TERM OBLIGATIONS</u>				
Lease Purchase Agreement (Phone System), Series 2018	9/21/2018	10/21/2023	2,626,725	914,559
TOTAL OUTSTANDING				914,559
<u>FUTURE MEDIUM-TERM BONDS</u>				
Medium Term Arts District Parking Garage	12/1/2022	6/1/2032	5,000,000	5,000,000
TOTAL FUTURE MEDIUM-TERM BONDS				5,000,000
TOTAL OUTSTANDING DEBT				\$ 61,569,559

[Remainder of page intentionally left blank]



Medium-Term Debt Service Requirements

The following table illustrates the debt service requirements on the City's existing and future general obligation medium-term bonds.

**EXISTING GENERAL OBLIGATION MEDIUM-TERM BONDS
DEBT SERVICE REQUIREMENTS
As of June 30, 2022**

Fiscal Year	Existing Bonds Debt Service			Future Debt Service ^{1/}	Total Debt Service
	Principal	Interest	Total		
2023	\$ 9,735,000	\$ 1,909,428	\$ 11,644,428	125,000	11,769,427.50
2024	10,095,000	1,559,878	11,654,878	705,000	12,359,878
2025	10,440,000	1,203,459	11,643,459	702,250	12,345,709
2026	10,800,000	847,788	11,647,788	703,500	12,351,288
2027	8,140,000	519,075	8,659,075	703,500	9,362,575
2028	5,660,000	256,320	5,916,320	702,250	6,618,570
2029	785,000	23,550	808,550	704,750	1,513,300
2030	-	-	-	700,750	700,750
2031	-	-	-	705,500	705,500
2032	-	-	-	703,500	703,500
TOTAL	\$ 55,655,000	\$ 6,319,498	\$ 61,974,498	\$ 6,456,000	\$ 68,430,498

1/ Assumes a par amount of \$5 million of future medium-term bonds with an estimated interest rate of 5.0% for the Medium Term Arts District Parking Garage.

[Remainder of page intentionally left blank]



Ad Valorem Tax Rate Impact

Principal and interest on the Medium-Term Bonds is secured by General Fund operating revenues. The following table illustrates the sufficiency of General Fund revenues at existing levels to pay debt service on the medium-term bonds.

GENERAL FUND STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES

Fiscal Year Ended June 30	2018 (Audited)	2019 (Audited)	2020 (Audited)	2021 (Audited)	2022 (Estimated)	2023 (Budgeted)
REVENUES						
Taxes	\$ 93,041,233	\$ 97,879,445	\$ 103,573,777	\$ 110,354,247	\$ 119,950,000	\$ 129,820,400
Licenses and Permits	89,436,459	98,382,009	94,509,629	99,235,133	94,080,439	93,789,970
Consolidated Tax	302,104,555	323,848,791	310,953,610	337,774,260	387,488,045	387,488,045
Intergovernmental Revenue	4,592,122	4,737,386	7,375,397	8,178,429	13,453,328	13,483,605
Charges for Services	40,830,390	44,836,044	43,332,108	41,068,695	45,597,243	48,418,649
Fines & Forfeitures	12,460,855	12,225,807	10,626,640	9,552,273	9,350,000	9,630,500
Interest	358,553	5,463,362	3,850,882	631,288	(2,701,784)	(1,022,153)
Miscellaneous	3,899,944	4,662,577	4,338,548	10,907,229	6,632,500	5,469,940
TOTAL REVENUES	546,724,111	592,035,421	578,560,591	617,701,554	673,849,771	687,078,956
EXPENDITURES ^{1/}						
General Government	60,374,674	59,353,491	59,213,684	55,280,673	60,435,343	73,594,255
Judicial	27,557,893	26,936,624	26,956,303	24,601,763	27,567,623	32,818,957
Public Safety	369,057,142	384,371,555	406,852,781	381,053,034	409,980,967	428,558,270
Public Works	12,746,737	11,949,183	11,719,902	9,098,551	10,395,116	12,233,777
Health	5,010,846	5,086,268	6,038,362	7,016,814	6,170,004	7,390,199
Culture & Recreation	46,264,597	47,384,573	49,043,994	48,909,709	53,197,301	58,265,174
Economic Development	5,945,012	6,444,118	8,036,570	6,066,677	12,238,164	17,785,508
TOTAL EXPENDITURES	526,956,901	541,525,812	567,861,596	532,027,221	579,984,518	630,646,140
Excess (deficiency) of revenues over expenditures	19,767,210	50,509,609	10,698,995	85,674,333	93,865,253	56,432,816
Other Financing Sources (Uses)						
Operating Transfers In ^{2/}	12,868,551	12,967,682	112,969,146	21,852,173	13,726,525	14,800,000
Operating Transfers Out ^{2/}	(26,120,439)	(41,982,214)	(94,893,739)	(127,145,699)	(125,984,500)	(60,839,500)
Sales of General Fixed Assets	1,405	8,265	8,131,769	15,000,000	-	-
Total Other Financing Sources (Uses)	(13,250,483)	(29,006,267)	26,207,176	(90,293,526)	(112,257,975)	(46,039,500)
Net Changes in Fund Balances	6,516,727	21,503,342	36,906,171	(4,619,193)	(18,392,722)	10,393,316
Fund Balances, July 1	112,101,955	118,618,682	140,122,024	177,028,195	172,409,002	154,016,280
Fund Balances, June 30	\$ 118,618,682	\$ 140,122,024	\$ 177,028,195	\$ 172,409,002	\$ 154,016,280	\$ 164,409,596

1/ Includes capital outlay expenditures as well as current expenditures in certain categories shown.

2/ Transfers in/out are for various obligations within the City of Las Vegas.

SOURCE: City of Las Vegas Annual Comprehensive Financial Reports for fiscal years 2018-2021 and the 2023 Final Budget



**GENERAL OBLIGATION/REVENUE BONDS
PAID FROM CONSOLIDATED TAX REVENUES**

**Existing General Obligation Bond Indebtedness
Paid from Consolidated Tax Revenues (“Consolidated Tax Bonds”)**

The Consolidated Tax Bonds are general obligation bonds additionally secured with revenues derived from a 15% portion of the City's portion of the Consolidated Tax Revenue.

Pursuant to NRS 360.698, the Bonds will be additionally secured by a pledge of certain tax revenues up to 15% of the Consolidated Tax Distribution Fund allocable to the City for the payment of the principal of and interest on the Bonds. The Consolidated Tax Distribution Fund consists of local government revenues from six sources (collectively, the "Consolidated Tax Revenues"): Supplemental City/County Relief Tax ("SCCRT"), Basic City/County Relief Tax ("BCCRT"), Cigarette Tax, Liquor Tax, Governmental Services Tax ("GST"), and Real Property Transfer Tax ("RPTT"). NRS 360.698 allows for up to 15% of the combination of the Consolidated Tax Revenues to be pledged as security for debt. Senate Bill 254 of the 1997 Legislature amended NRS 377.080, (which was replaced in revision by NRS 360.698) which previously authorized a pledge of up to 15% of SCCRT. Pursuant to the provisions of Senate Bill 254, pledges of SCCRT made prior to the effective date were replaced by a pledge of the combined revenues as of July 1, 1998.

Consolidated Tax Revenues for fiscal year 2023 is budgeted to be \$387,488,045. The City’s policy is to use only 90% of the State mandated 15% of Consolidated Tax Revenue for debt. Based on the 2023 budget, this amounts to approximately \$52,310,886 per year available for debt service payments.

Authorized and Proposed Future Consolidated Tax Bonds

The City plans to seek authorization to issue \$70 million in general obligation bonds for construction of a Civic Center Building and Plaza. The City reserves the privilege of issuing bonds or other securities at any time legal requirements are satisfied.

[Remainder of page intentionally left blank]



General Obligation Consolidated Tax Revenues Bonded Indebtedness

The following table sets forth the City’s existing and future general obligation bonded indebtedness that is paid from consolidated tax revenues as of June 30, 2022.

**CONSOLIDATED TAX-SUPPORTED BONDS
As of June 30, 2022**

	Issue Date	Maturity Date	Original Amount	Outstanding Amount
<u>EXISTING GENERAL OBLIGATION BONDS</u>				
<u>Parity Lien Bonds</u>				
Main Street Parking Garage Refunding Bonds, Series 2014B	12/4/2014	5/1/2034	\$ 8,985,000	\$ 6,255,000
Various Purpose Refunding Bonds, Series 2015B (Taxable)	9/15/2015	6/1/2024	11,090,000	2,445,000
City Hall Refunding 2015C	12/22/2015	9/1/2039	160,805,000	150,785,000
Various Purpose Refunding Bonds, Series 2016B	5/3/2016	6/1/2036	42,590,000	34,830,000
Building Bonds, Series 2019A	2/13/2019	2/1/2039	30,840,000	29,490,000
Various Purpose Refunding Bonds, Series 2019C	7/1/2019	6/1/2036	23,300,000	21,830,000
		TOTAL OUTSTANDING		245,635,000
<u>REVENUE OBLIGATION BONDS ^{1/}</u>				
Energy Conservation Revenue Bond, Series 2014	6/30/2014	7/30/2028	1,244,000	642,153
<u>FUTURE CONSOLIDATED TAX SUPPORTED BONDS</u>				
Civic Center Building and Plaza	12/1/2022	6/1/2052	70,000,000	70,000,000
		TOTAL OUTSTANDING AND PROPOSED DEBT \$		316,277,153

1/ Revenue Bonds secured by the subordinate pledge of 15% of Consolidated Tax Revenues



General Obligation Consolidated Tax Revenues Debt Service Requirements

The following table illustrates the fiscal year debt service requirements on the City's existing and future general obligation revenue bonds paid from consolidated tax revenues.

**OUTSTANDING AND FUTURE
GENERAL OBLIGATION REVENUE BONDS DEBT SERVICE
PAID FROM CONSOLIDATED TAX REVENUES
As of June 30, 2022**

Fiscal Year	Existing GO Revenue Bonds Debt Service			Future GO Revenue Bonds Debt Service ^{1/}	Total Debt Service
	Principal	Interest	Total		
2023	\$ 10,815,000	\$ 10,460,085	\$ 21,275,085	\$ 2,100,000	\$ 23,375,085
2024	10,545,000	9,956,010	20,501,010	5,150,000	25,651,010
2025	10,235,000	9,447,413	19,682,413	5,148,000	24,830,413
2026	10,590,000	8,937,213	19,527,213	5,152,700	24,679,913
2027	11,005,000	8,428,713	19,433,713	5,148,500	24,582,213
2028	12,810,000	7,916,988	20,726,988	5,150,700	25,877,688
2029	13,425,000	7,297,900	20,722,900	5,148,700	25,871,600
2030	15,025,000	6,667,413	21,692,413	5,152,500	26,844,913
2031	15,550,000	5,966,813	21,516,813	5,151,500	26,668,313
2032	16,605,000	5,239,988	21,844,988	5,150,700	26,995,688
2033	16,225,000	4,509,538	20,734,538	5,149,800	25,884,338
2034	16,840,000	3,885,588	20,725,588	5,148,500	25,874,088
2035	16,890,000	3,188,075	20,078,075	5,151,500	25,229,575
2036	17,575,000	2,507,500	20,082,500	5,153,200	25,235,700
2037	12,695,000	1,850,000	14,545,000	5,148,300	19,693,300
2038	13,215,000	1,333,600	14,548,600	5,151,800	19,700,400
2039	13,750,000	796,100	14,546,100	5,152,800	19,698,900
2040	11,840,000	236,800	12,076,800	5,151,000	17,227,800
2041				5,151,100	5,151,100
2042				5,152,500	5,152,500
2043				5,149,600	5,149,600
2044				5,152,100	5,152,100
2045				5,149,100	5,149,100
2046				5,150,300	5,150,300
2047				5,149,800	5,149,800
2048				5,152,000	5,152,000
2049				5,151,000	5,151,000
2050				5,151,200	5,151,200
2051				5,151,700	5,151,700
2052				5,151,600	5,151,600
Total	\$ 245,635,000	\$ 98,625,737	\$ 344,260,737	\$ 151,472,200	\$ 495,732,937

1/ Assumes a par amount of \$70 million of future Consolidated Tax Bonds with an estimated interest rate of 6.0% for the Civic Center Building and Plaza.



Ad Valorem Tax Rate Impact

The following table illustrates the sufficiency of consolidated tax revenues at existing levels to pay debt service on the Consolidated Tax Bonds.

CONSOLIDATED TAX PLEDGED REVENUES

Fiscal Year Ended June 30	Consolidated Tax Revenues ^{1/}	Pledged Revenue Limitation (15%)	Existing G.O. Revenue Bonds Debt Service ^{2/}	Coverage (times)
2018	\$ 302,104,555	\$ 45,315,683	\$ 17,558,291	2.58
2019	323,848,791	48,577,319	17,498,791	2.78
2020	310,953,610	46,643,042	16,472,044	2.83
2021	337,774,260	50,666,139	20,936,356	2.42
2022	387,488,045	58,123,207	22,290,506	2.61
2023	387,488,045	58,123,207	23,375,085	2.49

1/ Fiscal year 2022 is estimated and fiscal year 2023 is budgeted.

2/ Represents the debt service on the general obligation revenue bonds supported by consolidated tax revenues. Excludes debt service on the Series 2014 Revenue Bonds. Includes the estimated debt service of the proposed 2022 Civic Center Building and Plaza bonds.

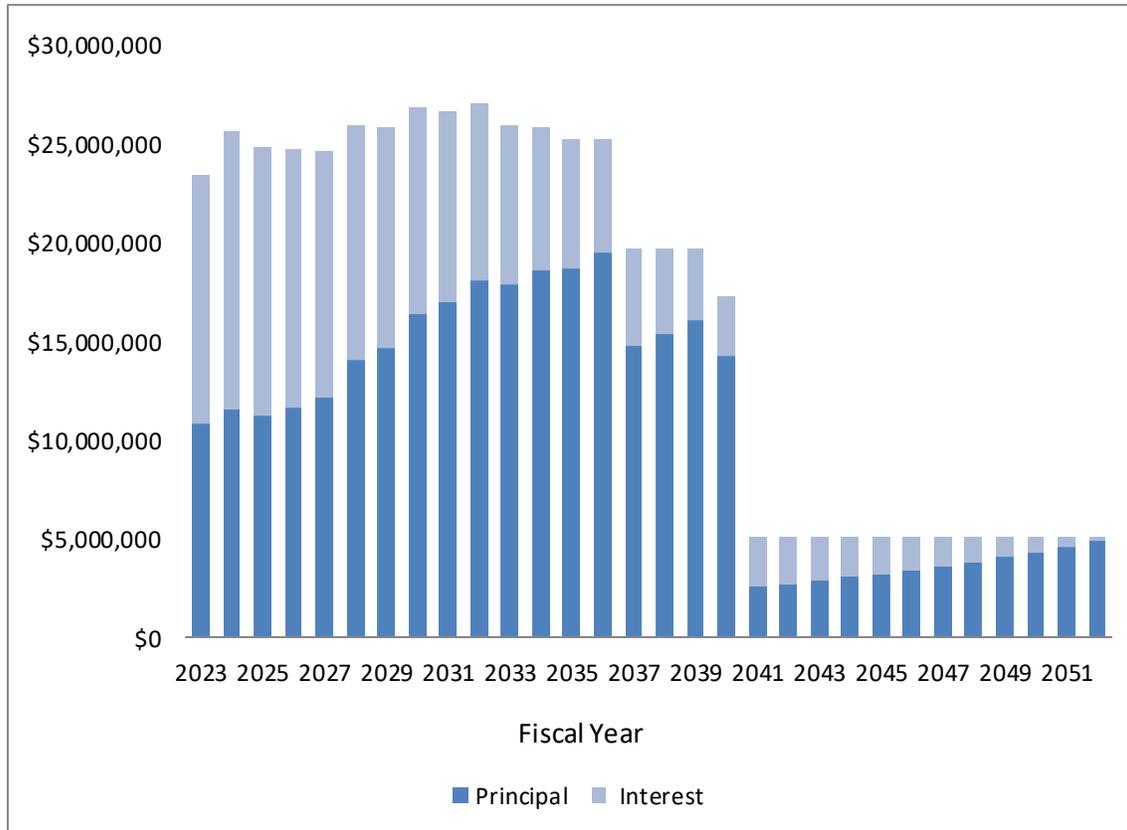
SOURCE: City of Las Vegas Annual Comprehensive Financial Reports for fiscal years 2018-2021 and the 2023 Final Budget.

[Remainder of page intentionally left blank]



The following chart illustrates the fiscal year debt service requirements on the City's outstanding and future general obligation bonds paid from consolidated tax revenues.

**OUTSTANDING AND FUTURE GENERAL OBLIGATION REVENUE BONDS
DEBT SERVICE PAID FROM CONSOLIDATED TAX REVENUES
As of June 30, 2022**



[Remainder of page intentionally left blank]



GENERAL OBLIGATION REVENUE BONDS
PAID FROM SANITATION ENTERPRISE FUND REVENUES

Existing General Obligation Bond Indebtedness
Paid from Sanitation Enterprise Fund Revenues ("Sewer Bonds")

The Sewer Bonds are general obligation bonds additionally secured by an irrevocable pledge of the net pledged revenues received by the City in connection with the ownership and operation of the City's sewer system.

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

No Authorized and Proposed Future Sewer System Revenue Supported Debt

The City does not currently expect to issue additional general obligation bonds paid from Sanitation Enterprise Fund revenues in the near future. However, the City reserves the privilege of issuing bonds or other securities at any time legal requirements are satisfied.

General Obligation Sanitation Enterprise Fund Revenues Bonded Indebtedness

The following table sets forth the City's bonded indebtedness for its outstanding general obligation bonds paid from sewer system revenues as of June 30, 2022.

SANITATION ENTERPRISE FUND/SEWER BONDS
As of June 30, 2022

Table with 5 columns: Issue, Date Issued, Maturity Date, Principal Amount, Amount Outstanding. Includes row for Sewer Bonds, Series 2014A and a TOTAL OUTSTANDING row.

[Remainder of page intentionally left blank]



General Obligation Sanitation Enterprise Fund Revenues Debt Service Requirements

The following table and chart illustrate the fiscal year debt service requirements on the City’s existing general obligation bonds paid from sewer system revenues.

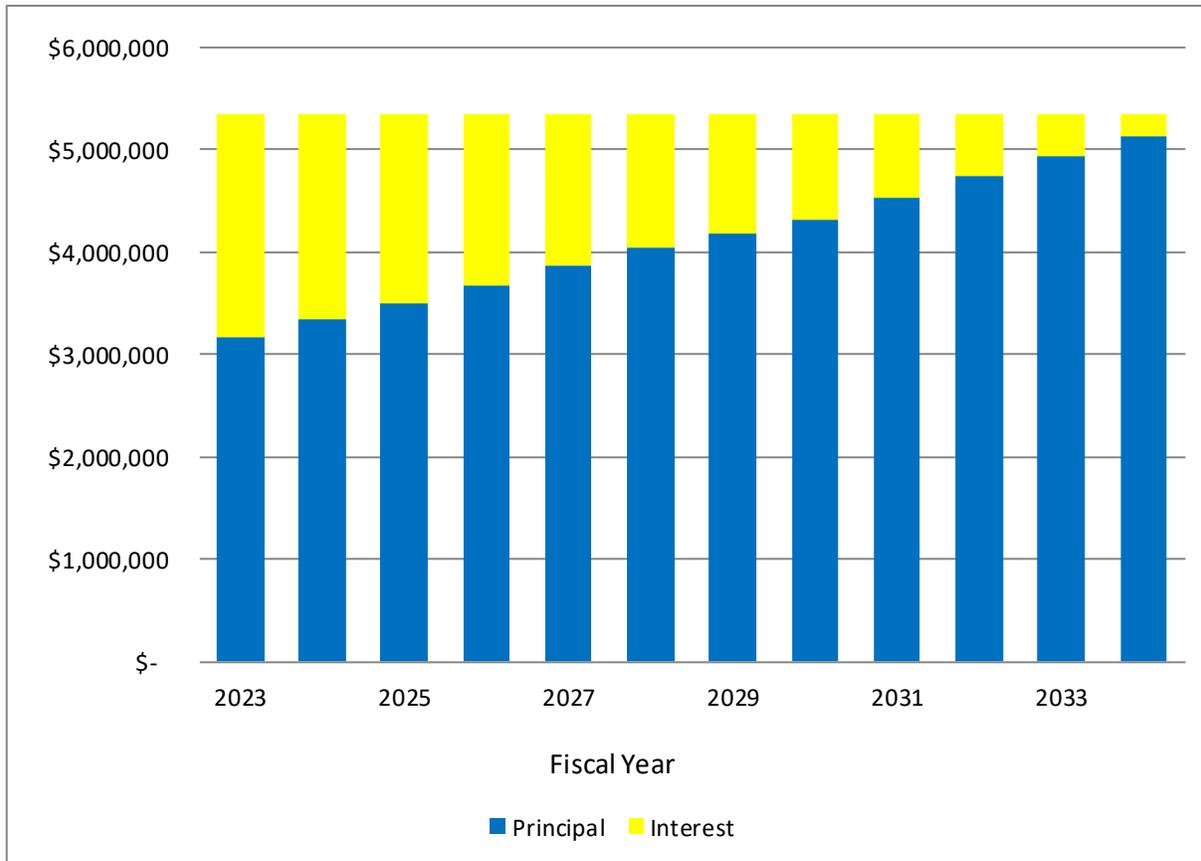
**EXISTING GENERAL OBLIGATION BONDS DEBT SERVICE
PAID FROM SANITATION ENTERPRISE FUND REVENUES
As of June 30, 2022**

Fiscal Year	Existing Bonds Debt Service		
	Principal	Interest	Total
2023	\$ 3,175,000	\$ 2,162,869	\$ 5,337,869
2024	3,335,000	2,004,119	5,339,119
2025	3,500,000	1,837,369	5,337,369
2026	3,675,000	1,662,369	5,337,369
2027	3,860,000	1,478,619	5,338,619
2028	4,050,000	1,285,619	5,335,619
2029	4,175,000	1,164,119	5,339,119
2030	4,305,000	1,033,650	5,338,650
2031	4,520,000	818,400	5,338,400
2032	4,745,000	592,400	5,337,400
2033	4,935,000	402,600	5,337,600
2034	5,130,000	205,200	5,335,200
Total	\$ 49,405,000	\$ 14,647,333	\$ 64,052,333

[Remainder of page intentionally left blank]



**EXISTING GENERAL OBLIGATION BONDS DEBT SERVICE
PAID FROM SANITATION ENTERPRISE FUND REVENUES
As of June 30, 2022**



[Remainder of page intentionally left blank]



Ad Valorem Tax Rate Impact

Principal and interest on the Sewer Bonds is payable from the pledged revenues of the Sanitation Enterprise Fund. There is no impact on the ad valorem tax rate so long as net pledged revenues are sufficient to pay debt service.

The following table illustrates the City’s pledged sewer system revenues.

NET PLEDGED REVENUES SANITATION ENTERPRISE FUND

Fiscal Year Ended June 30	2018 (Audited)	2019 (Audited)	2020 (Audited)	2021 (Audited)	2022 (Estimated)	2023 (Budgeted)
Operating Revenue						
Sewer Charges to Citizens ^{1/}	\$ 91,995,910	\$ 94,521,106	\$ 95,706,082	\$ 97,702,517	\$ 99,491,944	\$ 104,436,000
Miscellaneous	47,534	66,936	33,809	28,486	15,391	65,000
Total operating revenue	92,043,444	94,588,042	95,739,891	97,731,003	99,507,335	104,501,000
Operating Expenses ^{2/}						
Salaries and benefits	27,489,744	29,168,056	34,416,009	34,245,484	32,623,633	36,957,060
Services and Supplies	37,347,862	39,336,869	42,154,403	41,194,057	46,820,790	50,167,772
Total Operating expenses	64,837,606	68,504,925	76,570,412	75,439,541	79,444,423	87,124,832
Non-operating revenue (expenses) ^{3/}						
Connection Charges	9,623,491	9,706,846	12,645,462	10,747,813	15,000,000	9,000,000
Interest Income	806,919	4,981,855	5,960,799	624,182	(4,014,605)	(1,411,813)
Other	8,102,749	8,708,829	8,129,303	8,828,523	8,500,000	8,000,000
Total non-operating Revenue (exp)	18,533,159	23,397,530	26,735,564	20,200,518	19,485,395	15,588,187
REVENUES LESS EXPENSES	45,738,997	49,480,647	45,905,043	42,491,980	39,548,307	32,964,355
DEBT SERVICE	\$ 11,545,819	\$ 8,975,419	\$ 8,975,519	\$ 5,338,119	\$ 5,339,119	\$ 5,337,869
COVERAGE (times)	3.96	5.51	5.11	7.96	7.41	6.18

1/ On July 1, 2013 the City changed from an annual billing to a quarterly billing cycle. Revenue is now recognized when earned rather than when payment was received. The City has implemented a policy of increasing sewer rates on the first day of each January by the lesser of 5% or the average percentage of the preceding five years of increases on the Consumer Price Index. Pursuant to such policy, the City increased rates by 2.4% on January 1, 2022.

2/ Operating expenses do not include depreciation expense.

3/ Non-Operating revenues (expenses) do not include the following items: gain or loss on sale of fixed assets, capital contributions and interest expense.

SOURCE: City of Las Vegas Annual Comprehensive Financial Reports for fiscal years 2018-2021 and the 2023 Final Budget.



**GENERAL OBLIGATION/REVENUE BONDS
PAID FROM RENTAL CAR FEE REVENUES**

**Existing General Obligation Bond Indebtedness
Paid from Rental Car Fee Revenues (“Rental Car Fee 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 dated as of April 1, 2008, between the City and Clark County (the "Interlocal Agreement"). The Interlocal Agreement defines "Rental Car Fee" as a fee imposed by Clark County ("the County") upon the lease of a passenger car by a short-term lessor in the County in the amount of not more than 2% of the total amount for which the passenger car 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.

No Authorized and Proposed Future Rental Car Fee Revenue Supported Debt

The City does not currently expect to issue additional general obligations bonds secured with rental car fee revenues. However, the City reserves the privilege of issuing the bonds or other securities at any time legal requirements are satisfied.

General Obligation Rental Car Fee Revenue Bonded Indebtedness

The following table sets forth the City’s bonded indebtedness for its outstanding general obligation bonds paid from rental car fee revenues as of June 30, 2022.

**RENTAL CAR FEE BONDS
As of June 30, 2022**

Issue	Date Issued	Maturity Date	Principal Amount	Amount Outstanding
Performing Arts Center Refunding Bonds, Series 2016A	5/3/2016	6/1/2039	\$ 90,100,000	\$ 81,090,000
TOTAL OUTSTANDING				\$ 81,090,000



General Obligation Rental Car Fee Revenue Debt Service Requirements

The following table sets forth (i) fiscal year debt service requirements for the County Revenue Bond outstanding with a par amount of \$10,000; and (ii) the debt service requirements for the Rental Car Fee Bonds in each fiscal year. Principal on the County Revenue Bond will be payable at maturity on April 1, 2059, or when the debt is paid in full; accordingly, only interest payments due while the Rental Car Fee Bonds, supported by rental car fee revenues, are outstanding are reflected in this table.

**OUTSTANDING GENERAL OBLIGATION BONDS DEBT SERVICE
SUPPORTED BY RENTAL CAR FEE REVENUES
As of June 30, 2022**

Fiscal Year Ending 30-Jun	Debt Service on County Revenue Bond ^{1/ 2/}	The Bonds			Total Debt Service
		Principal	Interest	Total	
2023	\$ 583	\$ 3,305,000	\$ 3,086,269	\$ 6,391,269	\$ 6,391,852
2024	583	3,470,000	2,921,019	6,391,019	6,391,602
2025	583	3,650,000	2,747,519	6,397,519	6,398,102
2026	583	3,830,000	2,565,019	6,395,019	6,395,602
2027	583	4,020,000	2,373,519	6,393,519	6,394,102
2028	583	4,225,000	2,172,519	6,397,519	6,398,102
2029	583	4,435,000	1,961,269	6,396,269	6,396,852
2030	583	4,610,000	1,783,869	6,393,869	6,394,452
2031	583	4,795,000	1,599,469	6,394,469	6,395,052
2032	583	4,990,000	1,407,669	6,397,669	6,398,252
2033	583	5,190,000	1,208,069	6,398,069	6,398,652
2034	583	5,345,000	1,052,369	6,397,369	6,397,952
2035	583	5,505,000	892,019	6,397,019	6,397,602
2036	583	5,665,000	726,869	6,391,869	6,392,452
2037	583	5,840,000	556,919	6,396,919	6,397,502
2038	583	6,015,000	381,719	6,396,719	6,397,302
2039	583	6,200,000	193,750	6,393,750	6,394,333
TOTAL	\$ 9,911	\$ 81,090,000	\$ 27,629,854	\$ 108,719,854	\$ 108,729,765

- 1/ Only interest will be paid on the County Revenue Bond until its maturity date, which is after the maturity of the Rental Car Fee Bonds. As a result, only interest payments due during the term of the Rental Car Fee Bonds are reflected here. Interest payments will be made on April 1 and October 1 of each year.
- 2/ The interest rate on the County Revenue Bond was calculated based on *The Bond Buyer's* 30-year tax-exempt revenue bond index next most recently published before the adoption of the ordinance authorizing the County Revenue Bond. That index is based on revenue bonds of 25 issuers rated from "Aa1" to "Baa1" by Moody's and from "AA" to "BBB+" by S&P. Bonds in the index include housing, transportation, hospital and power revenue bonds. The rate on the County Revenue Bond was set based on the index as of March 12, 2009, at a rate of 5.83%.



Ad Valorem Tax Rate Impact

Principal and interest on the Rental Car Fee Bonds is payable from the rental car fee revenues derived from the rental car fees imposed by the County. The County has covenanted in the County Revenue Bond Ordinance that it will not repeal or amend the Rental Car Fee Ordinance while the County Revenue Bond is outstanding. The County Revenue Bond is expected to be outstanding longer than the Rental Car Fee Bonds. There is no impact on the ad valorem tax rate so long as net pledged revenues are sufficient to pay debt service.

The following table sets forth the Rental Car Fee revenues received by the County in each fiscal year shown. The Rental Car Fee was imposed commencing July 1, 2005. The County was required to remit the first \$3,000,000 collected to the Culinary Academy; all amounts due to the Culinary Academy were remitted in fiscal year 2006. The City currently accounts for the Rental Car Fees in an account in its Multipurpose Special Revenue Fund; that fund is used to account for numerous intergovernmental revenues.

HISTORICAL RENTAL CAR FEE COLLECTIONS

Fiscal Year	Actual Car Rental Fee Collections ^{1/}	Percent Change
2018	\$ 8,975,187	1.32
2019	\$ 9,362,185	4.31
2020	\$ 7,349,302	(21.50)
2021	\$ 7,176,113	(2.36)
2022 ^{2/}	\$ 9,310,507	29.74

1/ Represents total Rental Car Fee revenues received by the County (net of all applicable fees and allowances).

2/ Represents actual collections for rentals and estimated amount for the 4th quarter FY2022.



The following table sets forth a history of rental car fee revenues received in each fiscal year, the annual debt service requirements on the Rental Car Fee Bonds, and the associated debt service coverage.

RENTAL CAR FEE REVENUES DEBT SERVICE COVERAGE

	2018 (Actual)	2019 (Actual)	2020 (Actual)	2021 (Actual)	2022 (Estimated)	2023 (Budgeted)
Pledged Revenues						
Rental Car Fee revenues ^{1/}	\$ 8,975,187	\$ 9,362,185	\$ 7,349,302	\$ 7,176,113	\$ 9,310,507	\$ 9,000,000
Less: Annual Debt Service on the County Revenue Bond ^{2/}	583	583	583	583	583	583
Amount Available for Debt Service on the Rental Car Fee Bonds	\$ 8,974,604	\$ 9,361,602	\$ 7,348,719	\$ 7,175,530	\$ 9,309,924	\$ 8,999,417
Annual Debt Service on the Rental Car Fee Bonds	\$ 6,009,669	\$ 6,008,469	\$ 6,396,769	\$ 6,393,769	\$ 6,393,769	\$ 6,391,269
Coverage	1.49	1.56	1.15	1.12	1.46	1.41

1/ Rental Car Fee revenues represent fiscal year (July 1 to June 30) collections, net of the administrative fee paid to Department of Taxation. Fiscal year 2022 estimated and 2023 budgeted.

2/ The County Revenue Bond has a lien on the Pledged Revenues that is superior to the lien thereon of the Performing Arts Center Bonds.

SOURCE: City of Las Vegas Finance Department

[Remainder of page intentionally left blank]



DEBT CAPACITY

Response to NRS 350.013 1(c):

(2) A discussion of its capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit (NRS 350.013 (b)(2)).

State law limits the aggregate principal amount of the City’s general obligation debt to 20% of its total reported assessed valuation.

The following table presents a record of the City's outstanding indebtedness with respect to the debt limitation in the City Charter.

HISTORICAL STATUTORY DEBT CAPACITY
City of Las Vegas, Nevada

Table with 5 columns: Fiscal Year Ended June 30, Assessed Valuation, Debt Limit, Outstanding General Obligation Debt, and Additional Statutory Debt Capacity. Rows for years 2018 through 2022.

1/ Includes the assessed valuations of the Las Vegas Redevelopment Agency.

2/ Includes general obligation bonds, general obligation revenue bonds and general obligation medium-term bonds.

SOURCE: Property Tax Rates for Nevada Local Governments – Nevada Department of Taxation.



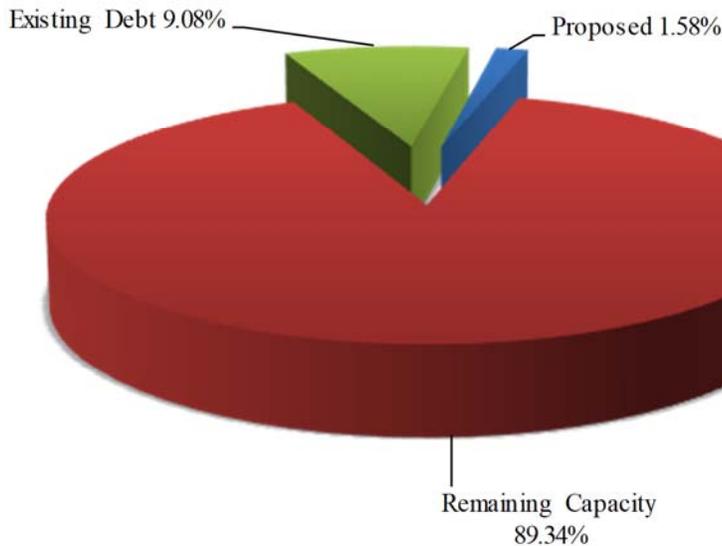
Based upon the fiscal year 2022 assessed value \$23,781,450,627, the City's available statutory debt limitation is \$4,249,505,125. The following table represents the City's outstanding and proposed general obligation indebtedness with respect to its statutory debt limitation.

STATUTORY DEBT CAPACITY
City of Las Vegas, Nevada
For Fiscal Year 2022

Table with 2 columns: Description and Amount. Rows include Statutory Debt Limitation, Outstanding General Obligation Indebtedness, Plus: Future Medium-Term Bonds, Future Consolidated Tax Supported Bonds, Total Outstanding and Proposed General Obligation Indebtedness, and Additional Statutory Debt Limitation Available.

1/ The limitation calculation is based on the FY2022 assessed valuation (including the assessed valuation of the Las Vegas Redevelopment Agency).

SOURCE: Property Tax Rates for Nevada Local Governments – Nevada Department of Taxation.





DEBT COMPARISON
(Per capita and Assessed Valuation)

Response to NRS 350.013 1(c):

(3) A discussion of general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in the state.

(4) A discussion of its general obligation debt that is payable from property taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality.

A comparison of the voter approved general obligation debt that is payable from ad valorem taxes is shown below. Also shown is a comparison of the voter approved general obligation debt per capita as compared with the average for such debt of other municipalities, as well as an illustration of debt that is payable from ad valorem taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality.

DEBT RATIO COMPARISONS
As of June 30, 2022

Table with 7 columns: Municipality, Total General Obligation Debt, Estimated Fiscal Year 2021 Population, Fiscal Year 2022 Assessed Value, General Obligation Debt Per Capita, and GO as a % of Assessed Value. Rows include Las Vegas, North Las Vegas, Henderson, Reno, Clark County, and CC School District.

- 1/ Outstanding as of June 30, 2022. Excludes proposed bonds, revenue bonds, assessment bonds not secured by general fund revenues, and lease/purchase agreements.
2/ Source: State of Nevada Demographer, figures effective July 1.
3/ Source: City of Las Vegas Final Budget FY23 and Nevada Department of Taxation (excluding Redevelopment Agencies).

SOURCE: Compiled by City of Las Vegas Finance Department

[Remainder of page intentionally left blank]



CITY OF LAS VEGAS
REDEVELOPMENT AGENCY
DEBT SUMMARY

The City of Las Vegas Redevelopment Agency (RDA) follows the same policies and procedures for debt management as the City of Las Vegas. The following schedule summarizes the outstanding debt of the RDA as of June 30, 2022.

OUTSTANDING TAX INCREMENT REVENUE OBLIGATION INDEBTEDNESS
City of Las Vegas Redevelopment Agency
As of June 30, 2022

Table with 5 columns: Description, Date of Issuance, Maturity Date, Original Amount, and Principal Outstanding. Rows include Tax Increment Revenue Refunding Bonds, Series 2016; Tax Increment Revenue Subordinate Lien Bond, Series 2017; Subordinate Lien Revenue Bond, Series 2018; and a total row for TOTAL OUTSTANDING OBLIGATIONS.

[Remainder of page intentionally left blank]



POLICY STATEMENT FOR SALE OF DEBT

Response to NRS 350.013 1(c):

(5) Policy regarding the manner in which the municipality expects to sell its debt.

Administration of Policy

The City Manager is the Chief Administrative Officer for The City. The City Manager is ultimately responsible for administration of City financial policies. The City Council is responsible for the approval of any form of City borrowing and the details associated therewith. Unless otherwise designated, the Director of Finance coordinates the administration and issuance of debt.

The Director of Finance is also responsible for the attestation of disclosure and other bond related documents. References to the "City Manager or his/her designee" in the document are hereinafter assumed to assign the Director of Finance as the "designee" for administration of this policy. The City Manager may, from issue to issue, designate officials from issuing entities to discharge the provisions of this policy.

Initial Review and Communication of Intent

All borrowing requests shall be communicated to the City Finance Department during the annual budget process. Requests for a new bond issue must be identified as a part of a Capital Improvement Program (CIP) request. Opportunities for refunding shall originate with or be communicated to the Department of Finance. Justification and requested size of the bond issue must be presented as well as the proposed timing of the bond issue.

The Department of Finance will evaluate each debt proposal comparing it with other competing interests within the City. All requests will be considered in accordance with the City's overall adopted priorities. The Department of Finance will coordinate the issuance of debt including size of issuance, debt structuring, repayment sources and determination of mix (e.g., debt financing versus pay-as-you-go), and method of sale.

Method of Sale

The City can sell its debt directly to a bank or can issue bonds in the municipal bond market. The decision as to whether to issue bonds or obtain bank financing is based upon which alternative will provide the City with the lowest cost.

If bonds are issued, there are two ways bonds can be sold: competitive (public) or negotiated sale. NRS 350.105 to 350.195 set forth the circumstances under which a local government will sell its bonds at competitive or negotiated sale. The City will follow the statutory requirements in determining the method of sale for its bonds.

Competitive and negotiated sales provide for one or more pricings, depending upon market conditions or other factors. Either method can provide for changing sale dates, issue size, maturity amounts, term, bond features, etc. The timing of any sale is generally related to the requirements of the Nevada Open Meeting Law.



Competitive Sale

In a competitive sale, all underwriter(s) are invited to submit a proposal to purchase an issue of bonds. The bonds are awarded to the underwriter(s) presenting the best bid according to stipulated criteria set forth in the notice of sale. The best bid is determined based on the lowest overall interest rate.

Negotiated Sale

In a negotiated sale, an exclusive arrangement is made between the issuer and an underwriter or underwriting syndicate. At the end of successful negotiations, the issue is awarded to the underwriter. If bonds are sold through a negotiated sale, the City will comply with the requirements of NRS 350.175.

A negotiated underwriting may be considered based upon one or more of the following criteria:

- Extremely large issue size
- Complex financing structure (i.e., new security feature, variable rate financings, new derivatives, and certain revenue issues, etc.) which provides a desirable benefit to the City
- Difficulty in marketing due to credit rating or lack of bids
- Private placement or sale to a municipality, to the state, or a federal agency
- Other factors which lead the City to conclude that competitive sale would not be effective. It is the policy of the City to provide minority business enterprises, women business enterprises and all other business enterprises an equal opportunity to participate in the performance of all City contracts. Bidders are requested to assist the City in implementing this policy by taking all reasonable steps to ensure that all available business enterprises, including minority and women business enterprises have an equal opportunity to participate in City contracts.

Underwriter Selection for Negotiated Sale

1. Underwriter selection for economic development revenue bonds, and bonds issued pursuant to NRS 271, which are not secured by a pledge of the taxing power and general fund of the City, may be approved via the City's guidelines for such bonds.
2. The Department of Finance will solicit proposals from underwriters who have submitted, in their own name or as part of a syndicate, bids for City competitive bond issues during the past three years. All such firms will have an equal opportunity to be selected to bid for the City's negotiated underwriting pool. The review of proposals shall include, but not be limited to, the requirements of NRS 350.185.
3. Before selling bonds at negotiated sale, underwriters in the City's pool may be contacted to provide additional information including, but not limited to that required by NRS 350.185.
4. The book-running senior manager and other members of the underwriting syndicate for a particular issue or project will be designated by the Department of Finance and ratified by the City Council. It is the City's intent, once a team is established, to provide equal opportunity for the position of book-running senior manager. The Department of Finance will rotate the book-running senior manager on a deal-by-deal basis as appropriate for the particular bond issue or project.



5. The underwriting team should be balanced with firms having institutional, retail, and regional sales strength, qualified minority and/or women-owned firms will be included in the underwriting team and given in equal opportunity to be senior manager.
6. The size of an issue will determine the number of members in the underwriting team and whether more than one senior manager is desirable.

Underwriting Spread

Before work commences on a bond issue to be sold at negotiated sale, the underwriter shall provide the Department of Finance a detailed estimate of all components of their compensation. Such estimates should be contained in the RFP or provided immediately after their designation as underwriter.

The book-running senior manager must provide an updated estimate of the expense component of gross spread to the Department of Finance no later than one week prior to the day of pricing.

Establishment of a Selling Group

When deemed appropriate by the Department of Finance, a selling group will also be established to assist the underwriting team in the marketing of the bond issue.

Priority of Orders

The priority of orders to be established for negotiated sales is generally as follows:

1. Nevada Investors
2. Group Orders
3. Designated Orders
4. Member Orders

For underwriting syndicates with three or more underwriters a three-firm rule for net designated orders will be established as follows;

1. The designation of takedown on net designated orders is to benefit at least three firms of the underwriting team.
2. No more than 50% of the takedown may be designated to any one firm. No less than 10% of the takedown will be designated to any one firm.

Retentions

If the use of retentions is desirable, the Department of Finance will approve the percentage (up to 30%) of term bonds to be set aside. The amount of total retention will be allocated to each member of the underwriting team in accordance with their respective underwriting liability, which is approved by the Department of Finance.



Allocation of Bonds

1. The book running senior manager will be responsible for ensuring that the overall allocation of bonds meets the City's goals of obtaining the best price for the issue and a balanced distribution of the bonds.
2. The Department of Finance must approve the final bond allocation process with input from the book running senior manager.

Miscellaneous

MBE/WBE Statement - It is a continuing goal of The City to actively pursue minority and women business enterprises to take part in the City's procurement and contracting activity. Minority and women business enterprises will be solicited in the same manner as non-minority firms. The City encourages participation by minority and women business enterprises and will afford full opportunity for bid submission. Minority and women business enterprises will not be discriminated against on the grounds of race, color, creed, sex, or national origin in consideration for an award.

Bond Closings - All bond closings shall be held in the City unless circumstances dictate otherwise.



OTHER CITY DEBT POLICIES

Debt Structure

Maturity Structures - The term of City debt issues should not extend beyond the useful life of the project or equipment financed. The repayment of principal on tax supported debt should generally not extend beyond 30 years unless there are compelling factors which make it necessary to extend the term beyond this point.

Debt issued by the City should be structured to provide for generally level debt service. Deferring the repayment of principal should be considered only in select instances where it will take a period of time before revenues are sufficient to pay debt service.

Capitalized Interest - The City will generally not capitalize interest unless there are compelling factors which make it necessary or desirable to do so.

Bond Insurance - The purchase of bond insurance may be considered as part of the structure of a bond issue. Bond insurance is an insurance policy purchased by an issuer or an underwriter for either an entire issue or specific maturities, which guarantees the payment of principal and interest. While this security provides a higher credit rating and thus a lower borrowing cost for an issuer, such cost savings must be measured against the premium required for such insurance.

The decision to purchase insurance directly versus bidder's option is based on:

- volatile markets
- current investor demand for insured bonds
- level of insurance premiums
- ability of the City to purchase bond insurance from bond proceeds

Bond insurance can be purchased directly by the City prior to the bond sale (direct purchase) or at the underwriter's option and expense (bidder's option). In cases where insurance is purchased, the City will attempt to qualify its bond issues for insurance with bond insurance companies rated AA or higher by Moody's Investors Service, Standard & Poor's Corporation and/or Fitch Ratings.

When insurance is purchased directly by the City, the present value of the estimated debt service savings from insurance should be at least equal to or greater than the insurance premium. The bond insurance company will usually be chosen based on an estimate of the greatest net present value insurance benefit (present value of debt service savings less insurance premium).

Refundings

A refunding is generally the underwriting of a new bond issue whose proceeds are used to redeem an outstanding issue. Key definitions are described as follows:

Advance Refunding - A method of providing for payment of debt service on a bond until the first call date or designated call date from available funds. Advance refundings are done by issuing a new bond or using available funds and investing the proceeds in an escrow account in a portfolio of U.S. government securities structured to provide enough cash flow to pay debt service on the refunded bonds. Under the Tax Cuts and Jobs Act of 2017, advance refunding issues of tax exempt bonds issues after December 31, 2017 will no longer have tax exempt status.



Current Refunding - The duration of the escrow is 90 days or less.

Gross Savings - Difference between debt service on refunding bonds and refunded bonds less any contribution from a reserve or debt service fund.

Present Value Savings - Present value of gross savings discounted at the refunding bond yield to the closing date plus accrued interest less any contribution from a reserve or debt service fund.

Prior to beginning a refunding bond issue the City will review an estimate of the savings achievable from the refunding. The City may also review a pro forma schedule estimating the savings assuming that the refunding is done at various points in the future.

The City will generally consider refunding outstanding bonds if one or more of the following conditions exist:

1. Present value savings are at least 3% of the par amount of the refunding bonds.
2. The bonds to be refunded have restrictive or outdated covenants.
3. Restructuring debt is deemed to be desirable to align debt service obligations with revenues available for repayment.

The City may pursue a refunding not meeting the above criteria if:

1. Present value savings exceed the costs of issuing the bonds.
2. Current savings are acceptable when compared to savings that could be achieved by waiting for more favorable interest rates and/or call premiums.

Interest Rate Limitation

Under NRS 350.2011, the maximum tax-exempt rate of interest must not exceed by more than three percent:

1. For general obligations, the Index of Twenty Bonds; and
2. For special obligations, the Index of Revenue Bonds, which was most recently published before the City adopts a bond ordinance.

Certificates of Participation/Other Capital Leases

Certificates of participation are essentially leases which are sold to the public. The lease payments are subject to annual appropriation. Investors purchase certificates representing their participation in the lease. Often, the equipment or facility being acquired serves as collateral. These securities are most useful when other means to finance are not available under State law.



Financing Sources

The City will evaluate available County/State bond financing programs before choosing the financing source. The City will consider utilizing a County/State program if bonds can be sold by the County/State in a manner that meets the City's timing needs and if two or more of the following conditions are expected:

- 1) The City will benefit from the County/State's credit rating.
- 2) The City will reduce its issuance costs by combining with other participants.
- 3) The City will be able to approve the structure of the bonds.
- 4) The utilization of the County/State program is the most cost effective source of funds.

Secondary Market Disclosure

In November 1994, the Securities and Exchange Commission (SEC) amended Rule 15c2-12 (the "Rule") to prohibit any broker, dealer, or municipal securities dealer from acting as an underwriter in a primary offering of municipal securities unless the issuer promises in writing to provide certain ongoing information (unless the offering satisfies certain exemptions). On February 27, 2019 the Securities and Exchange Commission (SEC) amended Rule 15c2-12 (the "Rule") with the following provisions;

Specifically, the amendments add two new events to the list included in Rule 15c2-12 (the "Rule"):

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, *if material*; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of *which reflect financial difficulties*.

The City will comply with the Rule by providing the secondary market disclosure required in any case in which the Rule applies to the City as an obligated person ("Obligated Person") as defined in the Rule.

The City will also require certain governmental organizations and private organizations (the "Organizations"), on behalf of which the City issues bonds or who otherwise are beneficiaries of the bonds, to comply with the Rule pursuant to a loan agreement or other appropriate financing document as a condition to providing the financing. The City is not required, nor will it obligate itself to provide secondary market disclosure for any obligated persons (other than the City), and the City will have no liability or responsibility for the secondary market disclosure requirements imposed upon other Obligated Persons. The City may, in appropriate cases, exempt Organizations and other Obligated Persons from this policy where the City determines, in its sole discretion, that an exemption permitted by the Rule is available.

American Recovery and Reinvestment Act - Build America Bonds

The Director of Finance will adopt procedures designed to comply with the American Recovery and Reinvestment Act (the "Recovery Act") and the Hiring Incentives to Restore Employment Act (the "HIRE Act") requirements in 8038-CP and instructions thereto. The instructions for filing an 8038-CP, which describe how and when to file the 8038-CP will constitute the City's written procedures for timely filing of the 8038-CP. The Finance Director, or designee, shall be responsible for making such filing or causing it to be made. Payment of the refundable credit will be made to the City or the trustee for the Recovery Act or the HIRE Act, as determined by the Director of Finance, unless otherwise provided by the Director of Finance. The City's completion and examination of the form 8038-CP constitute its procedure for ensuring that the refundable credit is made to the City or trustee.



**OPERATION COSTS AND REVENUE SOURCES
FOR PROJECTS IN CAPITAL IMPROVEMENT PLAN**

Response to NRS 350.013 1(c):

(7) A discussion of its operational costs and revenue sources, for the ensuing 5 fiscal years, associated with each project included in its plan for capital improvement submitted pursuant to paragraph (d), if those costs and revenues are expected to affect the property tax rate.

The Capital Improvement Plan (the “CIP”) contains current and proposed projects for the next five years segregated into the following categories: water, wastewater, streets, flood control, street lights, traffic control, parks and recreation, municipal facilities, and school flashing lights.

The cost estimates are very preliminary in nature, as design has not taken place in most cases. Cost summaries are included for each category at the beginning of each section. The City may not be able or willing to provide this level of funding even with some sources of funds external to the City. Over the time interval anticipated by this document, some portions of these projects can be expected to be provided by the developers as construction continues in the City. It is not possible for the City to fully anticipate when and where such developer-provided construction will occur.

Future bonding may be an alternative to providing funding for some of the needed infrastructure where currently funding has not been identified. The City has expended virtually all local street and flood bonds. A bonding package could be promoted to include certain identified streets, local flood control including nuisance drainage, street lights, school flashing signals, and traffic signals. A list could be projected based upon some of the top priorities listed in the CIP for the identified categories. Currently, the City does not anticipate that operational costs and revenue sources associated with the funding of capital improvements identified in its CIP will affect the property tax rate.

5-Year Operating Tax Rate Forecast

Barring extraordinary events, the City shall impose a property tax limit based on the fiscal year 1999 variance between the actual tax levied and the maximum allowed levy; that is, the City will not raise its operating rate beyond a self-imposed limit that is 11.2 cents per \$100 below the State imposed limit. The City's budgeted maximum allowed tax rate is \$1.8292 and the rate imposed is \$0.6765, which leaves \$1.1527 allowable under state law and \$1.0407 allowable under this policy. The City does not anticipate increasing the operating rate, barring extraordinary events, in the next five years.



CHIEF FINANCIAL OFFICER INFORMATION
NRS 350.013 Subsection 1(e)

A statement containing the name, title, mailing address and telephone number of the Chief Financial Officer of the municipality.

NAME: Gary Ameling
TITLE: Chief Financial Officer
ADDRESS: City of Las Vegas
495 Main Street
Las Vegas, Nevada 89101
TELEPHONE: (702) 229-6806
E-MAIL: gameling@lasvegasnevada.gov