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**Las Vegas Monorail Co**

*Wells Fargo Bank, N.A.  
Corporate Trust Services  
Special Accounts Group  
MAC N9311-115  
625 Marquette Avenue  
Minneapolis, MN 55479*



**NOTICE TO HOLDERS OF**

**DIRECTOR OF THE STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
LAS VEGAS MONORAIL PROJECT REVENUE BONDS  
1<sup>ST</sup> TIER SERIES 2000 AND 2<sup>ND</sup> TIER SERIES 2000**

**CUSIP NUMBERS:**

**(Base CUSIP: 25457V)**

**1<sup>st</sup> Tier: AA4, AB2, AC0, AF3, AG1, AH9, AJ5, AK2, AL0, AM8, AN6, AP1 AQ9, AR7, AS5, AT3, AU0,  
AV8, AW6, AX4, AY2, AZ9, BA3, BB1**

**2<sup>nd</sup> TIER: BC9, BD7, BE5**

Wells Fargo Bank, National Association, serves as Trustee (the "Trustee") under a Senior Indenture, dated as of September 1, 2000 (the "Senior Indenture"), between the Trustee and the Director of the State of Nevada Department of Business and Industry (the "Issuer"), pursuant to which the Issuer's 1<sup>st</sup> Tier (the "1<sup>st</sup> Tier Bonds") and 2<sup>nd</sup> Tier (the "2<sup>nd</sup> Tier Bonds") Series 2000 Las Vegas Monorail Project Revenue Bonds (the 1<sup>st</sup> Tier Bonds and 2<sup>nd</sup> Tier Bonds are sometimes collectively referred to as the "Bonds"), were issued and are outstanding. The proceeds of the Bonds were used for financing (in part) of the acquisition, construction, improvement and/or equipping of a four-mile dual guideway monorail system in Clark County, Nevada (the "Project"). The Issuer loaned the proceeds of the Bonds to Las Vegas Monorail Company, a non-profit corporation organized under the laws of the State of Nevada (the "Borrower"), pursuant to a Financing Agreement, dated as of September 1, 2000, between the Issuer and the Borrower (the "Financing Agreement").

The Borrower has issued its budget for the year 2009. A copy of the 2009 budget is attached to this Notice.

Any party in receipt of this Notice may direct questions by telephone to the Trustee at (612) 667-3777, or by mail addressed to:

Wells Fargo Bank, National Association  
Corporate Trust Department – Attn: Gavin Wilkinson  
MAC# N9311-115  
625 Marquette Avenue, 11<sup>th</sup> Floor,  
Minneapolis, MN 55479  
Email: [gavin.wilkinson@wellsfargo.com](mailto:gavin.wilkinson@wellsfargo.com)

**Bondholders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment or legal advice herein or as to the Bonds generally.**

Dated: December 3, 2008

**WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee**



# **2009 BUDGET PRESENTATION**

NOVEMBER 19, 2008  
LVMC CONFERENCE ROOM

	2008 Projected Actual	2009 Budget	Increase (Decrease) 2008 over 2009	% Increase
<b>Consolidated Income Statement</b>				
<b>Operating Revenues:</b>				
Retail:				
Farebox TVM	26,746,598	32,524,639	5,778,041	22%
Other / Vegas.com	2,923,811		(2,923,811)	-100%
POS Hotel	68,457		(68,457)	-100%
Internet	314,041	326,599	12,559	4%
<b>Total Retail Sales</b>	<b>30,052,906</b>	<b>32,851,238</b>	<b>2,798,332</b>	<b>9%</b>
Wholesale:				
Convention/Meeting/Group	239,859	-	(239,859)	-100%
Travel Agent	144,433	-	(144,433)	-100%
<b>Total Wholesale Sales</b>	<b>384,292</b>	<b>-</b>	<b>(384,292)</b>	<b>-100%</b>
<b>Total Advertising Sales</b>	<b>1,376,329</b>	<b>1,281,917</b>	<b>(94,413)</b>	<b>-7%</b>
<b>TOTAL REVENUE</b>	<b>31,813,527</b>	<b>34,133,156</b>	<b>2,319,629</b>	<b>7%</b>
<b>Operating Expenses:</b>				
Bombardier O&M Costs	10,937,467	11,269,072	331,604	3%
O&M Bid Saves	-	(416,667)	(416,667)	
System Utility Costs	831,962	858,904	26,942	3%
Monorail System Insurance	3,306,313	3,427,400	121,087	4%
Salaries and Related Costs	1,901,244	1,690,525	(210,719)	-11%
Security	1,239,753	1,301,315	61,562	5%
Professional Services	702,419	685,500	(16,919)	-2%
Fare Collection Costs	569,019	608,272	39,254	7%
Admin & Other	1,321,347	1,261,723	(59,623)	-5%
Advertising & Marketing Costs	2,386,953	1,478,306	(908,647)	-38%
<b>TOTAL OPERATING EXPENSE:</b>	<b>23,196,478</b>	<b>22,164,350</b>	<b>(1,032,128)</b>	<b>-4%</b>
<b>NET OPERATING REVENUES</b>	<b>8,617,049</b>	<b>11,968,806</b>	<b>3,351,757</b>	<b>39%</b>
<b>Non-Operating Expenses:</b>				
Airport Expansion	-	-		
Restructuring	1,126,300	600,000	(526,300)	-47%
<b>NET REVENUES (Reported)</b>	<b>7,490,748</b>	<b>11,368,806</b>	<b>3,878,057</b>	<b>52%</b>

	2008 Projected Actual	2009 Budget	Increase (Decrease) 2008 over 2009	% Increase
<b>Debt Service Coverage Schedule</b>				
<b>NET OPERATING REVENUES</b>	7,490,748	11,368,806	3,878,057	52%
Investment Income	2,142,543	437,946	(1,704,598)	-80%
<b>Net Available for Debt Service</b>	9,633,292	11,806,752	2,173,460	23%
Depreciation	24,000,000	24,384,920	384,920	2%
Amortization	40,000	40,000		0%
Depreciation and Amortization	24,040,000	24,424,920	384,920	2%
<b>Debt Service</b>				
1st Tier Interest	19,269,945	19,269,944	(1)	0%
2nd Tier Interest	10,987,750	10,987,750	(1)	0%
3rd Tier Amortization	6,600,372	7,680,558	1,080,186	16%
Amort. of Discount / Debt Issuance Cost	9,322,094	9,619,775	297,681	3%
<b>Total Debt Service Requirement</b>	46,180,161	47,558,027	1,377,866	3%
<b>Net Income / Net Revenue After Debt Service</b>	(60,586,869)	(60,176,195)	410,675	-1%

