



LAS VEGAS CONVENTION AND VISITORS AUTHORITY
ADOPTED ANNUAL BUDGET

Fiscal Year 2017 | 2018



LAS Vegas
CONVENTION AND VISITORS AUTHORITY

Las Vegas, Clark County, Nevada



Adopted Annual Budget
Fiscal Year 2017/2018

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May 18, 2017

**To the Board of Directors
Las Vegas Convention and Visitors Authority (LVCVA)**

It is with great pleasure that I respectfully submit the fiscal year (FY) 2018 budget for your review and consideration. The annual budget represents the expected revenues and planned expenditures for the fiscal year beginning July 1, 2017 and ending June 30, 2018. The FY 2018 budget reflects Board and organizational priorities, and follows the fundamentals of our financial management policies. This budget is the product of many months of work on the part of all the members of this organization. It has been prepared in conformance with the requirements of state law, Board policies and governmental budgeting "best practices".

The mission of the Las Vegas Convention and Visitors Authority:

"To attract visitors by promoting Las Vegas as the world's most desirable destination for leisure and business travel."

The LVCVA has the responsibility to market Las Vegas and Southern Nevada as a travel destination. Resorts advertise and market their individual properties, while the LVCVA markets the destination as a whole. Our mission is fulfilled primarily through national and international branding, marketing, and advertising campaigns, sales efforts, public relations, special events, and operation of the Las Vegas Convention Center (LVCC) and Cashman Center. The LVCVA also markets Laughlin, Mesquite, and the outlying areas of Southern Nevada.

PREFACE

The FY 2018 budget was prepared during our seventh consecutive period of year-over-year revenue growth. Tourism, which is the backbone of the Las Vegas economy, was one of the first industries in Southern Nevada to demonstrate recovery post-recession, and many economic indicators now exceed pre-recession levels. Las Vegas is an international destination with approximately 19% of visitors from international markets in 2016. Due to the strength of the tourism industry and the destination as a whole, total room tax forecast in FY 2018 is expected to exceed the previous year record high. The increases are driven by growth in visitation and average daily room rate, and occupancy rate. Recent reinvestments in the destination from resort partners and other local businesses also provide support for continued moderate growth in the long-term.

The LVCVA will continue to remain alert and assess economic factors and other key visitation statistics while leading by example and reinvesting in the future growth of the tourism market for Las Vegas and Southern Nevada. The organization has completed the first phase of its long-range plan for the Las Vegas Convention Center District (LVCCD) project. The transformational project is designed to launch Las Vegas further ahead of competing cities and further develop Las Vegas as an international business destination.

As the tourism industry navigates through economic ebbs and flows, the LVCVA will continue to assess its position with a commitment to remain flexible, responsive, and timely. The FY 2018 budget resource allocations align with the objectives of the LVCVA's core mission.

FY 2018 BUDGET ENVIRONMENT

Current room tax results for FY 2017 general fund are on pace to exceed \$279 million, a 7% increase over the previous year. Projections also indicate visitor volume in Las Vegas will exceed 43.2 million in calendar year 2017. This represents a slight increase from 2016 and would be the highest visitation in Las Vegas history. The forecast for FY 2018 indicates continued improvement as consumer confidence stimulates discretionary spending on business and leisure travel. Accordingly, the FY 2018 room tax revenue budget projects an increase of nearly 6% over FY 2017 projected results.

The LVCVA continually monitors numerous key visitation statistics to ensure appropriate budgeting of our primary revenue source. For the 2016 calendar year, average daily auto traffic was up 5.5%, deplaned passengers at McCarran International Airport were up 4.5% and convention and meeting attendance was up 7.1% over 2015. All of these factors point toward new growth for the destination. The LVCVA also reviews tourism data at a more macro-level which indicates growth in leisure and business travel. The Department of Commerce forecasted international visitors traveling to the United States is expected to reach a new record of 78.6 million visitors in 2017. In October 2016, the US Travel Association published information indicating that total travel expenditures are projected to grow over 20.1% in the next five years, and the number of domestic business and leisure trips are expected to grow 8.9% as well. Although these are good signs for the local economy, the LVCVA is keenly aware of national and global economic conditions as well as legislative actions that could affect future revenue. Conservative budgeting techniques and continuous monitoring of the environment are used to reduce the potential impact of these risks. Long-term plans for LVCVA expansion and renovation, as described below, are phased to align with available revenues to ensure the financial integrity of the entity.

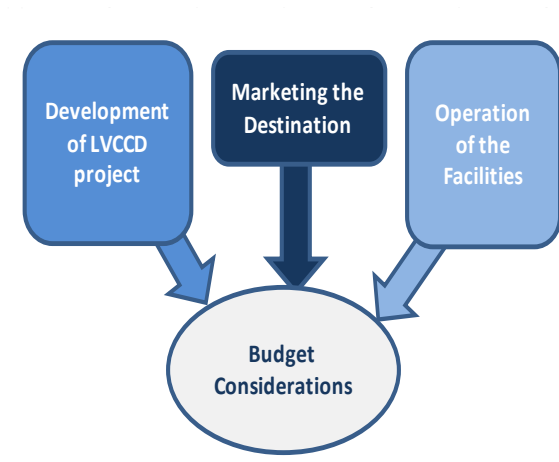
Significant private investor optimism is also taking place in Southern Nevada. Long-term private investor confidence in Las Vegas is evident with \$12 billion worth of projects announced or under construction over the next several years. In addition, the destination welcomed the openings of multiple projects this year, maintaining Las Vegas' reputation as a premier travel destination. For instance, the Lucky Dragon, an Asian-themed boutique hotel opened in December 2016. In February 2017, the W Las Vegas opened within the SLS hotel. A hotel within a hotel, the W Las Vegas will boast a private entrance for guests, and will offer its signature brand amenities, including a rooftop pool and a 24-hour FIT gym.

Looking ahead, more bright spots on the horizon include the development of the Resorts World Las Vegas complex located on the Las Vegas Strip. Wynn Resorts also announced a \$1.5 billion lake resort on land that is currently its golf course. The planned project would include new convention space and is projected to be open by 2020. Work is currently underway transforming and rebranding the Monte Carlo Resort and Casino into a luxury resort, the Park MGM with full completion expected in 2020. Las Vegas is known for continually reinventing itself to deliver on the brand promise of being the premier destination in the world. These multi-million dollar projects continue to show that Las Vegas does not stand still and continues to provide new experiences and reasons to visit.

The Las Vegas Convention Center plays a pivotal role in southern Nevada's meeting and convention market. It hosted 53 events in 2016 with attendance of 1.4 million. LVCC attendees supported approximately 11,800 leisure and hospitality jobs and nearly \$2.7 billion in total economic output.

The LVCVA remains fiscally sound because of a conservative fiscal management strategy. As is always its practice, the LVCVA builds flexibility into every facet of the planning process, allowing for continuous adjustments in reaction to changes in the market place. Continued growth in the revenue base allows the LVCVA to allocate resources to capital and operating projects to sustain our operational excellence.

A five-year vision plan was adopted in January 2016. This vision plan encompasses a marketing, business, and organizational strategy for the future growth of tourism and its economic impact on Las Vegas and Southern Nevada. Part of this vision is the expansion and renovation of the LVCC.



This is considered necessary to remain the No. 1 tradeshow destination in North America. The Las Vegas Convention Center District (LVCCD) project positions the organization for continued long-term success and expands the reach and impact of the Las Vegas brand. There are four major conceptual phases in the LVCCD. Phase One, completed in January 2017, was the acquisition and site preparation of the former Riviera Casino property. The property was purchased in 2015 and has been cleared in anticipation of an expansion of the Las Vegas Convention Center. Prior to new construction, the cleared lot is currently utilized for outdoor exhibits and overflow parking. LVCVA completed this phase of the project with existing resources including debt capacity.

LVCCD Phase Two includes the construction of 600,000 square feet of new indoor and outdoor exhibit space, in addition to meeting rooms, additional parking, new food and beverage outlets, and support and service spaces. The estimated budget for Phase Two is \$860 million. Phase Three consists of renovation and additions to the current facility. This includes upgrades to the exhibit halls, meeting rooms, restrooms and entrances with upgraded technology, lights and design. This phase will also provide upgraded restrooms and new food and beverage outlets as well as an enclosed connector between the current halls. Structuring the project in this manner provides space for our trade shows while existing facilities are closed for renovation in Phase Three. Phase Three's estimated budget is \$540 million.

In order to accomplish these phases, the LVCVA required additional resources to supplement existing revenues. Staff prepared analysis based on project costs for the LVCCD and determined a significant funding shortfall to support the financing project as proposed. In October 2016, during a special legislative session, the Nevada State Legislature approved a 0.5% increase to the room tax rate for the LVCVA, to be used solely for the LVCCD project (Senate Bill 1). The new portion of room tax went into effect in January 2017. The FY 2017 partial year projected budget for the LVCCD room tax is \$10.5 million. The FY 2018 room tax budget is \$29.4 million. Additionally, the legislation capped the amount of collection allocation fee the Authority may return to the jurisdictions who collect room tax on our behalf. The amount returned to cities and counties is prohibited from exceeding \$25 million annually, and the amount of the fee calculated in excess of the cap is restricted to be used solely for the LVCCD capital financing program. As a result, the FY 2018 budget for the transfer from the General Fund to the LVCCD Fund is \$4.6 million. A new capital fund was created to account for all project revenues, including those received as part of the new legislation, as well as all the expenditures related to the LVCCD Phase Two and Three.

Phase Four of the LVCCD includes concepts of potential future improvements and expansions. Conceptual components include a campus media center, administrative offices for trade show partners and a plaza. Specifics are yet to be determined due to potential timing of this phase. Phase Four's schedule and funding will be based upon the completion of the previous phases. Funding for Phase Four is not included in the financing analysis referenced above.

Phased flexible financing is intended to be utilized throughout the LVCCD while ensuring adequate debt coverage ratios and reserves are maintained. This will balance the use of current debt capacity while minimizing diversion of resources from our primary operating activities. The LVCVA renegotiated a credit agreement with JP Morgan providing a \$100 million revolving credit line, which can be advanced up to three times but never more than \$100 million at a time to assist in this process. In FY 2018, the LVCVA has budgeted \$100 million from bond proceeds generated from the credit agreement for planning, design and early construction programs related to Phase Two. These proceeds and related expenditures are accounted for in the LVCCD Fund.

In order to properly align with this long-term capital expansion, capital funding from the General Fund for FY 2018 budget focused on assets, not facility projects. Therefore, regular capital needs is reduced compared to FY 2017 revised budget levels. This is strategic in nature as future capital funding will be targeted to complement and align with the LVCCD project.

In March 2017, the Board of Directors approved a transfer agreement with the City of Las Vegas for the Cashman Center property and land. The transfer agreement is joined to a management agreement, whereby the City of Las Vegas engages the Authority to continue operating the meeting and exhibit hall facilities at Cashman Center through December 2017. At that time the Authority will close the meeting, convention and theater space, maintaining it in a dormant status until such time the entire campus is handed over to the City. Under the management agreement, the Authority will continue to operate Cashman Field (the stadium) until the expiration of the baseball team lease or until the team terminates the lease with sufficient notice, whichever comes first. At that time, the management agreement for the Cashman campus will cease and the City of Las Vegas will assume all responsibilities for the property. Cashman Center currently operates at a loss. Budget projections have been adjusted based on this agreement which has minimal impact on the overall operations of the LVCVA in this budget period.

The FY 2018 budget also reflects the LVCVA's commitment to our core mission of marketing Southern Nevada as a leisure and business destination worldwide and operating the LVCC. The LVCVA continually conducts research to assist us in creating effective messaging for consumers. Advertising in the current year will continue to be aggressive using unique, innovative ways to make the Las Vegas message stand out and drive awareness and favorability for the destination. Business marketing initiatives will continue to emphasize that serious business gets done in Las Vegas while highlighting the tremendous value available compared to other major business destinations.

“What Happens Here, Stays Here” is one of the more famous taglines in modern tourism marketing and one of the most quoted, talked about, and recognized ad campaigns in any industry. The LVCVA will continue to capitalize on the global equity of the Las Vegas brand in FY 2018.

Significant advertising, marketing and public relations programs include:

- Produced engaging video content across Facebook, YouTube & Twitter, generating over 120 million total views, a 52% increase over FY 2016.
- Increased overall Las Vegas airline seat capacity by over 3% in FY 2017; domestic capacity is up 3.4% while international is up 1.7%. The estimated annualized non-gaming economic impact of the increased air service is \$539 million.
- Successfully secured and launched the first nonstop air service from mainland China (Beijing) to Las Vegas by Hainan Airlines. Achieved strong growth in international air traffic, as new nonstop capacity in the long-haul international markets increased 51% from Asia and 11% from Europe. Added or significantly increased air service from 22 markets representing over 800,000 new inbound seats for the year.
- Hosted the 2016 Final Presidential Debate in partnership with the University of Nevada Las Vegas (UNLV), with more than 71 million television viewers; it generated nearly \$114 million in publicity for UNLV and Las Vegas.
- Enhanced the destination's brand presence at both international and domestic exhibitions through the use of a state-of-the-art interactive touchscreen map, including more than 4,000 pieces of custom content with 360-degree video, time lapse photography, and still images.
- Completed a comprehensive national segmentation study of leisure travelers to categorize visitor segments based on common emotional drivers and "need states" to ultimately steer future messaging and media targeting.
- Executed sales and public relations activations in Mexico, France, United Kingdom, Denmark, Sweden, China, Japan, and South Korea.
- Developed a familiarization program bringing more than 1,300 international travel professionals to Las Vegas. The program included tours, sales incentive programs, and reverse missions.
- Elevated the Las Vegas brand through broadcast and digital media placements and sponsorships at high-profile national events including the National Hockey League (NHL), Billboard Music Awards, Academy of Country Music, and Professional Bull Riders (PBR).
- Developed new brand campaigns for Laughlin, Mesquite, and Boulder City.
- Implemented an online survey of Clark County wedding license applicants in support of expanded wedding marketing efforts.
- Transitioned both the food and beverage provider and digital signage services and ensured a seamless changeover without interruption to shows.
- Telecommunications provider, in line with contract terms, completed installation of a \$18 million Digital Antenna System, keeping the facility the nation's most technologically-advanced convention center.

FY 2018 BUDGET HIGHLIGHTS

The total FY 2018 General Fund budgeted revenues are \$355 million, an increase of 4.8% over the revised FY 2017 budget. FY 2018 General Fund expenditures and uses are \$367 million. This reflects an increase of 0.9% over the revised FY 2017 expenditure budget. Operating expenditures including reserves account for \$251 million, while transfers for other funds total \$116 million.

REVENUE

Room tax, the LVCVA's primary source of revenue, is budgeted to increase in FY 2018 for the eighth consecutive year. Room taxes authorized under SB1 are recorded in LVCCD Fund, and all other room taxes are recorded in the General Fund. Total budget in room tax is approximately \$324 million, of which \$29.5 million is related to the LVCCD Fund. Due to higher than expected year-to-date results, the FY 2017 room tax budget for the General Fund was revised to \$270 million dollars; however, actual receipt fiscal-year-to-date indicates a final result closer to \$279 million. FY 2018 budget reflects \$294.5 million in room tax revenue, a record high for LVCVA room tax collections.

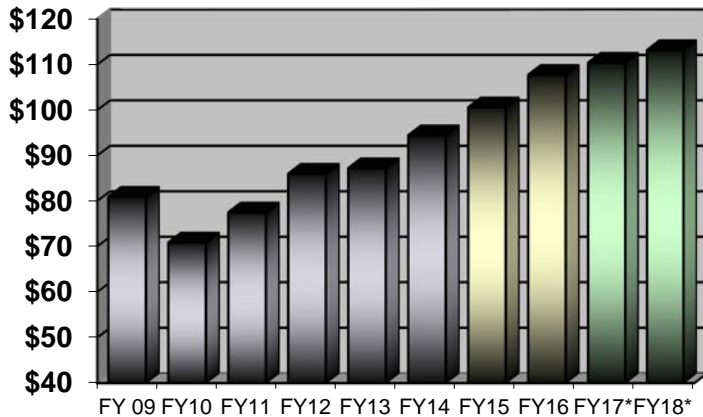
Room tax is projected to provide 83% of total general fund revenues and is based on the number of lodging rooms available, occupancy rate and the average daily taxable room rental rate (ADR). In 2016, Las Vegas ranked as the No. 1 city in the United States for hotel/motel room inventory. Room inventory in Clark County for 2017 is expected to remain stable with approximately 161,000 rooms of which 149,000 rooms are in the metropolitan Las Vegas area. Las Vegas is continually investing in its future by engaging the visitor with new amenities and experiences. This is coming to fruition through reinvestment in facilities and properties by renovating rooms, expanding dining and nightlife options and a variety of other activities to captivate and increase visitation. These investments do not provide significant increases in the number of rooms, and major grand openings for new resort properties will take multiple years to complete.

The county-wide average occupancy rate was 86.3% in FY 2016, and FY 2017 year-to-date has shown a slight increase. The increase in occupancy is attributable to an increase in visitor volume as the market remained relatively flat in room inventory. The greater Las Vegas area occupancy rate exceeded the national average by 23.6 percentage points in 2016. On any given night, Las Vegas has an average of 133,100 hotel rooms occupied, which is more than any other destination in the United States. The most volatile factor in calculating room taxes is the average daily room rate (ADR). With hotel rooms being booked over the internet, price fluctuations are common with hotels having the ability to respond quickly to occupancy trends. ADR has shown consistent improvement over the last five fiscal years and is on track to increase an additional 8% in FY 2017.

During FY 2018, approximately \$823.1 million is projected to be collected in Clark County from all room tax assessments. The Nevada Supplementary School Fund and Clark County School District will receive \$286.8 million for schools and education, while local jurisdictions will receive \$235.3 million for roads, parks, stadium construction and other general government needs. The State of Nevada general fund will receive \$23.2 million, and a portion of it will be allocated to promote Nevada. The LVCVA expects a net room tax benefit of \$277.8 million after returning \$25 million to the other government entities in the form of collection allocation and transferring approximately \$21.1 million to debt service for the Nevada Department of Transportation bonds.

County-wide Taxable ADR

Calendar Year 2016 Average Occupancy Rates



*Projected

Las Vegas	89.1%
New York	85.9%
San Francisco	84.3%
Oahu	84.2%
Los Angeles	81.3%
Miami	75.9%

The Authority's second largest revenue source is facility use revenue for the LVCC. Facility revenues have recovered over the last four fiscal years as attendance, use of exhibit space, and renewed demand for ancillary services have increased.

The facility use revenue forecast for FY 2018 includes effects of the seasonal rotation of several major tradeshows. The budget of \$53.4 million forecasts a decrease of just over 3% as compared to the FY 2017 budget. This is anticipated and consistent with historical impact of the rotation of tradeshows, especially in years following the triennial rotation of CONEXPO/CONAGG, the world's largest construction show.

Other revenues include gaming fees, Cashman Center rental, interest earnings, operating transfers in and revenue agreements for marketing events. These combined revenue streams are projected to decrease in FY 2018, which is mainly due to non-recurring events from FY 2017, including sponsorship of the third presidential debate in October 2016.

REVENUE SUMMARY <i>(In millions)</i>	FY 2017 Adopted Budget	FY 2017 Revised Budget	FY 2018 Budget	Change from FY 2017 Revised
Room Tax	\$ 267.2	\$ 270.0	\$ 294.5	9%
LVCC Revenue*	53.1	55.1	53.4	-3.3%
Other Revenue**	9.4	13.6	7.1	-47%
Total Revenues	\$ 329.7	\$ 338.7	\$ 354.0	4.8%

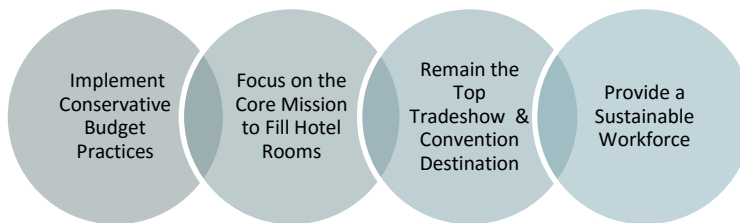
* Revenue related to the rental of the Las Vegas Convention Center.
 ** Comprised of gaming fees, use of facilities at Cashman Center, other fees and charges, interest and transfers from other funds.

EXPENDITURES

FY 2018 total General Fund expenditures and uses of funds are budgeted at \$367 million, with \$251.1 million dedicated to operating expenditures and reserve for contingency and \$115.9 million budgeted to transfer to other funds. The LVCVA creates the expenditure budget by focusing on our budget priorities.

Approximately 43% of the total General Fund budget is allocated to marketing and advertising the destination through the Marketing division, while 25% supports the General Government and Operations divisions as well as Community Support. The remaining 32% is transferred to other funds and contingency, including Capital, LVCCD, Debt Service, and an internal service fund for Other Post-Employment Benefits (OPEB).

Expenditure Budget Priorities



General Government includes the activities of the board of directors, Executive, Legal, Human Resources, Public Affairs, and Finance departments. The *Operations Division* encompasses all of the maintenance and support functions to operate the LVCC and Cashman Field. The *Marketing Division- Marketing & Sales* includes the activities of Domestic and International Leisure Sales, Global Business Sales, Industry Relations, Brand Strategy and Customer Experience. Four new full time positions were approved as part of the FY 2018 budget process in order to maintain superior customer service levels. The Marketing and Sales section decreased primarily due to a onetime event in FY 2017 related to the final presidential debate.

The *Advertising* budget, which is also part of the Marketing Division, supports the promotion of Las Vegas and Southern Nevada through a variety of mediums. Advertising programs are instrumental to staying ahead of travel trends. Industry imperatives are targeted to stimulate visitation to the destination and to reinforce that Las Vegas is an appropriate setting to conduct business. Advertising is critical to our mission and therefore remains a priority in FY 2018. The Advertising budget is \$101.3 million in FY 2018, an increase of 5% over FY 2017 revised budget. It is estimated that the LVCVA accounts for 33% of all advertising and promotional expenditures for the Southern Nevada tourism industry. This advertising impacts 5.8% of all visitation and results in benefit-cost ratio of \$28 to \$1.

The *Marketing – Special Event Grants* budget is approximately flat as compared to the prior year. This budget component evolves each year to keep up with new opportunities for the destination. For example, the Board of Directors recently approved a new sponsorship agreement for two high-level NASCAR races each year to be held in Las Vegas, one in the spring and one in the fall for \$2.5 million. Previously Las Vegas only had one race. The budget also includes \$9.7 million in funding for Las Vegas Events (LVE), a non-profit corporation dedicated to securing and sponsoring events that encourage visitation to the area. There was a decrease of \$1.3 million which is primarily attributed to not funding the non-recurring Men’s US Bowling Conference in FY 2018 and a reduction in National Finals Rodeo funding need.

OPERATING EXPENDITURES <small>(In millions)</small>	FY 2017 Adopted Budget	FY 2017 Revised Budget	FY 2018 Budget	Change from FY 2017 Revised Budget
General Government	\$ 20.2	\$ 23.4	\$ 24.1	3.2%
Marketing				
Advertising	96.5	96.5	101.3	5.0%
Marketing & Sales	45.2	49.4	42.9	(13.3)%
Special Event Grants	14.3	14.3	14.2	(0.6)%
Operations	44.9	41.7	43.1	3.6%
Community Support*	26.9	25.0	25.0	0%
Total Operating Expenditures	\$247.9	\$250.7	\$251.1	0.2%
<small>FY 2017 Revised Budget reflects increases to the original adopted budget as a result of higher than projected fund balance and room tax revenues. *Represents Collection Allocation (10% of Room Tax and Gaming Fees, but no more than \$25.0 million) returned to the local entities under SB1. Amounts above do not include contingency amounts and may not foot due to rounding.</small>				

TRANSFERS

Transfers from the General Fund are budgeted at \$115.9 million, an increase of 2.7% over the FY 2017 revised budget, primarily related to planned transfers to the LVCCD Fund.

Transfers to Debt Service Funds total \$63.3 million. Debt service on current outstanding bond issues related to LVCVA capital programs total \$29.1 million and debt service transfers related to the LVCCD program Phase Two and Three total \$13.1 million. Debt service transfers on outstanding bond issues to fund Nevada Department of Transportation (NDOT) projects, as approved by the 2007 Nevada legislature, total \$21.1 million.

Transfers to the LVCCD fund total \$40 million for pay-as-you go funding and reserves related to the LVCCD project as well as \$4.6 million in collection allocation funds that are over the \$25 million cap on collection allocation returned to collecting jurisdictions, as required under SB1.

Scheduled transfers include \$5.5 million from the General Fund to the Capital Fund for FY 2018 for normal funding capital requirements. Current year capital allocations are prioritized to ensure the facility's safety and to enhance customer experience, but slightly lower than the past few years due to timing of needs and preparing for the LVCCD Phase Two & Three.

The LVCVA maintains capital sub-funds that are used for diverse purposes. Any capital improvement or asset costing \$10,000 or more, not related to the LVCCD, is budgeted in the Capital Fund, including furniture and equipment. The Capital Improvement Program (CIP) is a multi-year plan that includes capital acquisitions or projects (excluding the LVCCD) expected to cost \$30,000 or more in one fiscal year, in addition to multi-year equipment replacements and additions. These projects are included on page 85.

The LVCVA has budgeted \$2.5 million in fund transfers from the general fund to the internal service fund for other post-employment benefit (OPEB) costs in FY 2018. Eligible retirees self-pay 100% of post-employment health care premiums based on blended rates with active employees. This results in the LVCVA providing an implicit subsidy of the retiree's health insurance costs. Liabilities for the actuarial calculated future costs have been accumulating on the balance sheet since FY 2008 when the accounting standards required the recognition of these future expenses. The LVCVA has completed yearly transfers since FY 2013. FY 18 budget incorporates a total of \$27.7 million allocated to OPEB funding to date. Funding is expected to assist in maintaining the LVCVA's high credit ratings and will allow the LVCVA, after the funding plan, to contribute only an annual transfer at maintenance levels.

FUND BALANCE

Ending General Fund balance on June 30, 2018 is budgeted at \$16.0 million. State law provides guidance for an ending fund balance minimum of 4% of budgeted expenditures. The LVCVA targets an ending fund balance of between 4% and 16% to prepare for future volatile economic conditions without detriment to operations. The FY 2018 ratio is approximately 6.4%, which meets statutory guidance and internal policy.

SUMMARY

Las Vegas is one of the most popular domestic and international travel destinations and was recognized for the 23rd consecutive year as the No. 1 destination for the Trade Show News Network's (TSNN) Top 250 Trade Shows in the United States. Las Vegas hosted over 21,800 events and 6.3 million convention delegates in 2016. This is a 7.1% increase in attendance over the prior year and an eight year high. This is an accomplishment and a testimony to the efforts of the LVCVA and our resort partners.

The travel and tourism industry generates over 8% of national GDP and supports nearly 14 million jobs. It is Southern Nevada's No. 1 economic driver, generating over \$59.6 billion for the local economy and supporting approximately 407,000 jobs. Serving as Chair of the National Advisory committee on Travel & Tourism Infrastructure for the Department of transportation gives me the opportunity to reinforce this message on Capitol Hill and ensures Las Vegas has a seat at the table for public policy discussions that affect travel.

Las Vegas' appeal has remained strong even throughout difficult times and continued competition from other destinations around the world. The LVCVA's mission remains steadfast and we have redoubled our efforts to promote Southern Nevada as the world's most desirable destination for leisure and business travel. A total of 16 new and rotating conventions and trade shows consisting of more than 10,000 delegates are scheduled in 2017. Combined, the shows will draw an estimated 454,000 attendees generating nearly \$424 million in direct visitor spending. Eight of these shows will be held at the LVCC. As we invest in the future of Southern Nevada through our marketing efforts and operational activities, we ensure the long-term success of the destination. The LVCCD project not only ensures the facility's future competitiveness, but the destination's current number one ranking for many years to come.

The budget before you provides a comprehensive and responsible spending plan that addresses the top priorities of the LVCVA. It is a budget that values and rewards the contributions of our employees and provides sufficient resources to meet our mission.

In closing, I want to thank the entire LVCVA workforce for their continued commitment and dedication. I would also like to thank the board of directors for their support and input during the budget process. Lastly, I would like to thank the members of the Finance Department for their commitment to monitoring the budget and ensuring the financial integrity of the organization is protected. I also congratulate the Finance Department for receiving the Government Finance Officers Association's Distinguished Budget Presentation Award for the 28th consecutive year.

Sincerely,

A handwritten signature in black ink that reads "Rossi Ralenkotter". The signature is written in a cursive, flowing style.

Rossi Ralenkotter
President / CEO

DISTINGUISHED BUDGET PRESENTATION AWARD

For the 28th consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Las Vegas Convention and Visitors Authority for its annual budget for the fiscal year beginning July 1, 2016.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

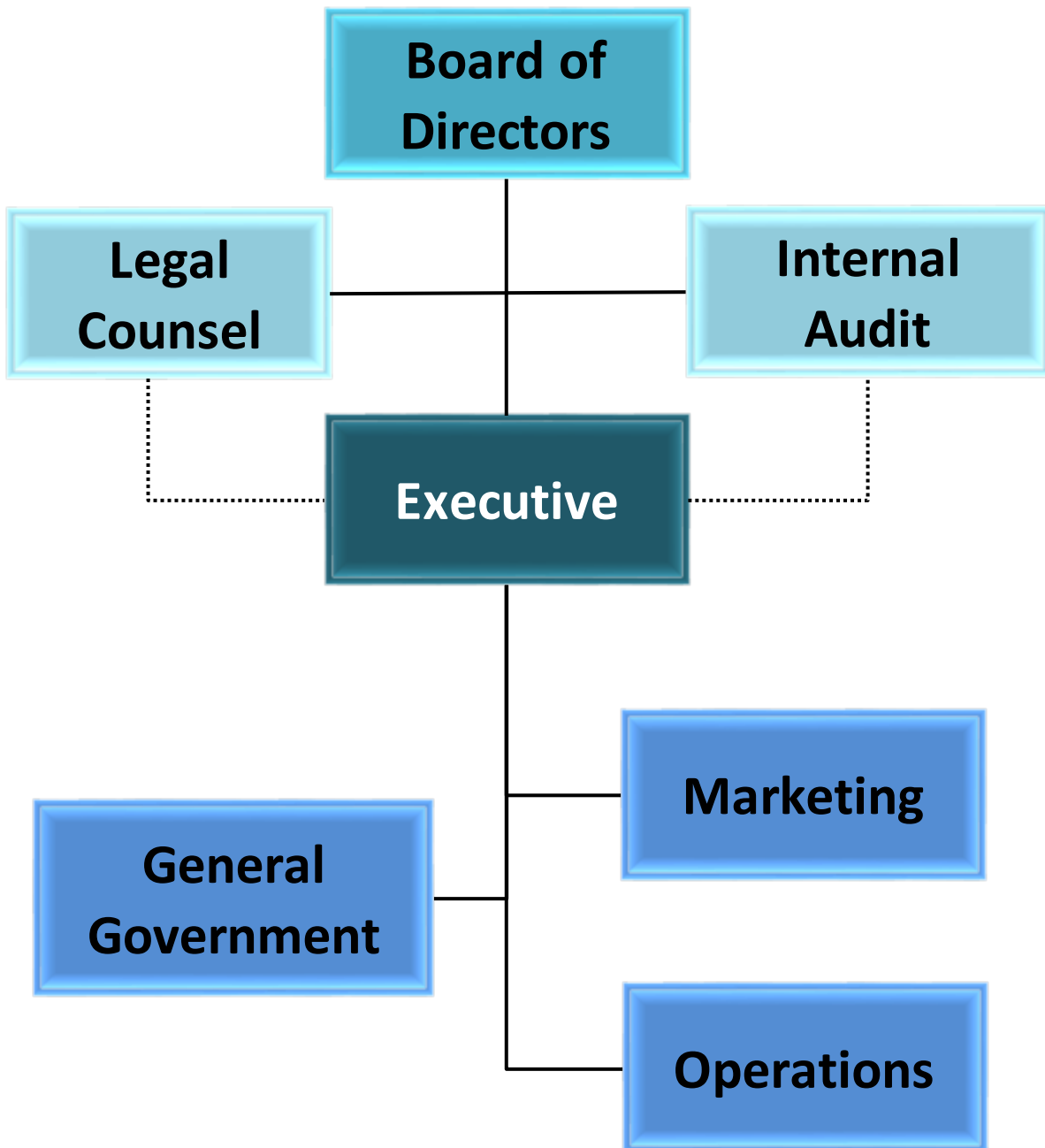
**Las Vegas Convention and Visitors Authority
Nevada**

For the Fiscal Year Beginning

July 1, 2016

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan'.

Executive Director



BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The Las Vegas Convention and Visitors Authority (LVCVA) is governed by a board of directors consisting of fourteen members. Eight members are elected officials from either Clark County or one of the incorporated cities therein. The Las Vegas Chamber of Commerce (CC) and the Nevada Resort Association (NRA) nominate three each of the remaining six members. Seven of eight elected officials are selected periodically by their respective governing bodies; their terms on the Board are coterminous with their terms of office. The elected official from the second least populated incorporated city serves a two-year term, starting with their term in office. The six private sector members serve staggered two-year terms.



LAWRENCE WEEKLY
Chairman
 Commissioner
 Representing Clark County
 Term: Jan 2009 – Dec 2020



CHUCK BOWLING
Vice Chairman
 Representing Resort Hotel
 Nominated by NRA
 Term: Jun 2005 – Jun 2017



BILL NOONAN
Secretary
 Representing Central Business District
 Nominated by NRA
 Term: Oct 2014 – Jun 2018



CAM WALKER
Treasurer
 Mayor Pro Tem
 Representing City of Boulder City
 Term: Jul 2009 – Jun 2017



RICKI BARLOW
Councilman
 Representing City of Las Vegas
 Term: Jul 2015 – Jun 2019



LARRY BROWN
Commissioner
 Representing Clark County
 Term: Jan 2017 – Dec 2020



CAROLYN G. GOODMAN
Mayor
 Representing City of Las Vegas
 Term: Aug 2016 – Jun 2019



TOM JENKIN
 Representing Resort Hotel
 Nominated by CC
 Term: Dec 2003 – Jun 2017



GREGORY LEE
 Representing Tourism
 Nominated by CC
 Term: Jul 2012 – Jun 2018



JOHN LEE
Mayor
 Representing City of North Las Vegas
 Term: Aug 2013 – Jun 2017



JOHN MARZ
Councilman
 Representing City of Henderson
 Term: Jul 2015 – Jun 2017



KRISTIN MCMILLAN
 Representing Other Commercial
 Nominated by CC
 Term: May 2011 – Jun 2017



GEORGE RAPSON
Councilman
 Representing City of Mesquite
 Term: Aug 2011 – Dec 2018



MAURICE WOODEN
 Representing Resort Hotel
 Nominated by NRA
 Term: Jul 2015 – Jun 2017

BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The Board serves as a policymaking body and employs a president to serve as chief executive officer. The LVCVA executive committee consists of:



Rossi Ralenkotter
President/CEO



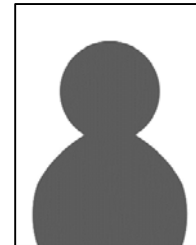
Barbara Bolender
Chief Human Resources
Officer



Rana Lacer
Chief Financial
Officer



Jacqueline Peterson
Chief Communications
& Public Affairs Officer



Vacant
Chief Operating
Officer



Edward Finger
Senior Vice President
Finance



Terry Jicinsky
Senior Vice President
Operations



Cathy Tull
Senior Vice President
Marketing



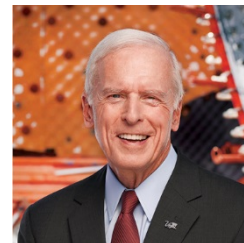
Michael Goldsmith
Vice President
International Sales



Chris Meyer
Vice President
Global Business Sales



Luke Puschnig
Vice President
Legal Counsel



Hugh Sinnock
Vice President
Customer Experience



Kevin Bagger
Executive Director
Research Center



Lawrence Roney
Executive Director
Information Technology



Valarie Segarra
Executive Director
Strategic Initiatives



Ray Suppe
Executive Director
Customer Safety

HISTORY OF LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Las Vegas has long been a favorite vacation destination for millions of tourists. In the early 1950s, however, community leaders reized the cyclical nature of tourism caused a significant decline in the number of visitors during the weekdays, throughout the summer months and over the holiday season. In order to attract more visitors to the area during slow periods, a new market was needed - convention travelers. This idea became the seed that blossomed into the development of the Las Vegas Convention Center, established by the Nevada Legislature in 1955 as the Clark County Fair and Recreation Board. Its function was to operate the Las Vegas Convention Center and promote Southern Nevada as a convention-tourism destination.

Original construction of the Las Vegas Convention Center began in 1957. It consisted of a rotunda, 18 meeting rooms and 90,000 square feet of exhibit space. Official opening ceremonies took place in April 1959, when the World Congress of Flight became the first convention to meet at the Las Vegas Convention Center.

Resolutions passed by the board of directors on June 27, 1967 and March 19, 1974 led to the renaming of the Clark County Fair and Recreation Board to the current Las Vegas Convention and Visitors Authority.

The Las Vegas Convention Center completed multiple expansions over its 50-year history. It now contains more than 3.2 million square feet of total space. The Convention Center contains 13 exhibit halls, 144 meeting rooms, restaurants, a business center, warehouses, administrative offices and parking for over 5,000 cars.



The LVCVA also operates Cashman Center, which opened in 1983. It is a multi-purpose facility built with a 10,000-seat baseball stadium, 1,898-seat theater, over 98,000 square feet of exhibit space and 14 meeting rooms. In March 2017, the Board approved the Restated Real Property Transfer Agreement and the Real Property Operating Agreement regarding the possible redevelopment of Cashman Center by the City of Las Vegas. It is anticipated that the property will be transferred to the city on June 1, 2017. The LVCVA will continue to operate the Cashman Center for the remainder of 2017, however at the end of the year, the meeting, convention and theater space will be closed to allow the

City of Las Vegas to redevelop this space. The LVCVA will continue to operate Cashman Field until the end of the current contact with the baseball team.

In February 2015, the LVCVA Board approved an agenda item authorizing the purchase of the historic Riviera Hotel & Casino. This purchase provided just over 26 acres of additional property, now known as the Diamond Lot, as well as an entrance to the planned Las Vegas Convention Center District (LVCCD) project from the Las Vegas Strip. In January 2017, Phase I of the LVCCD project was completed with an additional 20 acres of available outdoor exhibit space, 3,100 parking spaces, telecommunications, property-wide surveillance capabilities, three acres of landscaped walkways and four vehicle access locations. The LVCCD is discussed in more detail on page 95.



HISTORY OF LAS VEGAS CONVENTION AND VISITORS AUTHORITY

The LVCVA mission is now:

**To attract visitors by promoting Las Vegas
as the world's most desirable destination
for leisure and business travel.**

The LVCVA's primary source of revenue is provided by a tax imposed on hotels, motels and other transient lodging establishments in Clark County. The rate levied varies from 12% to 13.38% for resort hotels and 10% to 12.38% for non-resort hotels depending on the establishment's jurisdiction (see page 127 for room tax rate breakdown by jurisdiction). The division of room tax, as of July 1, 2017, is presented below:

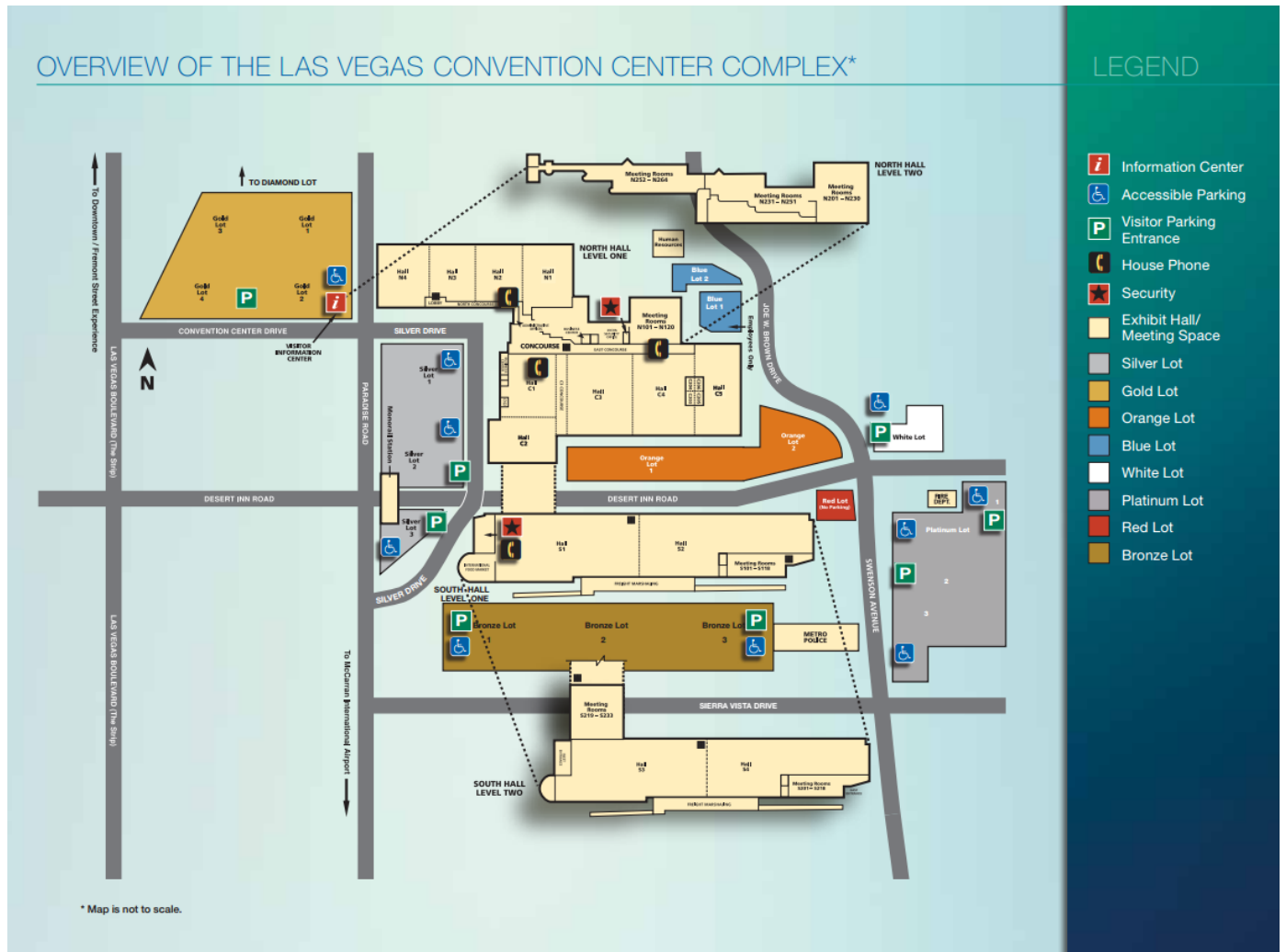
Resort Hotels					
LVCVA	Taxing Entity	State of Nevada	County Transportation	Clark County School District	Stadium Authority
4-5 1/2%	0-2%	3 3/8%	1%	1 5/8%	1/2 - 7/8%

Other Hotels / Motels					
LVCVA	Taxing Entity	State of Nevada	County Transportation	Clark County School District	Stadium Authority
2-4 1/2%	0-2%	3 3/8%	1%	1 5/8%	1/2 - 7/8%

The LVCVA is empowered by the Nevada state legislature to:

- ✧ Provide for the levy of ad valorem taxes by the Board of County Commissioners
- ✧ Acquire real property through the exercise of the power of eminent domain by the Board of County Commissioners
- ✧ Issue general obligation bonds in the name of and on behalf of the County

LAS VEGAS CONVENTION CENTER



The Las Vegas Convention Center is one of the largest tradeshow facilities in the world - a 3.2 million square foot facility located within a short distance of more than 100,000 guest rooms. Approximately two million square feet of exhibit space, and 144 meeting rooms (more than 241,000 square feet) can handle seating capacities ranging from 20 to 7,500. A grand lobby and registration area (more than 109,500 square feet) efficiently link the original exhibit halls with added exhibit halls and meeting rooms, allowing simultaneous set-up, break-down and exhibiting of multiple events.

CASHMAN CENTER



Cashman Center is a multi-use facility encompassing 483,000 square feet on a 55-acre site near downtown Las Vegas. The facility includes approximately 98,100 square feet of exhibit space, 14 meeting rooms, a 1,898 seat theatre, more than 2,500 spaces for parking and a 10,000 seat baseball stadium which is the home of the Las Vegas 51s, the AAA affiliate of the New York Mets. Each segment of the facility is capable of functioning independently or in any combination for conventions and trade shows, business/group meetings, theatrical presentations and sporting events.

In March 2017, the Board approved the Restated Real Property Transfer Agreement and the Real Property Operating Agreement regarding the possible redevelopment of Cashman Center by the City of Las Vegas. It is anticipated that the property will be transferred to the city on June 1, 2017. The LVCVA will continue to operate the Cashman Center for the remainder of 2017, however at the end of the year, the meeting, convention and theater space will be closed to allow the City of Las Vegas to redevelop this space. The LVCVA will continue to operate Cashman Field until the end of the current contact with the baseball team.

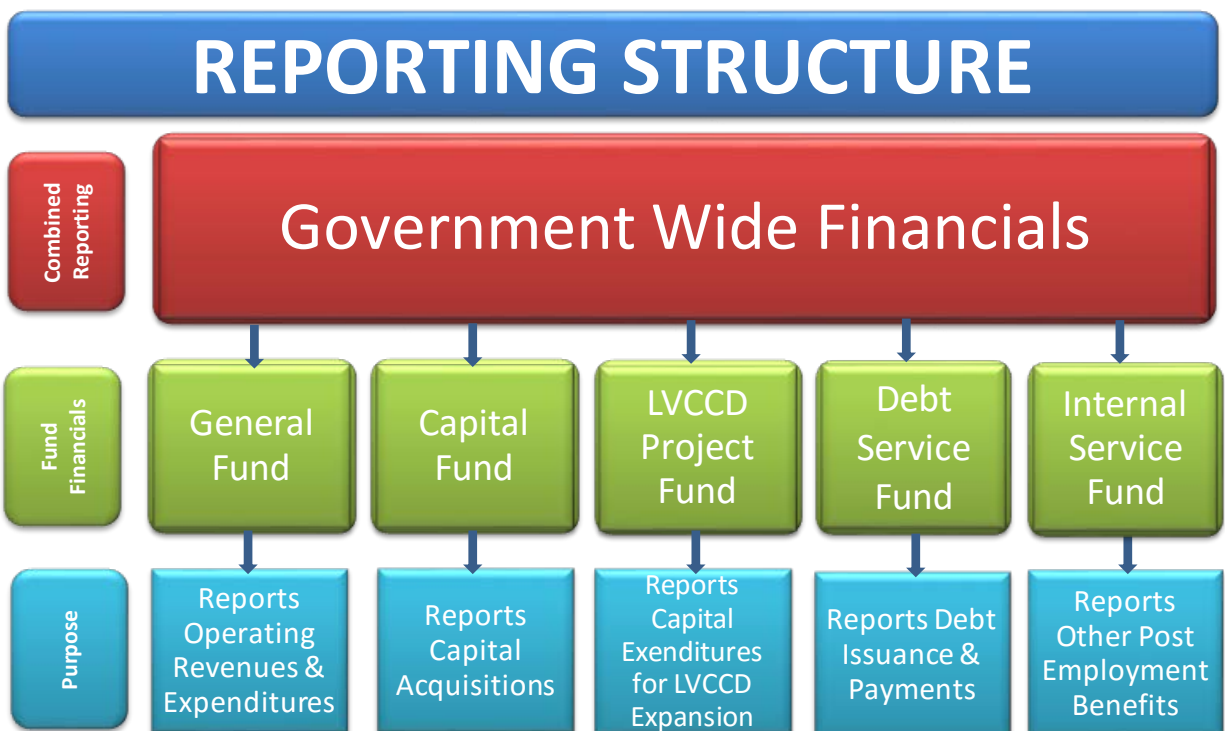
FINANCIAL STRUCTURE

Nevada Revised Statutes govern most of the LVCVA's activities, including financial structure, purchasing procedures, budgeting, debt and investments. Accounting and budgeting for a governmental organization is somewhat different from profit-making businesses in that governmental organizations use funds. A fund is a separate accounting entity with its own assets, liabilities, revenues and expenditures. The LVCVA has five reportable fund groups, the General Fund, Capital Fund, LVCCD Project Fund, Debt Service Fund and an Internal Service Fund.

The LVCVA budgets its governmental funds, which encompass the general fund, capital projects fund, LVCCD project fund and debt service fund based on the modified accrual basis of accounting. Under this method, revenues (income) are recognized and any related receivable is recorded, when they become both measurable and available to finance expenditures. Room tax, the primary source of LVCVA revenue, is recognized at the time it is received and held for disbursement by the collecting governmental entity. Interest and facilities rental revenues are recognized when earned. Expenditures (expenses) are recognized when the liability is incurred, except for un-

matured principal and interest on long-term debt, and other long-term liabilities, which are recognized when due. The Internal Service Fund is a proprietary fund, which is accounted for on full accrual, meaning revenues and expenses are recorded as they are earned and incurred. Definitions for each fund group are provided in the glossary.

The LVCVA's governmental funds are presented in the Comprehensive Annual Financial Report (CAFR) on the basis of Generally Accepted Accounting Principles (GAAP) and conform to the manner that the LVCVA prepares its budget (i.e. modified accrual basis). Encumbrances are sometimes viewed as an extension of the formal budget integration even though those amounts were adopted in the previous year's budget. They consist of purchase orders, contracts and other commitments for expenditures of monies that are recorded in the accounting system in order to reserve the portion of the applicable appropriation. At fiscal year-end, outstanding encumbrances are reported as reservations of fund balance and are re-appropriated in the next fiscal year, since they are not considered expenditures or liabilities. The Internal Service Fund is presented in the CAFR on full accrual basis.



STRUCTURE OF THE BUDGET DOCUMENT

The goal of this budget document is to provide not only comprehensive information about estimated revenues and expenditures but also the policies, goals, financial structure, operations and an organizational framework that show how the LVCVA will work towards its mission for fiscal year 2018. The main objective is to communicate to the readers (i.e. the board of directors, management, other organizational units and the public) in a manner that is clear, concise and understandable.

The LVCVA budget is comprised of ten main sections: Budget Message, Budget Structure and Policy, General Fund, Capital Fund, LVCCD Project Fund, Debt Service Fund, Internal Service Fund, Personnel Allocation, Statistical Data and Glossary.

BUDGET MESSAGE and BUDGET STRUCTURE and POLICY

These sections provide a general overview of the LVCVA. It includes the president's budget message, the reader's guide to the LVCVA's budget document and condensed summaries of the budget. The budget structure and policy section contains a brief historical view of the LVCVA, along with its financial structure, various policies, budget procedures and fund balance analysis.

General Fund

The operating budget (i.e. general fund), beginning on page 23 presents budgetary information for revenues, followed by the functions of general government, marketing, operations and community support. The emphasis is on the nature of the tasks to be undertaken by the organization. This section identifies the purpose of each organizational unit, its responsibilities and goals for the ensuing fiscal year, selected activity measures and prior year achievements. Appropriations are summarized in major categories of salaries, employee benefits, services and supplies. Also included is the number of full-time employees and capital outlay related to the division. For financial reporting and budgeting purposes, the LVCVA has classified its expenditures by functions, activities and organizational units. The function classification arranges related activities, providing information on the overall purposes or objectives of expenditures. Activities are similar endeavors or groupings of organizational units performing a specific and distinguishable type of work.

FUNCTIONS	ACTIVITIES	ORGANIZATIONAL UNITS
General Government	Board of Directors Executive Human Resources Public Affairs Finance	Board of Directors Executive, Internal Audit, Legal, Board Office Human Resources Communications, Media Relations, News Bureau Finance & Accounting, Information Technology, Purchasing & Business Services
Marketing	International Global Business Sales Industry Relations Research Center Brand Strategy Customer Experience	International Sales, International Public Relations, Leisure Sales, Sports Marketing, Special Events Global Business Sales Industry Relations Research Center Advertising, Brand Strategy, Digital Marketing Customer Experience, Convention Services, Registration, Visitor Information Services
Operations	Operations	Client Services, Engineering, Facility Operations, Customer Safety

The organizational chart shown on page 2 is closely related to each unit's financial classification. In general, divisions relate to functions, departments relate to activities and sections relate to organizational units. The community support section is unrelated to the organizational structure. Functions are the basic unit of the operating budget.

READER'S GUIDE TO THE LVCVA BUDGET DOCUMENT

Within each function, activities and organizational units are discussed in a narrative format. Also included within this discussion is a more detailed organization chart.

Capital Fund

The capital fund budget, starting on page 77, includes a capital project and purchases listing and the five-year capital plan, which is reviewed and updated annually. This section explains the capital projects review and selection process, and includes a description of major projects and estimated impacts on the operating budget. There are two separate capital project funds being presented: Capital Improvement and Replacement Fund and the Nevada Department of Transportation (NDOT) Project Fund. The NDOT funds are part of the state mandated NDOT Project.

LVCCD Project Fund

This is the capital fund for Phase Two (expansion) and Phase Three (renovation) of the LVCCD Project. It records the restricted revenues from SB1 for the project. This capital fund is shown separately for enhanced transparency of the fund.

Debt Service Funds

The debt service funds budget on page 97 provide not only a historical perspective concerning the LVCVA's past bond issues, but also a review of current and proposed bond obligations, the bond issuance process and debt limit and capacity.

Internal Service Fund

This fund was established in FY 2013 to accumulate reserves for Other Post-Employment Benefits (OPEB). Additional information can be found starting on page 105.

Personnel Allocation

Information on personnel requests, including justifications, authorized positions by organizational unit and wage schedules is located in the personnel allocation section, beginning on page 106.

Statistical Data

Statistical data starts on page 114. It contains information on demographics for Clark County, visitor analyses, principal room taxpayers and a room tax schedule, along with ten-year schedules of facility usage for the Convention Center and Cashman Center and general fund revenues and expenditures.

NEW POLICIES/SIGNIFICANT EVENTS

The board of directors acted upon the following items during fiscal year 2017.

NEW POLICIES / SIGNIFICANT EVENTS	
Jul-16	Gregory Lee, nominated by the Las Vegas Metro Chamber of Commerce, was re-elected to Board; Bill Noonan, nominated by the Nevada Resort Association, was re-elected to the Board.
Oct-16	LVCVA Board awarded Centerplate the food and beverage services contract
Jan-17	Commissioner Larry Borwn and Commissioner Lawrence Weekly were re-elected to the Board representing the governing body of Clark County; LVCVA Board approved and adopted the Resolution providing for the creation of a dedicated capital fund for the LVCCD project; first meeting held for the Las Vegas Convention Center - Oversight Panel for Convention Facilities in Clark County
Feb-17	The Information Technology department was moved from the Operations division to the General Government division
Mar-17	LVCVA Board approved a race sponsorship and marketing agreement that will bring a second NASCAR Cup race to Las Vegas, and the Restated Real Property Transfer Agreement regarding the possible redevelopment of Cashman Center by the City of Las Vegas.
Apr-17	Board approved the 2017 Bond Resolution authorizing the issuance of general obligation refunding bonds of the LVCVA

FINANCIAL MANAGEMENT POLICIES

During each stage of the budget preparation process, consideration is given to the policies and goals established by the Board and Executive Management that directly relate to the budget and financial planning. The financial policies are divided into the following categories: Operating Management, Capital Management, Debt Management, Reserve/Fund Balance and Financial Reporting.

OPERATING MANAGEMENT

- ✧ Although long-term projections are highly uncertain, multi-year analysis will periodically be prepared and evaluated by management. Long-term projections rely on numerous assumptions about economic and fiscal factors, and many different assumptions are possible; thus, long term forecasts are not considered a fixed plan for balancing revenues to expenditures in future years.
- ✧ Conservative but realistic revenue projections will be prepared to assess the limits of budget appropriations. If projections are too high, under-realized revenues could cause budget cuts mid-fiscal year.
- ✧ Operating expenditures will be funded with current revenues. For FY 2018, the operating revenue budget of \$355.0 million, includes other financing sources and is used to fund operating expenditures of \$251.1 million (including contingency).
- ✧ The LVCVA is required by law to submit a balanced budget each year to the State of Nevada for approval. This is defined as a budget in which total revenues including other financing sources plus beginning fund balance must equal total expenditures including other financing uses plus proposed ending fund balance.
- ✧ Investments of cash funds will be maintained in accordance with the Board-approved investment policy and state statute. The primary objectives of this policy are to minimize risk, ensure that cash is available when it is needed, and ensure a competitive rate of return while complying with the laws of the State of Nevada – in that order.
- ✧ Interest earnings on investments in the debt service funds will be transferred into the general fund, except for earnings on the proceeds from construction financing (i.e. bonds) which are part of the capital fund.
- ✧ The Board authorizes adjustments to the full-time position roster, currently at 541 positions in FY 2017, and then increases to 545 for FY 2018. All requests for new positions must contain a justification and evaluate total costs including benefits and capital outlay. Temporary employees are used only to augment regular staffing on a temporary or intermittent basis. Staffing is discussed in detail in the personnel allocation section, page 106.
- ✧ The current collective bargaining agreement with Service Employees International Union Local 1107, along with additional LVCVA personnel policies, direct such items as annual pay increases, personal time off (PTO) accruals and pension plan contributions. All are taken into account in the preparation of the budget.

CAPITAL MANAGEMENT

- ✧ A five-year capital improvement plan is updated annually. It is presented to the board of directors with the annual budget and is adopted at the same time.
- ✧ The capital improvement plan must include a list of proposed capital improvements or purchases with cost estimates, methods of financing (i.e. room taxes, use of facilities revenue or debt issue) and any estimated income or cost associated with the constructed facilities. Only projects or purchases costing over \$30,000 in one fiscal year or included in a multi-year equipment replacement program appear in the plan. A five-year capital plan is included in this budget book.
- ✧ A balance of pay-as-you go capital improvements versus financing will be evaluated taking into account the various economic factors.
- ✧ Nevada Administrative Code 354.750 requires that local governments perform a physical inventory every two years, and will be performed again during FY 2018. Each item subject to the inventory must be assigned an identifying number and be labeled as belonging to the LVCVA. This same code sets the guidelines for the establishment of capitalization thresholds by resolution.

DEBT MANAGEMENT

- ✧ The LVCVA will actively seek to maintain, and if possible, improve our current bond ratings in order to minimize borrowing costs, resulting in lower interest rates.
- ✧ Debt issuance is governed by Nevada state law. The LVCVA's Board of Directors is empowered to issue general obligation bonds; however, state statute requires that these bonds be issued in the name of the County.
- ✧ Debt Coverage is the ratio of pledged revenues to related debt service for a given year. The LVCVA targets a minimum coverage ratio of 3.0.
- ✧ Although state statute allows the LVCVA to use property taxes for debt service on general obligation bonds, only net pledged revenues derived from room taxes and use of facilities revenue have ever been used. No ad valorem property tax revenues are allocated to the LVCVA for any purpose and no change in this practice is contemplated.
- ✧ The LVCVA is required to file an indebtedness report, which includes a capital improvement plan, with the Debt Management Commission prior to August 1, whether new debt is being contemplated or not. The specifics of the reports can be found on page 97.

RESERVE/FUND BALANCE

- ✧ Based on Nevada Administrative Code 354.650-660, a minimum unreserved fund balance of 4.0% of budgeted general fund operating expenditures must be maintained. The LVCVA's fiscal practice is to target an ending fund balance between 4.0% - 16.0% to prepare for potential variances in economic conditions without detriment to operations. Our proposed FY 2018 unreserved fund balance is projected to be approximately 6.4%.
- ✧ Reserves will be sufficient to pay principal and interest on the outstanding bond issues due on July 1st, in addition to any debt reserve amount as required by the bond covenants.
- ✧ A contingency reserve of \$500,000 will be funded for the discretionary use of the board of directors. However, use of these funds should be utilized only after the availability of all other budget sources has been examined.
- ✧ The LVCVA is required by an inter-local agreement with Clark County to provide funding for all allocated costs to support the Clark County Self-Funded insurance program, including annual supplemental billing, if required, to ensure appropriate fund balances are maintained. The LVCVA is a member of the CCSF executive board to monitor financial conditions and premium changes.

FINANCIAL REPORTING

- ✧ The LVCVA's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles (GAAP), standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).
- ✧ An annual audit will be performed by an independent public accounting firm, with an audit opinion to be included in the LVCVA's published Comprehensive Annual Financial Report (CAFR).
- ✧ Financial systems will be maintained to monitor revenues and expenditures on an on-going basis.

MARKETING POLICIES

Filling the available hotel and motel rooms becomes more challenging each year. Nationally, the spread of gaming across the nation has lessened Las Vegas' monopoly on the industry. We used to be the "only game in town"; now we have to be the "best game in town." In addition, Las Vegas has nearly 150,000 hotel rooms to be filled on a daily basis. Remarkable expansion of resort properties was seen in the last two decades, but significant expansion in the number of rooms has been limited over the past few years. Instead, Las Vegas has reinvested in renovations and new experiences to attract visitors and stay on top of the competition. Marketing policies developed include:

- ✧ Stay abreast of current market conditions and travel trends in order to tailor marketing strategy to achieve maximum impact.
- ✧ Use national advertising to stimulate interest in Las Vegas for tourism and as a convention destination.
- ✧ Target market segments, such as international and diversity, to attract visitors with varied demographic profiles.
- ✧ Conduct market research to measure the local economic impact of tourism, monitor tourist characteristics and test new messages for key target audiences.
- ✧ Identify and promote special events that will attract previously untapped market segments.

FACILITY POLICIES

The Las Vegas Convention Center is one of the largest meeting facilities in the nation, with more than 3.2 million square feet. In FY 2016, the Center hosted 71 conventions, public events and meetings. Over 6.3 million delegates attended trade shows and conventions in Clark County during calendar year 2016. The goal to "have a show in the building, another one moving in and one moving out" is closer to being realized than ever. Reasonable rates and the flexible indoor and outdoor facilities are the secret of our success. Policies that guide us toward this goal include:

- ✧ Maintain a competitive edge in the facility rate structure. The Authority approved two phased rate increases as a part of the fiscal year 2016 budget process. The first increase, from 29¢ to 33¢ per net square foot, became effective for leases executed on or after July 1, 2016. The second increase from 33¢ to 35¢ per net square foot, will become effective for leases executed on or after July 1, 2018, with an estimated increase of \$0.7 million in revenue for FY 2018.
- ✧ Create an outstanding experience for every visitor via the appearance and the amenities found in the facilities and provide excellent customer service.
- ✧ Prevent deterioration of buildings and equipment through scheduled preventive maintenance programs.
- ✧ Pursue aggressive energy and water conservation programs; thereby reducing operating costs.

COMMUNITY POLICIES

Since the first general obligation bonds were issued in 1957, the LVCVA has maintained a history of supporting the community through grants. The Board has established several grant programs including the following:

- ✧ Return a collection fee (up to 10% of total room tax and gaming fees received by the LVCVA) to the collecting entities (i.e. Clark County and its incorporated cities). The amount of fees paid to the collecting entities that exceed the reasonable costs incurred in collecting the room taxes and gaming fees must be used for the operations and maintenance of recreation programs or facilities. Per SB1 legislation enacted October 2016, the collection fee returned to the collecting entities is capped at \$25 million, with the excess transferred to the LVCCD fund.
- ✧ A Community Event Sponsorship Program is funded in the FY 2018 budget. The LVCVA will allocate funds to sponsor community events for the purpose of driving tourism to and within Clark County as well as garnering exposure for southern Nevada tourism destinations.



BUDGET PROCESS

Each annual budget is developed to meet the needs and the goals of the organization based on the Board's priorities and long-range plans and to comply with Nevada Revised Statutes. It should also serve as a management and control tool by measuring actual performance against budget standards, focus attention on future operations and plans, and improve communication of goals, objectives and plans.

Below are the summarized highlights in preparing the annual budget. The budgetary controls and budget calendar follow, indicating the deadlines to meet the legal mandates of the State of Nevada.

1. Revenue Estimates and Projection Updates - The process begins with the Finance Department evaluating the multi-year analysis and preparing preliminary revenue projections taking into consideration national, state and local economic indicators and analyses of the LVCVA's major revenue sources. Executive management meets to review the information, update strategic plans and determine preliminary budget guidelines.
2. Budget Training Sessions - Budget preparation manuals are distributed by Finance to all departmental budget preparers at budget training sessions. The manual contains instructions for accessing and using the computerized online budgeting system (OLB), preparing narratives, goals and activity measures, requesting new personnel and justifying capital requests.
3. Zero Based Budgeting – The LVCVA uses a modified zero based budget process. Departments build their budgets from the ground up, justifying groups of related expenditures. Consideration is given to any additional budget guidance as given by executive management.
4. Goals, Objectives and Performance Measurements - Departments are required to develop goals, objectives and activity measures to show what services are going to be provided. The goals must complement the organization and divisions' mission statements and goals.
5. Tentative Budget Adoption - As required by Nevada Revised Statutes, the tentative budget document is filed with the Nevada Department of Taxation and the County Clerk, usually on or before April 15th.
6. Budget Book Development - Since the financial and narrative information is completed by this point, the Finance Department prepares the budget book which is comprised of the operating, capital, debt service and internal service fund budgets.
7. Public Hearing and Final Budget Adoption – After April 15 and before the budget hearing, the public has the opportunity to review the tentative budget document and submit any comments for inclusion on the agenda of the public hearing. The budget hearing is held no earlier than the third Monday in May, and no later than the last day in May. The hearing provides the public an opportunity to comment on the proposed budget to the board of directors.

BUDGETARY CONTROLS

Some of the significant controls pertaining to the budget are as follows:

- ✧ The budget process for the operating (general fund) and capital funds is decentralized; all departments participate in the process and input budget amounts and justifications into the computerized on-line budget system.
- ✧ Annual budgets for the upcoming fiscal year (July 1 through June 30) are adopted for all funds. These final budgets are integrated on July 1 with the LVCVA's accounting system.
- ✧ Each fund in the budget must be in balance; total revenues including other financing sources plus beginning fund balance must equal total expenditures including other financing uses plus proposed ending fund balance.
- ✧ The statutory level of budgetary control is at the function level; however, in reality, control is maintained at the line item level through the use of a purchase order and encumbrance system. An encumbrance is recorded in the accounting system when a purchase order is issued. At fiscal year-end, outstanding encumbrances are reported as reservations of fund balance and are re-appropriated in the next fiscal year via the budget augmentation process, since they are not considered expenditures or liabilities.
- ✧ The LVCVA is currently using a modified "zero-based" budget method. Each department must build their budget from the ground up justifying each group of related expenditures. Departments can request additional funding for new positions, equipment or operating expenses in order to expand existing programs; or to develop new programs or initiatives.

Budgetary performance is measured by line item budget variance reports. Departments have the ability to run the report themselves at any time. Budget variance reports are linked to the accounting system and when run, provide real time data. Budget and statistical reports are currently presented to the Board on a quarterly basis.

BUDGET TRANSFERS

There are three types of transfers of budget appropriations that are permitted by state law.

1. Transfers within the same function (i.e. General Government, Marketing, Operations and Community Support) and same fund (i.e. general fund, capital fund) need only the approval of the Chief Financial Officer if the transfer is \$250,000 or less; otherwise the President/CEO's approval is required.
2. Transfers between different functions but within the same fund, can be approved by the President/CEO and the Board is advised of the action at the next regular meeting, where it is recorded in the official minutes.
3. Transfers between different funds require prior approval of the Board.

The Department of Taxation is notified of these transfers by means of filing the tentative budget, which contains current year budget revisions.

BUDGET AUGMENTATION

Adjustments to the total budget are accomplished through an augmentation process. It requires adoption by a majority vote of the board of directors at a regular meeting to increase appropriations above levels originally approved and the filing of designated forms with the Nevada Department of Taxation. This formal resolution procedure adheres to the process prescribed by Nevada Revised Statutes.

READER'S GUIDE TO THE LVCVA BUDGET DOCUMENT

BUDGET CALENDAR

July 2016							August 2016							September 2016										
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa				
					1	2		1	2	3	4	5	6					1	2	3				
3	4	5	6	7	8	9	7	8	9	10	11	12	13	4	5	6	7	8	9	10				
10	11	12	13	14	15	16	14	15	16	17	18	19	20	11	12	13	14	15	16	17				
17	18	19	20	21	22	23	21	22	23	24	25	26	27	18	19	20	21	22	23	24				
24	25	26	27	28	29	30	28	29	30	31				25	26	27	28	29	30					
31																								
October 2016							November 2016							December 2016										
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa				
						1			1	2	3	4	5	• Prepare preliminary revenue estimates and debt service requirements.										
2	3	4	5	6	7	8	6	7	8	9	10	11	12	• President/CEO approves budgetary guidelines to disseminate to budget teams.										
9	10	11	12	13	14	15	13	14	15	16	17	18	19	• Proforma statements prepared.										
16	17	18	19	20	21	22	20	21	22	23	24	25	26											
23	24	25	26	27	28	29	27	28	29	30														
30	31																							
January 2017							February 2017							March 2017										
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa				
• Hold budget training classes.	• Open Online Budget system to preparers.	• Budget teams prepare tentative budgets.	• Finance prepares salary and benefits budget.				• Budget submissions finalized and reviewed by CFO.	• Tentative budget documents prepared for executive review.							• Final draft of proposed budget prepared.	• Final draft submitted to executive management.	• All goals, activity measures and prior year achievements due.							
April 2017							May 2017							June 2017										
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa				
• Budget submitted to Department of Taxation for compliance review. (April 12th)							• Budget to Print Shop for printing and binding.	• Public notice of budget hearing posted.	• Hold public hearing and adopt final FY 2018 budget. (May 18th)						• Final FY 2018 budget submitted to Department of Taxation.									

March 17, 2017 All goals, activity measures, prior year achievements and changes to text due in Finance.

March 22, 2017 Last day to make changes to tentative budget.

April 12, 2017 Tentative FY 2018 budget submitted to Department of Taxation for compliance review.

May 8, 2017 Public notice of budget hearing posted.

May 18, 2017 Public hearing and adoption of the final FY 2018 budget.

June 1, 2017 Final FY 2018 budget submitted to Department of Taxation.

SUMMARY OF ALL FUNDS

FY 2018 BUDGET - ALL FUNDS						
	GENERAL	CAPITAL	LVCCD	DEBT	INTERNAL	TOTAL
	FUND	PROJECT	PROJECT	SERVICE	SERVICE	ALL FUNDS
	FUND	FUND	FUND	FUND	FUND	ALL FUNDS
REVENUES:						
Room Taxes and Gaming Fees	\$ 296,100,000	-	29,450,000	-	-	\$ 325,550,000
Facility Charges and Services	58,365,300	-	-	-	-	58,365,300
Interest and Investment Earnings	266,000	376,000	266,500	191,100	203,900	1,303,500
Other Fees and Charges	7,000	-	-	-	-	7,000
Build America Bond's Subsidy	-	-	-	2,496,765	-	2,496,765
Total Revenues	<u>354,738,300</u>	<u>376,000</u>	<u>29,716,500</u>	<u>2,687,865</u>	<u>203,900</u>	<u>387,722,565</u>
EXPENDITURES:						
General Government	24,128,900	-	-	-	-	24,128,900
Marketing	42,850,500	-	-	-	-	42,850,500
Advertising	101,325,000	-	-	-	-	101,325,000
Special Events	14,190,100	-	-	-	-	14,190,100
Operations	43,131,300	-	-	-	-	43,131,300
Community Support	25,000,000	-	-	-	-	25,000,000
Capital Outlay	-	32,532,200	100,000,000	-	-	132,532,200
Debt Service:						
Principal	-	-	-	27,865,000	-	27,865,000
Interest	-	-	-	37,334,584	-	37,334,584
Total Expenditures	<u>250,625,800</u>	<u>32,532,200</u>	<u>100,000,000</u>	<u>65,199,584</u>	<u>-</u>	<u>448,357,584</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>104,112,500</u>	<u>(32,156,200)</u>	<u>(70,283,500)</u>	<u>(62,511,719)</u>	<u>203,900</u>	<u>(60,635,019)</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	191,100	5,500,000	44,610,000	63,282,477	2,500,000	116,083,577
Transfers Out	(115,892,477)	-	-	(191,100)	-	(116,083,577)
Proceeds of Debt Issuance	-	-	100,000,000	-	-	100,000,000
Proceeds from Sale of Capital Assets	40,000	-	-	-	-	40,000
Total Other Financing Source (Uses)	<u>(115,661,377)</u>	<u>5,500,000</u>	<u>144,610,000</u>	<u>63,091,377</u>	<u>2,500,000</u>	<u>100,040,000</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(11,548,877)</u>	<u>(26,656,200)</u>	<u>74,326,500</u>	<u>579,658</u>	<u>2,703,900</u>	<u>39,404,981</u>
RESERVE FOR CONTINGENCY	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
FUND BALANCE, BEGINNING	<u>28,049,557</u>	<u>28,047,820</u>	<u>32,430,000</u>	<u>51,818,242</u>	<u>25,032,054</u>	<u>165,377,673</u>
FUND BALANCE, ENDING	<u>\$ 16,000,680</u>	<u>\$ 1,391,620</u>	<u>\$ 106,756,500</u>	<u>\$ 52,397,900</u>	<u>\$ 27,735,954</u>	<u>\$ 204,282,654</u>

SUMMARY OF ALL FUNDS

COMPARISON TO PRIOR YEARS - TOTAL OF ALL FUNDS					
	ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18
REVENUES:					
Room Taxes and Gaming Fees	\$ 224,491,493	\$ 241,045,645	\$ 261,613,917	\$ 282,250,000	\$ 325,550,000
Facility Charges and Services	60,786,406	51,968,374	60,835,567	66,577,000	58,365,300
Interest and Investment Earnings	623,521	630,303	1,201,484	811,200	1,303,500
Other Fees and Charges	796,149	676,657	855,070	2,700	7,000
Build America Bond's Subsidy	4,752,266	4,746,178	4,773,722	2,530,213	2,496,765
Total Revenues	291,449,835	299,067,157	329,279,760	352,171,113	387,722,565
EXPENDITURES:					
General Government	14,208,721	14,322,106	16,146,746	23,388,100	24,128,900
Marketing	28,242,821	34,725,317	36,537,160	49,414,200	42,850,500
Advertising	92,470,992	93,148,972	95,012,365	96,500,000	101,325,000
Special Events	8,570,890	8,765,599	11,665,284	14,280,600	14,190,100
Operations	44,936,160	39,453,977	41,415,858	41,651,800	43,131,300
Community Support	22,449,149	24,104,565	26,161,392	25,000,000	25,000,000
Other	28,837	-	-	-	-
Capital Outlay	29,906,436	194,725,915	38,768,408	113,168,830	132,532,200
Debt Service:					
Principal	22,650,000	24,800,000	27,665,000	98,020,000	27,865,000
Interest	31,743,473	32,754,483	34,310,622	46,275,689	37,334,584
Debt Issuance Costs	1,455,215	1,204,907	-	737,079	-
Total Expenditures	296,662,694	468,005,840	327,682,835	508,436,298	448,357,584
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,212,859)	(168,938,683)	1,596,925	(156,265,185)	(60,635,019)
OTHER FINANCING SOURCES (USES)					
Transfers In	61,597,963	82,128,637	76,630,873	116,263,200	116,083,577
Transfers Out	(61,597,963)	(82,128,637)	(76,630,873)	(116,263,200)	(116,083,577)
Proceeds of Debt Issuance	50,000,000	368,805,000	-	220,905,000	100,000,000
Debt Premium	744,526	16,018,109	-	12,718,063	-
Issuance of Capital Leases	334,547	-	-	-	-
Refunded Bonds	-	(197,740,437)	-	(113,122,324)	-
Proceeds from Sale of Capital Assets	80,073	635,893	45,964	58,000	40,000
Total Other Financing Source (Uses)	51,159,146	187,718,566	45,964	120,558,739	100,040,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	45,946,287	18,779,884	1,642,889	(35,706,446)	39,404,981
RESERVE FOR CONTINGENCY	-	-	-	500,000	500,000
FUND BALANCE, BEGINNING	135,215,059	181,161,346	199,941,230	201,584,119	165,377,673
FUND BALANCE, ENDING	\$ 181,161,346	\$ 199,941,230	\$ 201,584,119	\$ 165,377,673	\$ 204,282,654

SUMMARY OF ALL FUNDS

FUND BALANCE ANALYSIS

Nevada Revised Statutes 354.533 defines Fund Balance as the excess of assets over liabilities in a governmental fund. Put another way, fund balance represents the net difference between total financial resources and total appropriated uses. Fund balances provide a financial cushion against anticipated changes. While changes may occur from year to year, maintaining proper fund balances over the long term is an important component of sound financial management and a significant factor in bond ratings.

Fund balances will vary by fund. Total FY 2018 ending fund balance for all funds is projected to be \$204.3 million. This is comprised of: \$16.0 million in the General Fund, \$1.4 million in the Capital Fund, \$106.8 million in LVCCD Project Fund, \$52.4 million in the Debt Service Fund and \$27.7 million in the Internal Service Fund.

General Fund – Beginning fund balance for FY 2018 is projected to be \$28.0 million. Fund balance is the amount of unencumbered cash that ensures services could be provided for a short time if commitments exceeded revenues. Because all room tax received in July is accrued back to June 30, 2017, it is already part of ending fund balance. Most facility rental revenue received in July is earned in June and therefore it, too, is a part of ending fund balance. The first "new" money we receive is in the middle of August. Therefore, the LVCVA operates for four to six weeks off of beginning fund balance. This is used to cover expenditures (i.e. payroll, and supplies and services) for at least two to four weeks.

Capital Fund – Fund balance in the capital fund is used as a supplement to capital projects if necessary. Capital reserves, unless spent, roll each fiscal year through fund balance, which accounts for fluctuations. There are no requirements to maintain a specific excess of assets over liabilities in the capital fund. All new capital funding is expected to be spent in FY 2018.

LVCCD Project Fund – The LVCCD Project Fund is a capital fund. Resources are legislatively restricted and are accumulated from revenue streams and general fund transfers to support the capital financing program for Phase Two and Phase Three of the LVCCD project. There is no minimum balance, and amounts unspent will roll each year.

Debt Service – The obligations of the debt service funds are met by transferring funds adequate to make the principal and interest payments on the various issues. The majority of remaining fund balance of \$52.4 million on June 30, 2018 is used to pay the principal and interest payments due on the first day of the next fiscal year (July 1). Debt Service fund balance has increased over the last decade due to the rising debt service requirements associated with the state mandate to fund a portion of NDOT projects in Clark County and the beginning stages of the LVCCD project. A portion of the remaining fund balance is restricted as security for the 2010E revenue bonds per the Bond Resolution. The Reserve Fund is required to be maintained as a continuing reserve and amounts on deposit in the Reserve Fund may only be used to meet deficiencies in the Bond Fund.

Internal Service Fund – The Internal Service Fund is the accumulation of funds specifically restricted for the Other Post-Employment Benefits liability. The LVCVA has completed yearly transfers since FY 2013. The FY 2018 tentative budget incorporates a total of \$27.7 million allocated to OPEB funding. The LVCVA will re-evaluate the annual funding requirement based on biannual actuarial studies and new GASB pronouncements.

GENERAL FUND SUMMARY

The general fund is the general operating fund of the LVCVA, accounting for most financial resources not specifically accounted for in another fund. General fund revenues include room taxes and gaming fees, use of facilities, other fees and charges and interest earnings. The LVCVA has classified its expenditures by functions, activities and organization units (see table on page 10). General fund expenditures are those that are made in the normal operations of the LVCVA.

	ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18	% CHANGE
REVENUES:						
Room Taxes and Gaming Fees	\$ 224,491,493	\$ 241,045,645	\$ 261,613,917	\$ 271,750,000	\$ 296,100,000	9%
Facility Charges and Services	56,927,724	49,001,769	56,884,743	57,045,000	54,594,300	-4%
Other Fees and Charges	3,858,682	2,966,605	3,950,825	9,532,000	3,771,000	-60.4%
Interest and Investment Earnings	357,484	193,356	200,072	233,800	273,000	17%
Total Revenues	285,635,383	293,207,375	322,649,558	338,560,800	354,738,300	5%
EXPENDITURES:						
General Government	14,208,721	14,322,106	16,146,746	23,388,100	24,128,900	3%
Marketing	28,242,821	34,725,317	36,537,160	49,414,200	42,850,500	-13%
Advertising	92,470,992	93,148,972	95,012,365	96,500,000	101,325,000	5%
Special Events	8,570,890	8,765,599	11,665,284	14,280,600	14,190,100	-1%
Operations	44,936,160	39,453,977	41,415,858	41,651,800	43,131,300	4%
Collection Allocation	22,449,149	24,104,565	26,161,392	25,000,000	25,000,000	0%
Other	28,837	-	-	-	-	0%
Total Expenditures	210,907,570	214,520,536	226,938,805	250,234,700	250,625,800	0%
Excess of Revenues over Expenditures	74,727,813	78,686,839	95,710,753	88,326,100	104,112,500	18%
OTHER FINANCING SOURCES (USES):						
Transfers In:						
Debt Service Funds	114,454	132,853	120,416	109,900	191,100	74%
Transfers Out:						
Internal Service Fund	(3,000,000)	(3,500,000)	(4,500,000)	(10,500,000)	(2,500,000)	-76%
Capital Projects Funds	(7,250,000)	(21,500,000)	(14,000,000)	(11,500,000)	(5,500,000)	-52%
LVCCD SB1 Fund	-	-	-	(22,175,000)	(44,610,000)	101%
Debt Service Funds	(51,233,509)	(54,988,725)	(58,010,457)	(68,723,300)	(63,282,477)	-8%
Proceeds from Sale of Capital Assets	80,073	35,893	45,964	58,000	40,000	-31%
Total Other Financing Sources (Uses)	(61,288,982)	(79,819,979)	(76,344,077)	(112,730,400)	(115,661,377)	3%
Reserve for Contingency	-	-	-	500,000	500,000	0%
FUND BALANCE, BEGINNING	21,281,490	34,720,321	33,587,181	52,953,857	28,049,557	-47%
FUND BALANCE, ENDING	\$ 34,720,321	\$ 33,587,181	\$ 52,953,857	\$ 28,049,557	\$ 16,000,680	-43%
Total Capital Outlay	\$ 31,361,561	\$ 194,725,915	\$ 38,768,408	\$ 113,168,830	\$ 132,532,200	17%
Total Full-Time Personnel	510	515	529	541	545	1%

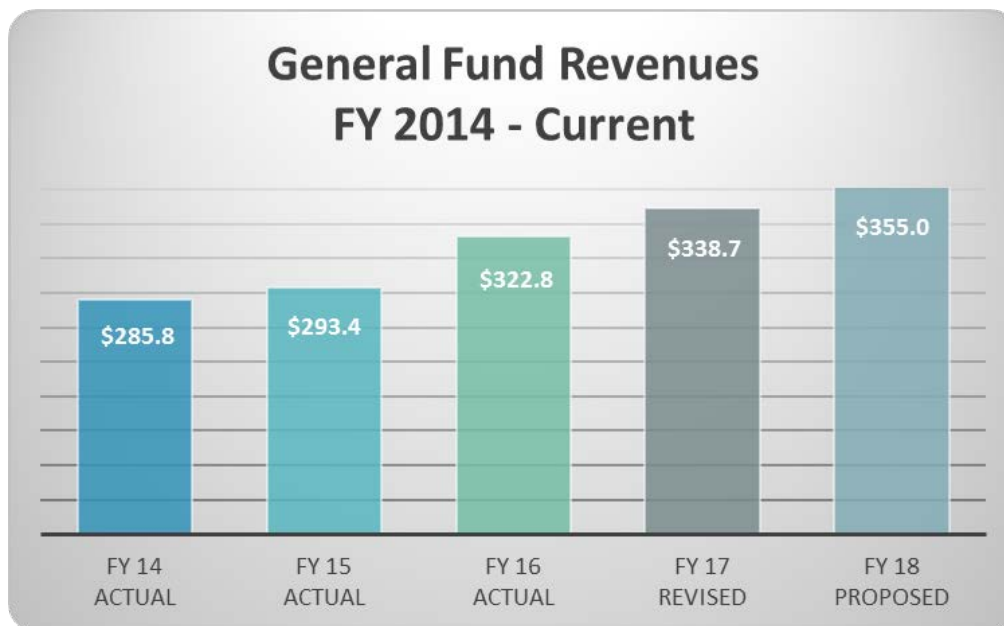
GENERAL FUND SUMMARY

REVENUES

Operating revenues, including other financing sources, for FY 2018 total \$355.0 million, an increase of 4.8% over FY 2017 revised budget. This is primarily due to a budgeted increase in room tax. Use of facilities revenue for the Las Vegas Convention Center is down 3.3%, mainly due to the seasonal rotation of tradeshow. Room taxes, the major source of revenue, are expected to increase 9.1% over the FY 2017 budget. Gaming fees are expected to decrease and have a budgeted amount of \$1.6 million.

Use of facilities revenue represents approximately 15.4% of total revenues. Building usage, which is based on actual leases confirmed and signed, is projected to decrease 4.3% as compared to FY 2017 budget primarily due to the cyclical nature of show activity in the building.

Other fees and charges are expected to decrease 60.4%, mainly due to a non-recurring special event that took place in October 2016 (the final Presidential Debate).



*Other includes: Use of Facilities Cashman, Gaming Fees, Interest/Other, Other Fees and Charges and Other Financing Sources

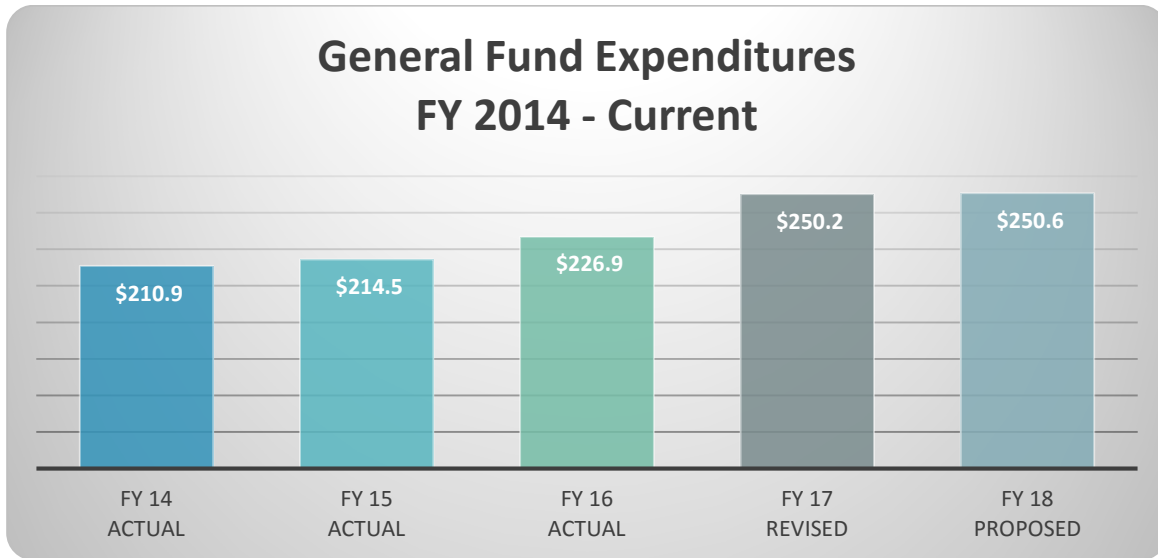
EXPENDITURES

General fund expenditures are divided into three main categories: salaries and wages, employee benefits, and services and supplies. Salaries and wages represent 18.5% of total general fund expenditures, including advertising. Included in this amount, however, are temporary salaries and overtime of \$2,684,500. Employee benefits are 38.6% of the total salaries budget.

On a division level, salaries and wages make up approximately 50% of both the General Government budget and the Operations budget. In the Marketing Division, sales, advertising and promotion represent 88.3% of the budget, while salaries and wages account for only 8.6%.

Total operating expenditures are \$250,625,800, staying relatively flat compared to the revised FY 2017 budget.

EXPENDITURES (continued)



OTHER FINANCING SOURCES (USES)

These are usually comprised of transfers in (i.e. interest earned in other funds) and transfers out (i.e. funding for other funds), along with sale of capital assets. A transfer is a legally authorized transfer from a fund receiving revenue to the fund through which the resources are to be expended. A total of \$115.9 million is being transferred to other funds.

FUND BALANCE

Projected ending fund balance on June 30, 2018 is \$16.0 million. State law provides guidance for an ending fund balance of no less than 4.0% of budgeted expenditures. The FY 2018 ratio is approximately 6.4%, which meets statutory guidance and internal policy.

CAPITAL OUTLAY

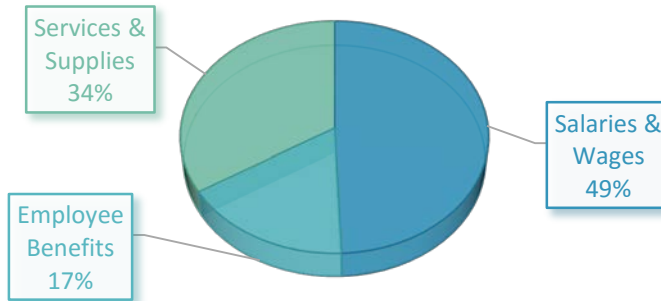
Capital outlay includes all projects accounted for in the Capital Fund and the LVCCD Project Fund (see pages 77-96 for additional details). The total amount shown includes capital expenditures for furnishings, equipment, improvements or additions to land and buildings financed by revenues and bond proceeds. In each division's budget analysis, the amount includes only furnishings and equipment. Two exceptions are: (1) all computer-related items are accounted for in the Information Technology Department's (General Government division) capital budget; and (2) all reoccurring building, land and leasehold improvements are coordinated by the Facility Projects section of the Engineering department (Operations division). For FY 2018 \$5.5 million is being transferred to the Capital Fund, which will be used for routine capital repair and maintenance to ensure facility safety and enhance the customer experience, and \$44.6 million is being transferred to the LVCCD Fund that will be used to support the capital financing program for Phase Two and Phase Three of the LVCCD project.

TOTAL FULL-TIME PERSONNEL

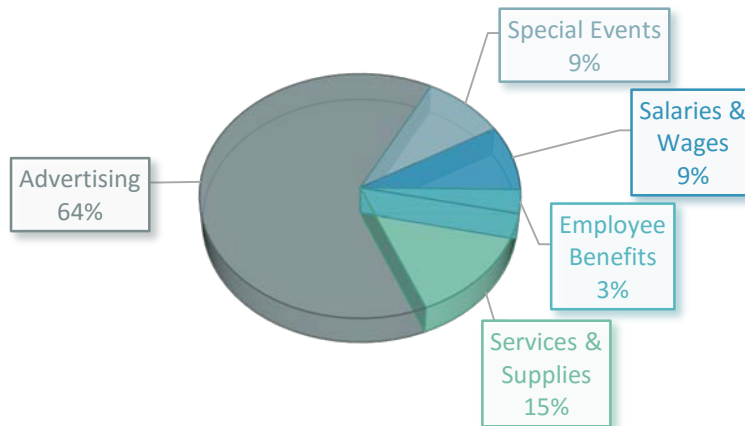
The total number of authorized positions currently stands at 541 for FY 2017. However, there will be an additional 4 positions added in the upcoming fiscal year, bringing the total to 545 authorized positions for FY 2018. For supplementary information concerning personnel allocation, see pages 106-113.

FY 2018 EXPENDITURES BY DIVISION

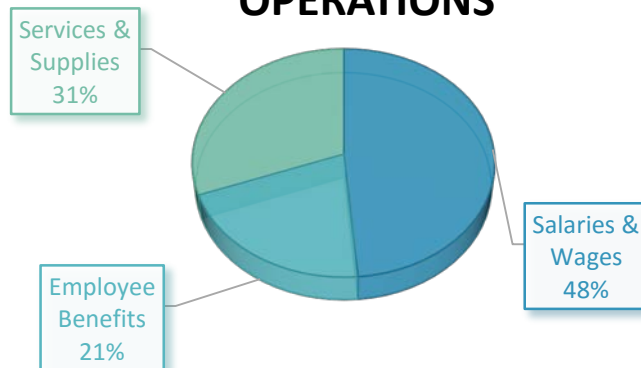
GENERAL GOVERNMENT



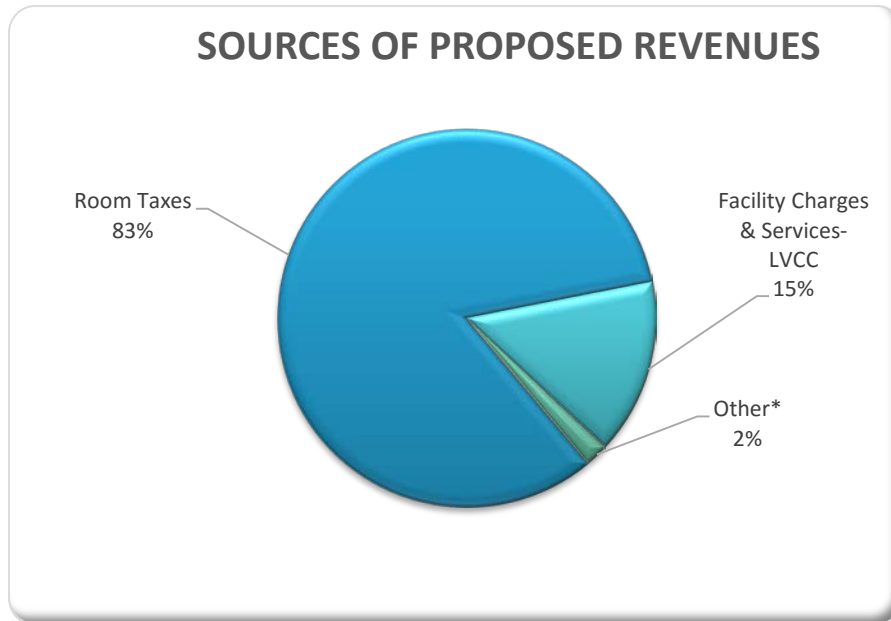
MARKETING



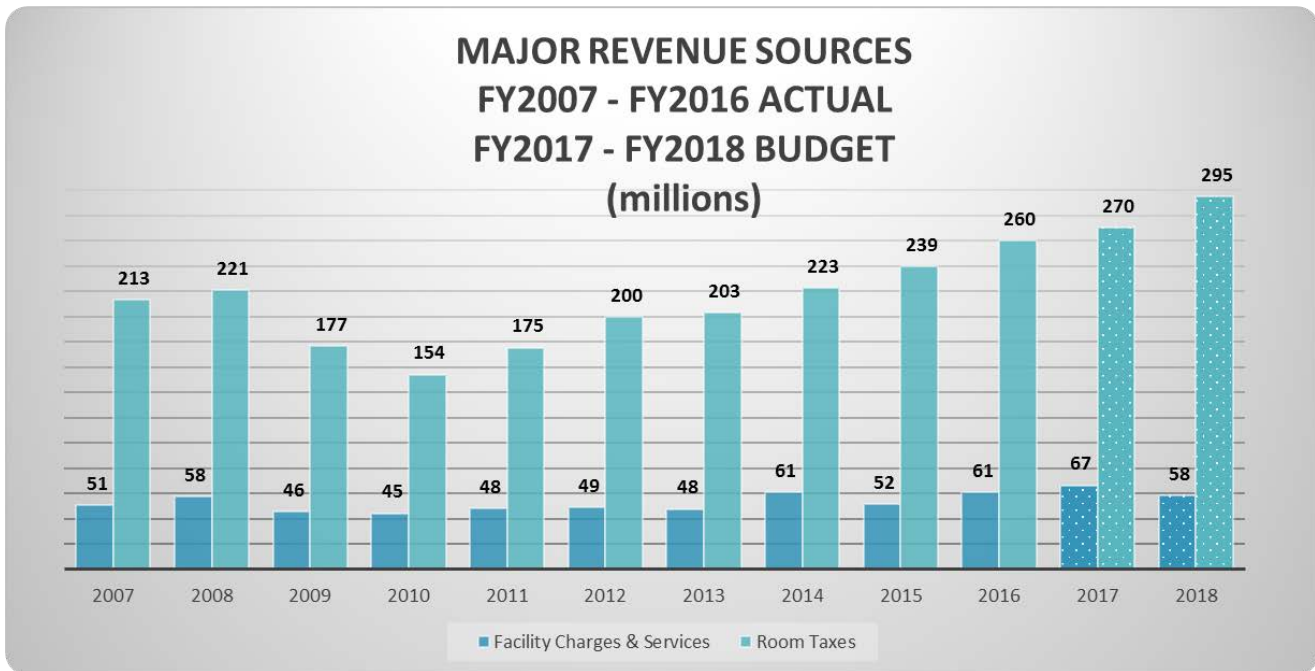
OPERATIONS



GENERAL FUND



*Other includes Other Fees and Charges, Gaming Fees, Interest, Use of Facilities Cashman Center and Interest.



Facility Charges & Services include Use of Facilities revenue for both facilities and Other Fees and Charges.

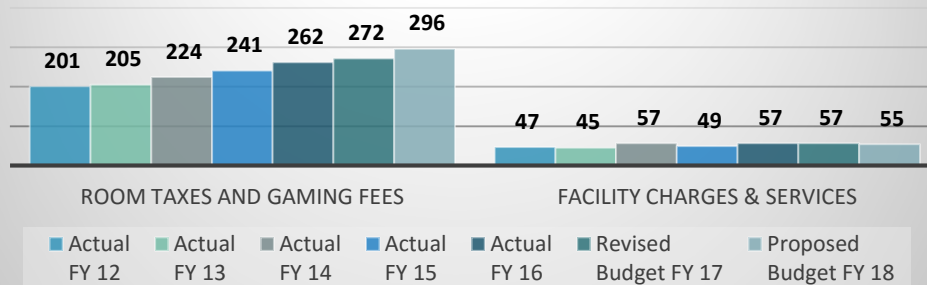
REVENUES

REVENUE SUMMARY

Total general fund revenues, including other financing sources for FY 2018 are \$355.0 million, which is a 4.8% increase as compared to the FY 2017 revised budget. Revenue components are Room Taxes and Gaming Fees, Facility Charges and Services, Other Fees and Charges and Interest and Other.

ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVENUES AND OTHER FINANCING SOURCES	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18	% CHANGE
224,491,493	241,045,645	261,613,917	Room and Gaming Fees	271,750,000	296,100,000	9.0%
56,927,724	49,001,769	56,884,744	Facility Charges & Services	57,045,000	54,594,300	(4.3%)
3,858,682	2,966,604	3,950,825	Other Fees and Charges	9,532,000	3,771,000	(60.4%)
357,484	193,356	200,072	Interest and Other	233,800	273,000	16.8%
285,635,383	293,207,374	322,649,558	Total Revenues	338,560,800	354,738,300	4.8%
194,527	168,745	166,380	Other Financing Sources	167,900	231,100	37.6%
285,829,910	293,376,119	322,815,939	Total Revenues & Other Financing Sources	338,728,700	354,969,400	4.8%

Primary Revenue Trends



Room Tax Revenue

Room tax and gaming fees revenue is budgeted to increase 9.0% in FY 2018 as compared to FY 2017 revised budget. The primary factors affecting room taxes are the average daily rate (ADR) and occupancy rates. ADR is driven by visitation levels combined with the number of rooms available. The number of rooms available are expected to remain flat during FY 2018. Visitation is trending to increase slightly in FY 2018. Taxable ADR has increased steadily since FY 2010 and is tracking growth of 8.0% year to date in FY 2017. Occupancy rate is averaging 86.6% year to date in FY 2017. The Occupancy Rate in the greater Las Vegas metropolitan area consistently exceeds that in other major resort destinations and significantly outpaces the national average each year.

Facility Charges and Services

Facility charges and services revenue projections are based on actual confirmed and signed leases as well as conservative expectations for additional facility usage. The rental income related to the Las Vegas Convention Center and Cashman Center is expected to decrease 4.3% over FY 2017 revised budget primarily due to the cyclical nature of shows in the building, which in FY 2017 includes CONEXPO-CON/AGG, a large construction trade show held every three years. An excerpt of rental rates per facility is included in the statistical data section, page 120.

Other Fees and Charges

Other Fees and Charges are expected to decrease 60.4% in FY 2018; as FY 2017 budget included \$5.5 million related to non-recurring events, such as the October 2016 Presidential debate hosted in Las Vegas.

For additional information on historical revenue trends, please see the statistical data section, pages 114-115.

REVENUES

ROOM TAXES

The LVCVA's primary source of revenues, projected to be 83.0% for General Fund and 83.6% for all funds in FY 2018, is from a tax levied on hotels, motels and other lodging establishments throughout Clark County and the incorporated cities therein. The incorporated cities are Las Vegas, North Las Vegas, Henderson, Boulder City and Mesquite. The rate of tax levied varies from 12% to 13.38% for resort hotels and 10% to 12.38% for non-resort hotels depending on the establishment's jurisdiction (see page 127 for room tax rate breakdown by jurisdiction). The rate of taxes can only be increased by action of the Nevada State Legislature.

In October 2016, Senate Bill 1 (SB1) passed during the 30th Special Session of the Nevada Legislature. SB1 provides for a one-half of one percent (0.5%) increase to transient lodging tax. The new revenues are legislatively restricted to support the capital financing program for the LVCCD Fund.

SB1 also provided for an additional one-half of one percent (0.5%) to eighty-eighths percent (0.88%) increase to the lodging tax, to create and fund the Las Vegas Stadium Authority (LVSA). The LVSA will be responsible for the ownership and oversight of a new NFL stadium to be built in Clark County, for the expressed purpose of housing a NFL team. The Authority will approve the stadium location, development plan and operating agreement, as well as manage the stadium capital improvement fund and related expenditures.

In general, the tax for resort hotel room rentals will be distributed as follows:

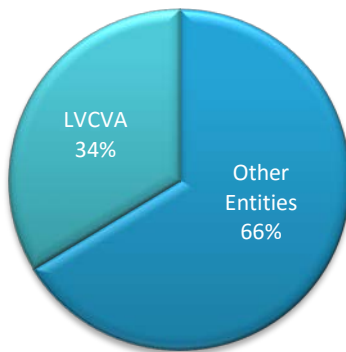
4% - 5%	LVCVA - General Fund
0.5%	LVCVA – LVCCD Project Fund
0.5% - 0.88%	Las Vegas Stadium Authority
1 5/8%	Clark County School District - Capital Projects
0% - 2%	City/County (collecting entities jurisdiction) - General Fund
1%	Clark County - County transportation tax
3/8%	State General Fund – a portion of the proceeds are allocated to tourism
2% - 3%	State of Nevada - Education and other state programs

The LVCVA's portion of room tax is generally 1% less on non-resort room rentals. It is projected that the total tax on rooms collected county-wide will be approximately \$823.1 million in FY 2018.

The LVCVA retains only 34% of the total room tax collected in Clark County (\$277,804,953 less \$25,000,000 which is returned to the entities in the form of collection allocation and \$21,145,047 for NDOT funding). Currently, 10% or a maximum of \$25 million, of the total room taxes and gaming fees collected for the LVCVA are returned to the county and the cities. The division of this collection allocation is set forth in an agreement between the various entities and may be designated by the individual entities for any purpose (see collection allocation detail on page 75).

REVENUES

Projected County-Wide Room Tax



The remaining 66% is allocated by law as follows:

- \$77,200,000 retained by collecting jurisdictions
- \$25,000,000 to collecting jurisdictions from LVCVA
- \$62,000,000 to Clark County for transportation projects
- \$100,750,000 to the Clark County School District for capital project construction
- \$21,145,047 for Nevada Department of Transportation debt service funding
- \$186,000,000 to the State of Nevada for education and other state programs
- \$23,250,000 to the State General Fund – a portion of the proceeds are allocated to tourism
- \$49,900,000 to Stadium Authority

The table below presents a breakdown of room taxes received from the County and the incorporated cities. Projected room taxes are expected to increase 20.0% over the FY 2017 revised room tax budget.

ROOM TAX BY JURISDICTION

	ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18
Clark County	206,596,998	221,053,936	239,469,354	250,441,700	299,763,449
Las Vegas	10,482,979	11,924,254	13,607,247	12,679,600	15,915,611
North Las Vegas	848,826	972,025	1,104,943	1,053,100	1,310,824
Henderson	3,991,690	4,454,066	4,818,604	4,784,500	5,808,832
Boulder City	90,514	98,234	76,390	77,000	85,363
Mesquite	770,378	816,287	891,099	964,100	1,065,920
	222,781,385	239,318,802	259,967,636	270,000,000	323,950,000
% Change	9.6%	7.4%	8.6%	3.9%	20.0%

Calendar Year	ACTUAL 2013	ACTUAL 2014	ACTUAL 2015	ACTUAL 2016	PROJECTED 2017
Hotel Rooms	162,662	162,548	160,946	161,164	161,835
% Growth	0.1%	(0.1%)	(1.0%)	0.1%	0.4%

	ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18
Gaming Fees	1,710,108	1,726,843	1,646,281	1,750,000	1,600,000
Room Tax	222,781,385	239,318,802	259,967,636	270,000,000	323,950,000
Total Room & Gaming	224,491,493	241,045,645	261,613,917	271,750,000	325,550,000

REVENUES

ROOM TAXES (continued)

Most visitors to Las Vegas are unaware that the fabled “Las Vegas Strip” is not within the boundaries of the incorporated city of Las Vegas. That fact accounts for the disparity in room taxes with 93% of the budgeted room taxes from Clark County.

The average rate of growth in room tax revenue has been 3.5% over the past decade based on FY09-FY16 actual and FY17-18 budget. Factors considered in projecting room taxes are:

- ✧ Number of available hotel rooms (see statistical data section page 125)
 - There are approximately 161,164 hotels and motel rooms in the county from 298 properties. Not included in the 161,164 rooms, is approximately 10,000 timeshare-unit inventory. In FY 2018, the destination anticipates minimal new room additions to inventory.
- ✧ Blended occupancy rates (see statistical data section page 126)
 - It is a combined rate from the Las Vegas, Mesquite and Laughlin properties, which participate in our monthly survey.
- ✧ Blended average daily room rate which is based upon rates from revenue generating rooms at Las Vegas, Mesquite, and Laughlin hotel and motel properties.
- ✧ National and international economic conditions and events.
- ✧ Monitor such domestic economic indicators as: consumer and business capital spending, unemployment and interest rates, the airline transportation market, crude oil prices.

GAMING FEES

Gaming fees are quarterly license fees imposed on operators of games based on the number of table games and slot machines in operation (see table below). These fees were originally established in 1957 and have remained unchanged. Boulder City does not allow gaming; therefore, no gaming fees.

QUARTERLY FEE PER GAME OR SLOT MACHINE	Clark County, Cities of North Las Vegas, Henderson, and Mesquite	City of Las Vegas
Casinos having 6 or more games	\$40.00	\$12.00
Casinos having 2 to 5 games	25.00	7.50
Casinos having fewer than 2 games	10.00	3.00
Slot machines, more than 12 within one establishment	2.50	0.75
Slot machines, fewer than 12 in one establishment	1.00	0.25

Historically, gaming fees provide only 1% of the total revenue for the LVCVA. Gaming fees are difficult to predict because of the following factors:

- ✧ Constant layout reconfigurations by existing casinos. (Example: removal of gaming tables to place slot machines and vice-versa).
- ✧ Construction or closure of gaming establishments (includes not only hotel casino properties but also neighborhood bars, convenience stores and other licensed gaming establishments).

Gaming fees are anticipated to be \$1.6M in FY 2018, a slight decrease compared to FY 2017.

REVENUES

GAMING FEES BY JURISDICTION

	ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18
Clark County	1,301,541	1,306,230	1,271,387	1,341,700	1,223,400
Las Vegas	106,265	96,032	73,247	101,000	82,900
North Las Vegas	114,164	107,248	110,484	111,500	111,000
Henderson	144,791	179,623	153,920	161,200	150,600
Mesquite	43,347	37,711	37,243	34,600	32,100
	1,710,108	1,726,843	1,646,281	1,750,000	1,600,000
% Change	(6.6%)	1.0%	(4.7%)	6.3%	(8.6%)

FACILITY CHARGES AND SERVICES

The LVCVA owns and operates two facilities, the Las Vegas Convention Center and Cashman Center. These facilities were originally not intended to be self-supporting, but rather to generate visitors to the Las Vegas area. These visitors, in turn, generate room tax revenues while contributing to the overall economy. Facility operations are anticipated to generate 15.4% of total revenues. Over the last 10 years, the average rate of growth has been 3.5% for the Convention Center. This is attributable to a heightened emphasis on selling the facilities, raising rental rates and the cycle of show rotation and show growth. Over the past decade Cashman Center's average rate of growth has been flat.

	Convention Center		Cashman Center	
	Facility Charges & Services	% Increase	Facility Charges & Services	% Increase
2007	43,197,430	1.4%	2,307,070	9.0%
2008	50,848,050	17.7%	2,246,808	(2.6%)
2009	41,474,677	(18.4%)	1,709,850	(23.9%)
2010	40,550,001	(2.2%)	1,389,381	(18.7%)
2011	44,157,694	8.9%	1,484,160	6.8%
2012	45,004,264	1.9%	1,752,683	18.1%
2013	43,228,221	(3.9%)	1,815,215	3.6%
2014	55,137,401	27.5%	1,790,323	(1.4%)
2015	47,094,146	(14.6%)	1,907,624	6.6%
2016	54,831,426	16.4%	2,053,317	7.6%
2017*	55,079,500	0.5%	1,965,500	(4.3%)
2018*	53,241,000	(3.3%)	1,353,300	(31.1%)

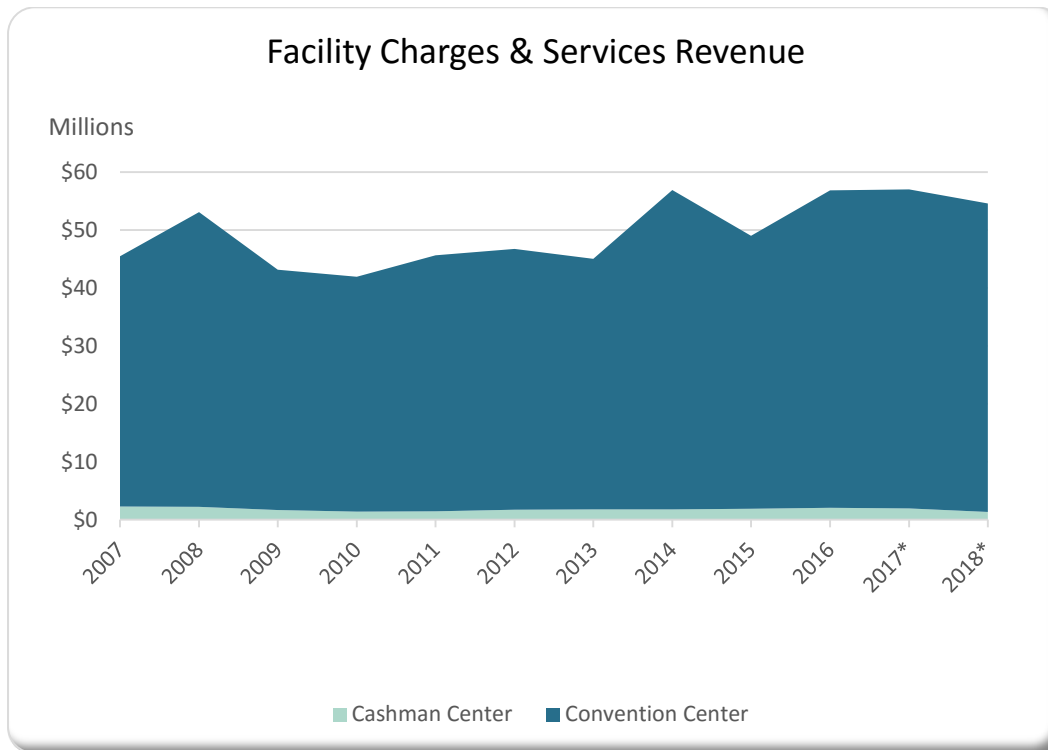
* Projected

Facility charges and services revenues are generated through a variety of rental charges (i.e. halls, meeting rooms, equipment and parking lots, along with concessions and contractor services' commissions).

The revenue spikes in facility charges and services at Convention Center in FY 2008, FY 2011, FY 2014 and FY 2017 are due to hosting CONEXPO – CON/AGG, the world's largest construction show, in those years.

Decrease in Cashman Center facility charges and services, reflects the closure of the meeting space pursuant to an agreement with the City of Las Vegas to take over and redevelop the space (see Cashman Center section page 8 for additional information).

REVENUES



*Revised FY 2017 Budget and Proposed FY 2018 Budget

Facility charges and services revenues is projected to be \$53,241,000 for the Las Vegas Convention Center and \$1,353,300 for Cashman Center.

These projections are based on the following:

- ✧ Below are rental rates for the Las Vegas Convention Center (for excerpt, see page 120). As new clients are obtained and current clients renew agreements, these lease agreements will come under the new rates. There are still a few multi-year agreements outstanding, which are being honored at the older rates.

HISTORY OF RENTAL RATES - LAS VEGAS CONVENTION CENTER	
5 cents per net square foot	1959-1988
15 cents per net square foot	1988-1998
20 cents per net square foot	1998-2001
25 cents per net square foot	January 2002 - June 2009
29 cents per net square foot	July 2009 - June 2016
33 cents per net square foot *	July 2016 - June 2018
35 cents per net square foot *	July 2018 - TBD

* Board Approved on April 3, 2015

- ✧ In April 2015, the Board approved facility rental rate increases effective July 1, 2016 and July 1, 2018. The fiscal impact of the approved increase is estimated to be \$0.7 million in FY 2018 and is expected to continue to increase up to \$5.1 million in FY 2023.
- ✧ Analysis of actual bookings, signed lease agreements and prior experience, such as cyclical shows, that hold their meetings and tradeshows every number of pre-determined years, or for three to five years consecutively.

REVENUES

OTHER FEES AND CHARGES

Other Fees and Charges are comprised of a variety of revenue sources. The majority is derived from the independent services that are not directly related to the rental of facilities, but rather services that can be supplied separately, such as conventions using LVCVA registration personnel. Also included are revenues from rental and commission agreements, reimbursements from participating properties in tradeshows and special event revenue sharing arrangements.

	ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18
Other Fees and Charges	3,858,682	2,966,604	3,950,825	9,532,000	3,771,000
% Change	37.6%	(23.1%)	33.2%	141.3%	(60.4%)

In FY 2018, Other Fees and Charges are expected to decrease 60.4% as FY 2017 budget reflects \$5.5 million in proceeds from non-recurring events, including the October 2016 Final Presidential debate hosted in Las Vegas.

INTEREST AND OTHER

Interest and Other are comprised of interest earnings on investments and discounts earned, and represents less than 1% of total revenues. Interest earnings are generated not only from cash balances invested in government guaranteed securities but are also earned on the room taxes which are collected and distributed by Clark County. All cash balances are invested daily.

	ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18
Interest	353,464	188,829	195,706	231,100	266,000
% Change	107.5%	(46.6%)	3.6%	22.4%	35.9%
Other	4,020	4,527	4,366	2,700	7,000
% Change	(34.0%)	12.6%	(3.6%)	(40.4%)	60.3%

It is difficult to project interest earnings because of their dependency on the size of the portfolio, fluctuations in interest rates and availability of policy-approved securities. For the FY 2018 budget, total interest and other are estimated to be \$266,000 and \$7,000 respectively.

OTHER FINANCING SOURCES

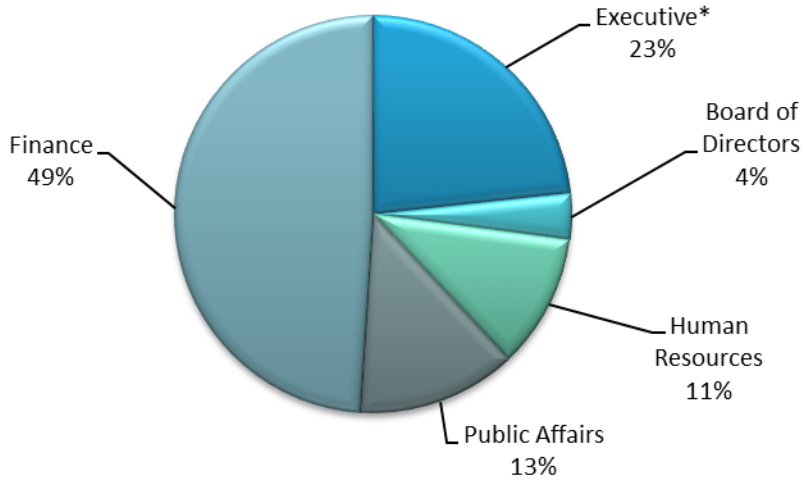
Typically, other financing sources accounts for transfers in from other funds (i.e. interest earnings from debt service funds) and sale of capital assets, but it can also include proceeds of sale of bonds. FY 2018 transfers from debt service relate to interest earnings of \$191,100. Proceeds from the sale of capital assets are anticipated to be \$40,000.

GENERAL GOVERNMENT

The general government function includes the Board of Directors along with the Executive, Human Resources, Public Affairs and Finance departments which includes Information Technology as of February 2017. The Executive department is responsible for the general administration of the LVCVA and is not only comprised of the offices of the President and C-Suites, but also Internal Audit and Legal Counsel.

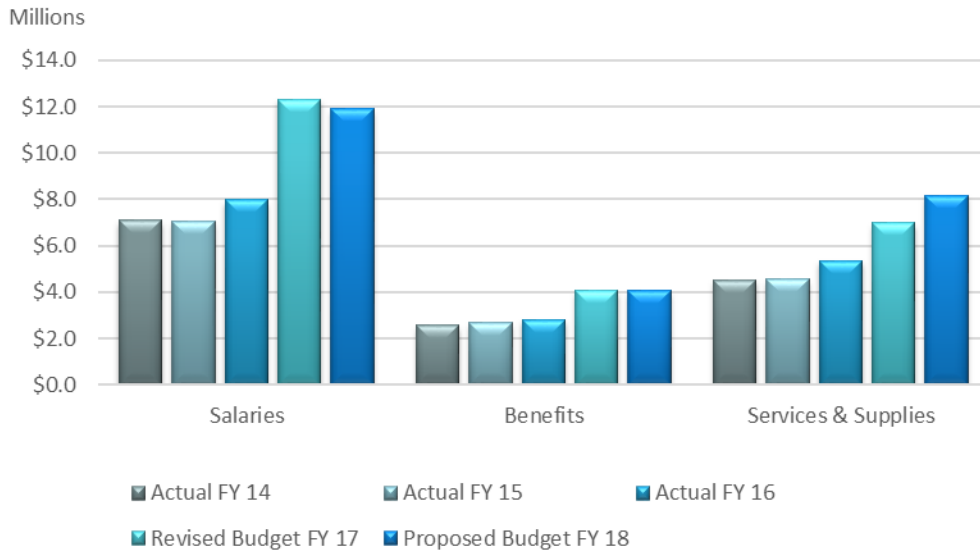


GENERAL GOVERNMENT FY 2018 EXPENDITURES



* Executive includes the offices of the President, C- suites, Legal and Internal Audit.

5 Year Expenditure Analysis



GENERAL GOVERNMENT

BUDGET ANALYSIS

The general government function includes the board of directors along with the Executive, Human Resources, Public Affairs and Finance departments. The FY 2018 decreases in the salaries and benefits categories are primarily due to the one-time expenditure in FY 2017 as a result of policy change to limit PTO accrual generating a non-recurring payout to bring all employees within the limit. The increase in service and supplies are mainly due to higher costs associated with professional services.

ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18	% CHANGE
7,090,764	7,084,387	7,972,195	Salaries & Wages	12,322,100	11,902,700	(3.4%)
2,588,029	2,678,312	2,815,022	Employee Benefits	4,079,300	4,059,100	(0.5%)
4,529,929	4,559,407	5,359,529	Services & Supplies	6,986,700	8,167,100	16.9%
14,208,722	14,322,106	16,146,746		23,388,100	24,128,900	3.2%
-	36,975	-	Capital Outlay	3,469,300	1,414,000	(59.2%)
80	81	83	Full-time Personnel	107	106	(0.9%)

Three new positions were approved in FY 2018 for the General Government division.

Capital items totaling \$1,414,000 (i.e. furniture and equipment over \$10,000) are incorporated this fiscal year, with \$450,000 allocated for the Radio System Replacement Project that will provide secure and reliable communication throughout the LVCVA campus, and will integrate with mobile devices and computer-aided dispatch consoles. Those requests are accounted for in the Capital Fund (see page 80). All computer-related budget requests (i.e. computers, printers, software, scanners and network servers) are accounted for in Information Technology's capital budget.

GENERAL GOVERNMENT - EXECUTIVE

BOARD OF DIRECTORS

The board of directors is comprised of 14 members representing Clark County, the incorporated cities within and various segments of industry. The board's primary function is to formulate policies to guide the LVCVA in fulfilling its mission to attract visitors by promoting Las Vegas as the world's most desirable destination for leisure and business travel. For additional information regarding the board of directors, such as members and terms of office, see page 3.

EXECUTIVE

The Executive Department is responsible for the general administration of the LVCVA and is not only comprised of the offices of the President/CEO and COO but also Internal Audit and Legal Counsel. Executive management meets daily with employees, hotel CEOs, community leaders and convention association presidents to discuss any potential problems, as well as changes in the trends of the travel and convention industries.

Internal Audit provides separate and objective assurance services designated to add value and improve the LVCVA's operations. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Legal Counsel meets with other divisions to ensure compliance with local government, state and federal laws, assists in preparation of proposed legislation, conducts lobbying activities, acts as general counsel to the LVCVA Board of Directors, in addition to drafting and approving legal documents (i.e. contracts, bid proposals).

Goals

- ❖ Partner with the resort industry to increase visitor volume and room nights while maintaining an effective average daily rate. (Executive Management)
- ❖ Coordinate all elements of marketing and operations to brand the destination for increased exposure and visitor volume. (Executive Management)
- ❖ Provide direction and oversight of the LVCCD project including a fiscally responsible budget and finance strategy. (Executive Management)
- ❖ Continue to expand efforts of the LVCVA President/CEO to increase awareness at the local, state and federal levels on the benefits of tourism and its economic impact through participation in industry organizations. (Executive Management)
- ❖ Increase awareness and expand efforts towards issues related to surface transportation and understand the direct and indirect economic impact on the destination. (Executive Management)
- ❖ Ensure risk management policies and procedures identify risk factors and provide strategies and resources to transfer or mitigate these risks. (Legal Counsel)

GENERAL GOVERNMENT - PUBLIC AFFAIRS

PUBLIC AFFAIRS

The Public Affairs department consists of communications/public relations, government affairs, the Las Vegas News Bureau and the Las Vegas Host Committee. Public Affairs is responsible for a broad spectrum of communication activities, with a variety of stakeholders, to promote the destination and the activities of the LVCVA. Public Affairs oversees management issues, advocacy, community outreach and generates positive news coverage of Las Vegas and the value of tourism. The Public Affairs department continually implements communication plans and strategies to promote leisure and business travel to the destination. The department also develops communication programs designed to keep resort partners and employees informed of travel industry issues and LVCVA initiatives.

Goals

- ❖ Develop and implement a comprehensive communications plan to maximize press coverage, industry awareness and community awareness for progress on the LVCCD program. Develop communications and press events associated with various milestones of the program.
- ❖ In coordination with Strategic Initiatives, develop a communications plan to promote and increase awareness of transportation infrastructure project needs, utilizing the President/CEO's position as chairman of the National Advisory Committee on Travel and Tourism Infrastructure. Develop information resources, Congressional outreach programs, press events and other tools to promote the need to improve the nation's infrastructure for the good of the tourism industry.
- ❖ Continue to promote the value of and support for the tourism industry in Southern Nevada through a comprehensive community outreach plan. Develop and implement new vision and structure for the Las Vegas Host Committee with a more formal community outreach program including the development of a Certified Tourism Ambassador program and a partnership with the Clark County School District on "Tourism Matters" curriculum.
- ❖ Use new and archival Las Vegas News Bureau assets to increase awareness and support of the LVCVA and the value of tourism through media relations, local exhibitions and community presentations. Capitalize on success of Folies Bergere exhibit partnership to create another major signature community display. Leverage the 70th anniversary of the News Bureau to create more awareness for the News Bureau and the LVCVA. Grow relationships with local media to develop additional opportunities to publish photos and video. Work more collaboratively with internal teams to provide digital media assets for their use. Work with ITD to research, identify and select a new digital asset management software program for the storage, archiving and distribution of News Bureau assets.
- ❖ Develop and implement a plan to highlight and promote the Corporate Social Responsibility (CSR) efforts of the LVCVA and our resort partners through an all-inclusive resort industry CSR Committee and initiative.

Activity Measures

	Actual FY 16	Est FY 17	Est FY 18
Media Placements	8,481	12,000	9,000
PR Dollar Value of Media Placements - <i>in millions</i>	\$247	\$900	\$275
News Bureau Placements (photo/video)	5,783 / 863	8,000 / 800	7,000 / 900
PR Dollar Value of New Bureau Placements - <i>in millions</i>	\$309	\$3,325	\$325
Community Outreach (Speakers Bureau, Exhibits, Host Committee)	1184	1100	1200

PUBLIC AFFAIRS (continued)

Prior Year Achievements

- ❖ Developed and implemented the comprehensive communications and community outreach plan to generate buzz and increase awareness for the final Presidential Debate held at the Thomas & Mack Center on the UNLV campus. Coordinated with UNLV to develop programming for Clark County School District students, including a district-wide essay contest about the importance of the debate system. Developed and delivered dozens of community presentations discussing the importance of hosting the Debate and reinforcement of Las Vegas as a destination for serious business and historical events. Through the News Bureau, organized and managed combined UNLV/LVCVA photo and video teams to provide media resources to all visiting and observing media worldwide. Secured photography position in Debate Hall to document this historic event. Created “Let Freedom Ring” photo essay booklet and various photo exhibitions for the community following event. Efforts led to more than \$100 million in media value coverage.
- ❖ Developed and implemented communications, media relations and community outreach plan to support efforts to get funding for the LVCCD project. Coordinated with the Research Center to develop various presentations and communications for the Southern Nevada Tourism Infrastructure Committee (SNTIC). Provided presentations to more than 25 community groups and key stakeholders regarding the need for and importance of the LVCCD project. Implemented program to garner testimonials from major clients, including in-person testimony to the SNTIC and the Nevada Legislature. Implemented comprehensive media outreach plan to garner positive coverage of the program and its need.
- ❖ The “Folies Bergere: Entertaining Las Vegas One Rhinestone at a Time” exhibition has been enormously successful. In partnership with the Nevada State Museum (NSM), the exhibition has garnered news coverage valued at \$448,000. Due to demand, the NSM extended the exhibition’s run. In addition, Kent State University Fashion and Textile Museum has requested the exhibition. Exhibitions featuring current and archival photography for the new McCarran tunnel and the Clark County Marriage Bureau offices are being designed and will be installed.
- ❖ Developed and produced press conference to announce the addition of a second NASCAR Race weekend to Las Vegas in coordination with Las Vegas Motor Speedway, which garnered nearly \$20 million in media value.

GENERAL GOVERNMENT - HUMAN RESOURCES

HUMAN RESOURCES

Utilizing a comprehensive and holistic approach to organization design and improvement, Human Resources (HR) will strategically implement enterprise solutions through improved technologies and processes. Areas of focus include talent acquisition and management, compensation management, advanced blended learning solutions, employee and labor relations management, benefits administration including federal and state changes, health and wellness with concerted efforts on employee recognition, culture and branding awareness.

Goals

- ❖ Identify and implement HR portions of LVCVA-wide Enterprise Resource Planning (ERP) system.
- ❖ Establish a Learning Center, complete with online learning and advanced on-boarding capabilities.
- ❖ Define LVCVA culture and branding, and implement initiatives to educate and inspire employees.
- ❖ Focus on employee benefits awareness with emphasis placed on education, tools and service.
- ❖ Capture employee feedback and implement actions to address issues and concerns identified through an employee opinion survey.

Activity Measures

	Actual FY 16	Est FY 17	Est FY 18
Employment Applications	2,149	4,394	6,000
Authority Champion Nominations	235	280	320
Ethics/Harrassment, Discrimination and Retaliation training	316	487	530

Prior Year Achievements

- ❖ Redesigned and advanced the HR team and function through needs assessment and analytical review, resulting in position development, strategic hiring, operational and duty modifications and enhancements and HR branding.
- ❖ Implemented a comprehensive three-year business plan for HR. Strengthened the business partner position by defining the position and executing a two-year plan for business partners.
- ❖ Implemented Authority-wide improvements through revised handbook, policy administration, training and development, and revamped employee events.
- ❖ Conducted a compensation review and began recommended implementations.
- ❖ Partnered with R&R Partner on employee focus groups to develop and implement a culture campaign.

FINANCE

The Finance department is comprised of Financial Resources, Accounting, Payroll, Travel, Financial Systems, Records Management, Purchasing, Materials Management and Information Technology activities.

The mission of the Finance Department is to allocate the LVCVA's financial resources in accordance with applicable policies and laws, to safeguard the LVCVA's assets and to provide accurate and timely financial information and assistance, to conduct all of our responsibilities with integrity and to operate a customer service oriented department that contributes to the fulfillment of the LVCVA's strategic mission. The Finance Department maintains a general accounting system for the LVCVA to ensure accountability in compliance with legal provisions and in accordance with generally accepted accounting principles.

Finance and Accounting

Financial Resources

This section is responsible for cash management, debt management, capital assets and investment of the LVCVA's funds within the guidelines of Nevada Revised Statutes and the LVCVA's investment policy. Financial Resources also oversees the preparation, production and maintenance of the annual budget and the CAFR, processes accounts receivable and monitors room tax revenue, as well as facility and contractual revenue.

Accounting

This section is responsible for the maintaining the general ledger, processing accounts payable and payroll, producing monthly expenditure/budget reports and handling project accounting. Payroll processes the LVCVA's bi-weekly payroll for over 500 full-time employees and over 400 intermittent and temporary employees. Additional duties include payment of voluntary and involuntary deductions, and federal/state taxes and retirement contributions.

Purchasing and Business Services

Financial Systems

This section is responsible for financial systems administration and records management and retention. Financial Systems supports all computerized financial systems by coordinating upgrades, testing updates on current software and new possible software, holding training initiatives, controlling system access and enhancing system processes. Records Management ensures compliance with local, state and federal laws. Additional duties include review of regulations governing public records, managing conversion of paper to electronic records for various departments and operating the record storage center.

Travel Services

This section provides world class business and leisure travel services for all employees, board members and stakeholders to promote the brand of Las Vegas, while assuring compliance to the LVCVA Travel Policy. Travel Services assists with travel authorizations and travel arrangements including air, hotel, rail and car rental.

Purchasing

This section is responsible for the procurement of all goods, services, small construction projects in compliance with local and state regulations and internal policies. Purchasing manages contract development, negotiation, sourcing and administration of contracts. Additional responsibilities include management of the procurement card program, requisition to purchase process, monitoring of deliverables, assistance with dispute resolution and maintenance of vendor and contractor insurance documentation.

Materials Management

This section provides organizational support and service through on site mailroom, reprographics, warehouse and distribution center operations. Reprographic support includes all large volume copy jobs, binding, lamination, folding, drilling, stapling and typesetting. The warehouse and distribution center receives, stores, ships, and manages brochures, promotional items, support materials and shipments worldwide. Additional duties include asset management support, surplus property management auction and disposal.

FINANCE (continued)

Information Technology

The Information Technology Department (ITD) functions as the LVCVA's technology and telecommunications support element. ITD has committed to advancing the LVCVA's goals and objectives in a fiscally responsible manner through innovation, leadership and guidance while improving service quality and applying necessary technical skills. Our mission will be accomplished through the focused and dedicated efforts of the Administrative, Support Services, Systems Maintenance, Software Development and Telecommunication teams.

Responsibilities include: maintaining all LVCVA computing hardware, software, networks, telecommunication and specialized media presentation systems; developing new support tools, automation systems, databases and applications; supporting Help Desk and telephone operations; and identifying cost-effective technology applications.

Goals

- ❖ Report all financial information in accordance with professional accounting standards and federal, state and local laws.
- ❖ Provide timely and informative financial information to departments, executive leadership and the Board of Directors that facilitate the proper administration of the organization, are valuable as business decision tools and are easily understood by our customers.
- ❖ Maintain high levels of professional accounting and reporting standards worthy of the Government Finance Officers Association (GFOA) "Certificate of Achievement for Excellence in Financial Reporting," the "Distinguished Budget Presentation Award" and the "Certificate of Excellence in Popular Financial Reporting" programs.
- ❖ Maintain superior levels of professional procurement ethics and benchmarked standards worthy of the National Purchasing Institute (NPI) "Achievement of Excellence in Procurement Award."
- ❖ Provide financial oversight for the LVCCD project, including planning, budgeting, accounting, financial reporting, internal control, auditing, funding and development of sustainable financing plans.
- ❖ Increase the effectiveness of services and support by increased technological applications to support our internal customers and their mission.
- ❖ Assess and respond to the changing needs of our customers to provide enhanced services that support their mission.
- ❖ Establish and analyze travel reports (flights, carriers, lodging and transportation) to negotiate discounts and increase the effectiveness of the Travel Section's services and support.
- ❖ Evaluate Other Post-Employment Benefits plan options for structure and funding.
- ❖ Implement an ERP system that consolidates systems, provides outstanding customer experience, improves financial processes and enhances organizational analytical capabilities.
- ❖ Expand focus on cyber security protection of our network infrastructure using the latest technology assessments and monitoring.
- ❖ Work with Authority leadership and stakeholders on initial technology to implement the ERP software platform.
- ❖ Research and evaluate "state of the art" technologies to determine feasibility within our environment and value of increased productivity to improve the overall experience of our customers.
- ❖ Continue the upgrade of legacy computing infrastructures and systems with newer sustainable technology solutions that will improve network capacity, reliability and resiliency.

GENERAL GOVERNMENT - FINANCE

FINANCE (continued)

Activity Measures

	Actual FY 16	Est FY 17	Est FY 18
Earn GFOA Budget Award (total years)	27	28	29
Earn GFOA CAFR Award (total years)	33	34	35
Earn GFOA Award for PAFR (total years)	10	11	12
Earn Achievement of Excellence in Public Procurement Award (total years)	21	22	23
Full Time/Part Time Employees Participating in Direct Deposit	97% / 78%	97% / 80%	97% / 80%
Percent of A/P Invoices Disbursed Electronically	92%	92%	93%
LVCVA's Uninsured Revenue Bond Rating (Moody's) and (S&P)	A1 / AA	A1 / AA	A1 / AA
Maintain a Rate of Return on Investments at No More Than 50 Basis Points within the 6-month T-bill	-3bp	0bp	0bp
Number of Calendar Days to Complete Audit and Produce CAFR (not to exceed 65)	20	40	40
Number of Months That G/L Closed Within 8 Business Days	5	6	7
Staff Turnover Rate (not to exceed 10%)	11.3%	0.3%	1.0%
Maintain at Minimum a 3.0 Debt Service Coverage Ratio	3.9	3.9	4.1
Number of Records Imaged by Page - all applications	241,165	221,165	200,165
Number of Systems Support Help Calls	439	325	439
Number of System Updates and Upgrades	5	4	2
RFP/BID Demand: Average per FTE Assigned	10.0	14.0	14.0
Managing Spend: Term Contracts as a % of Purchase Orders	70%	70%	70%
Quantity of Outgoing Packages Packed and Shipped	35,000	38,000	38,000
Quantity of Copy Center Work Orders Completed	439	450	500
Warehouse Dollars Dispensed	\$1,124,557	\$1,200,000	\$1,200,000
Copies Produced	734,511	740,000	740,000
In-House Training Cost Savings (dollars)	\$14,000	\$20,000	\$3,000
Server Availability (%)	99.97%	99.97%	99.97%
Total Help Desk Calls Fielded	4,827	5,100	5,200
Network Devices Supported (Switches & Servers)	95	101	115
Computers Supported (PC's & Laptops)	475	485	490

Prior Year Achievements

- ❖ Received the Certificate of Achievement for Excellence in Financial Reporting award from the Government Finance Officers Association for the 33rd consecutive year.
- ❖ Received the Distinguished Budget Presentation award from the Government Finance Officers Association for the 28th consecutive year.
- ❖ Received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association for the 10th consecutive year.
- ❖ Received the Achievement of Excellence in Public Procurement Award from the National Purchasing Institute for the 22nd consecutive year.
- ❖ Completed the procurement process for the Food and Beverage (F&B) exclusive supplier program.
- ❖ Received the Debt Policy Certificate of Excellence Award for the first time. The award represents a government's success in developing a comprehensive written debt policy that addresses the fundamental elements of debt issuance and management.

FINANCE (continued)

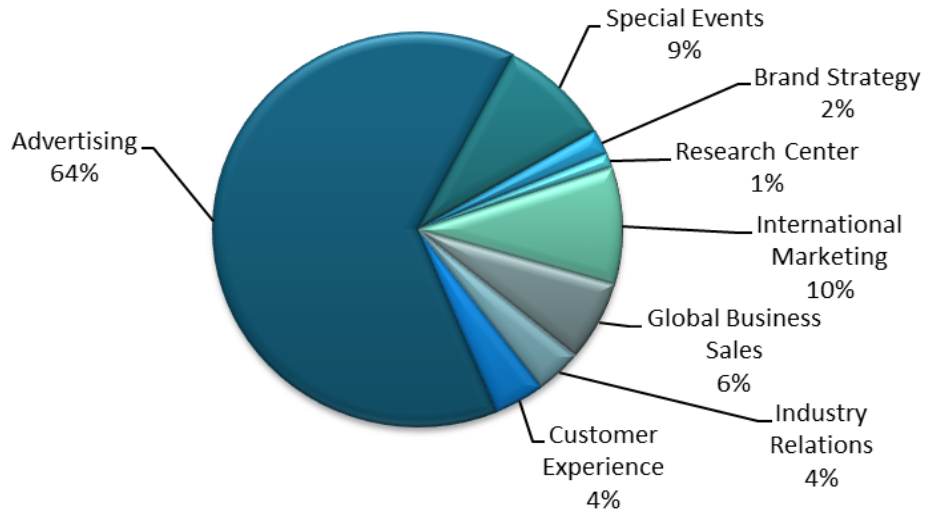
- ❖ Completed rigorous research and procurement process to select an ERP system to streamline software, internal processes and conserve human resources.
- ❖ Obtained an unqualified opinion on the annual audit.
- ❖ Created automation of employee attendance notifications, temporary-employee hour tracking and mass schedule changes.
- ❖ Continued implementation of the electronic expense reporting software for use throughout the organization. The transition provides increased efficiency for travelers and greater reporting capabilities.
- ❖ Continued to implement enhancements and software to the automated travel system to streamline processes with the ability to report on details.
- ❖ Hosted Committed to Our Business Community, a premier event focusing on local supplier outreach, for the fifth year. Three quarters of the attendees were new to the event. A panel to discuss the centralized business registration database and on-line bidding software, Nevada Government eMarketplace (NGEM) was held, resulting in increased attendee satisfaction.
- ❖ Leveraged the Bank of America credit card rebate program for the seventh year resulting in a rebate of \$120,000.
- ❖ Transferred long term storage items from offsite locations to the Cambridge warehouse providing an estimated annual cost savings of over \$40,000.
- ❖ Successfully refunded the outstanding maturities on two bonds achieving approximately \$9 million of present value savings. The sale also incorporated a fix-out of a bank term loan.
- ❖ Seamless transition of the IT Department from the Operations division to the General Government division.
- ❖ Planned and implemented new PC and tablet replacement for all users and organized the employee sale of previous equipment.
- ❖ Completed Distributed Antenna System Cellular Technology System at the LVCC with all 4 carriers on-air in time for Consumer Electronics Show 2017.
- ❖ Upgraded video equipment to high definition in Cashman Stadium and scoreboard.
- ❖ Successful deployment of the LVCVA Tradeshow Technology Booth system.
- ❖ Provided Microsoft Windows 10 OS and Skype for Business training to all employees.

MARKETING

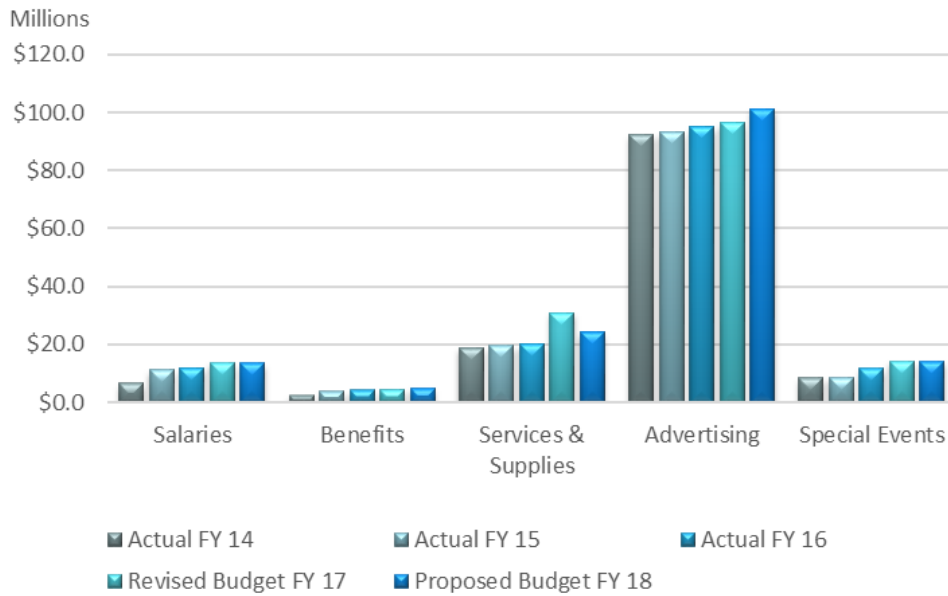
The Marketing division is responsible for increasing leisure travel visitors and convention and meetings attendance. The main functions of this division are Brand Strategy, International Marketing, Global Business Sales, Industry Relations, Research Center and Customer Relations.



MARKETING FY 2018 EXPENDITURES



5 Year Expenditure Analysis



BUDGET ANALYSIS

Services and supplies expenditures are being budgeted with a 21.6% decrease as compared to the FY 2017 revised budget, due to non-recurring costs incurred associated with the 2016 final Presidential Debate. Salaries and benefits also decreased 1.6% due to the one-time expenditure in FY 2017 as a result of policy change to limit PTO accrual. The increase of 5.0% in Advertising is mainly due to co-op program that involves media and production costs as well as increases in international marketing programs targeted to expand global media exposure and to attract more international visitors.

ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18	% CHANGE
6,719,046	11,216,642	12,089,941	Salaries & Wages	13,835,200	13,609,600	(1.6%)
2,530,192	3,928,217	4,320,059	Employee Benefits	4,615,000	4,960,600	7.5%
18,993,583	19,580,458	20,127,160	Services & Supplies	30,964,000	24,280,300	(21.6%)
92,470,992	93,148,972	95,012,365	Advertising	96,500,000	101,325,000	5.0%
8,570,890	8,765,599	11,665,284	Special Events	14,280,600	14,190,100	(0.6%)
129,284,703	136,639,888	143,214,809		160,194,800	158,365,600	(1.1%)
-	12,384	314,202	Capital Outlay	685,900	100,000	(85.4%)
83	125	130	Full-time Personnel	134	137	2.2%

One new position was approved in FY 2018 for the Marketing division. However, two positions from General Government were shifted to Marketing in FY 2018.

Capital items totaling \$100,000 (i.e. furniture, equipment and computer-related items over \$10,000) are incorporated this fiscal year for additions and improvements made to the international marketing tradeshow booth. Those items are accounted for in the capital improvement and replacement fund (see page 80).

The Marketing Division encompasses multiple departments responsible for increasing leisure travel visitors and convention and meetings attendance. These departments are as follows:

- Brand Strategy
- International Marketing
- Global Business Sales
- Industry Relations
- Customer Experience
- Research Center

The Marketing Division has developed the following goals:

- ❖ Market the destination by utilizing advertising, sales and special events, supported by research, internet programs and marketing/convention services, toward the goal of attracting visitors by promoting Las Vegas as the world's most desirable destination for leisure and business travel.
- ❖ Continue to serve Las Vegas' traditional market segments while increasing emphasis on target markets, such as Canada and Mexico, along with emerging markets, such as China, Russia, India and Brazil, trade show and convention, domestic Hispanic, African American and Asian segments, contemporary lifestyle and the gay and lesbian markets.

MARKETING – INTERNATIONAL MARKETING

INTERNATIONAL SALES

Increasing the number of international visitors to Las Vegas remains a key strategy of International Sales marketing efforts. International visitors benefit the destination by staying longer, spending more and making their arrangements further in advance than domestic visitors.

Over the past four years, international visitors to Las Vegas have increased from 17% to 19% or 8.2 million in calendar 2016. Approximately half of all international visitors to Las Vegas originate in Canada, Mexico and the United Kingdom, while markets such as Australia, China, Brazil, Korea, Japan, Germany, France, Italy, Ireland, Scandinavia and the BeNeLux region contribute significant numbers of valuable visitors to the destination.

New and increased direct airline service from Asia, Latin America and Europe make Las Vegas more accessible than ever before. In December 2016, Hainan launched the first non-stop flight between China and Las Vegas. LVCVA sales initiatives are designed to support direct and convenient one-stop international airline service and capitalize on opportunities in established and developing markets.

Developing and enhancing relationships with travel facilitators and distribution channels through educational seminars, targeted industry trade shows and events, brand development and integrated marketing programming enables LVCVA international representative offices to amplify international efforts and increase market share from targeted markets.

Goals

- ❖ Align and integrate International Sales, Public Relations and Digital Media strategies and programs with Airline Development and Advertising initiatives to expand global media exposure and increase visitation.
- ❖ Enhance programming with Global Business Sales to expand global meetings, events and the tradeshow marketing penetration in targeted international markets.
- ❖ Increase international travel trade and consumer media familiarization visits to expand firsthand knowledge of Las Vegas.
- ❖ Expand international public relations and social media initiatives in targeted markets based on origin of non-stop and key one-stop airline services.
- ❖ Enhance relationships with resort stakeholders, media, airlines and operators to increase participation and maximize the value of international sales and public relations initiatives.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Sales Familiarization Tours / FAM Participants	76 / 1,347	65 / 1,450	70 / 1,500
Events Produced / Attendees	225 / 15,715	300 / 17,000	300 / 17,500
Travel Industry Trade Shows Exhibited	81	88	90
Sales Calls	1,728	1,920	2,000

Prior Year Achievements

- ❖ Provided Las Vegas resort partners with an unprecedented number of opportunities and platforms to promote their products and services.
- ❖ Successfully executed integrated sales, public relations activations in Mexico, France, United Kingdom, Denmark, Sweden, China, Japan and South Korea.
- ❖ Developed and executed an aggressive Familiarization Program which brought more than 1,300 international travel professionals to Las Vegas. The program included FAM Tours, sales incentive programs and reverse missions.
- ❖ Executed the first multi-country reverse sales mission, bringing in 127 influential travel facilitators and tour operators from China, Korea, Mexico, Brazil, Argentina, Chile, Colombia and Ecuador.
- ❖ Deployed the China “We Welcome You” program, a series of educational initiatives designed to educate the Las Vegas hospitality community on the unique needs of Chinese visitors, and provide the framework for entities to welcome Chinese guests in a culturally appropriate manner.

MARKETING – INTERNATIONAL MARKETING

INTERNATIONAL PUBLIC RELATIONS

International Public Relations play a vital role in supporting and enhancing the overall marketing strategy of the LVCVA to expand destination awareness, shift perception and increase brand affinity in key global markets. Working with 15 international offices on 5 continents, the department provides a comprehensive approach to maximize communications opportunities with proactive, forward-thinking strategies to increase leisure and business travel while aligning with sales, digital enhancement, airline development, advertising and research efforts.

Brand Public Relations efforts support and enhance the overall marketing decisions of the LVCVA working with both the advertising agency and internal marketing departments to create and implement strategic, holistic, integrated and effective public relations programs. The department works to maximize public relations opportunities that encompass all product verticals to increase leisure and business travel to the destination.

In addition, Brand Public Relations is responsible for generating positive news coverage of Las Vegas and our extended destinations of Laughlin, Mesquite, Boulder City and Jean/Primm, domestically and internationally.

Goals

- ❖ Align and integrate Public Relations strategies with International Sales, Global Business Sales, Digital Engagement, Airline Development and Advertising strategies and programs to expand global media exposure and increase visitation.
- ❖ Seek opportunities to allocate public relations resources in markets based on origin of non-stop flights and key airline feeder market connectivity. Heighten accessibility by promoting international air service as a beacon for generating new travel.
- ❖ Generate and maintain strategic partnership or co-branding opportunities with media, corporate, resort partner airline and other partners to extend public relations resources and maximize earned media visibility.
- ❖ Seek and develop opportunities to allocate public relations resources to reinforce the Las Vegas business message by promoting meetings, incentive, convention and exhibitions (MICE).

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Combined International Media Value	n/a	\$83,017,230	\$85,000,000
Combined Total International Circulation	n/a	10,878,543,888	11,000,000,000
Combined International Print Placements	n/a	932	1,050
Combined International Broadcast Placements	n/a	96	100
Total Number of International Media FAMs	n/a	95	100

Prior Year Achievements

- ❖ Initiatives and activations provided resort partners with an unprecedented number of opportunities and platforms to promote their products and services.
- ❖ Developed and executed inaugural airline launch events for four international nonstop routes from London, Oslo, Mexico City and Beijing.
- ❖ Successfully executed integrated Public Relations, Digital Engagement, Sales and Airline Development activations in the UK, Germany, Norway, Brazil, Japan and China.
- ❖ Developed and executed unique media familiarization programs to help shift the global perception of the destination and introduce journalists to outdoor adventures, health and wellness opportunities and cultural offerings in addition to the well-known culinary, entertainment, attractions and shopping verticals.

MARKETING – INTERNATIONAL MARKETING

LEISURE SALES

The Leisure team’s main objective is to develop creative and targeted programs designed to motivate domestic and international purchase of travel packages to Las Vegas through wholesalers, consortiums, airlines, tour operators, online and retail travel agencies. Additionally, the leisure sales staff continues to develop educational programs targeted to sellers of domestic and international travel for the purpose of keeping them informed on the destination’s ever-changing amenities and keeping Las Vegas top of mind for sales opportunities.

Goals

- ❖ Domestic leisure visitors remain the largest market segment for Las Vegas. Develop and implement programming designed to support and enhance consumer driven efforts by educating and informing travel facilitators about the opportunities and benefits of selling Las Vegas.
- ❖ Deploy sales missions in key feeder markets, incorporating education, branding and networking opportunities for the destination and resort partners.
- ❖ Enhance the proprietary “Learn and Earn” educational program, while incorporating the existing programs of resort partners and incentivizing travel facilitators and professionals.
- ❖ Identify new opportunities to engage with key travel buyers while increasing brand exposure through training opportunities.
- ❖ Create in-market FAM experiences that incorporate learning opportunities for travel advisors, utilizing digital media and enhancing destination knowledge, and organize booking promotions with influential retail agencies.
- ❖ Develop three 8-week incentive programs in cooperation with preferred wholesalers selling air/hotel packages with American Airlines and Laughlin hotel partners.
- ❖ Create a sales plan designed to support regional air service to Laughlin/Bullhead City. Develop education and client development events, presentations, sales calls and client booking incentives for targeted origination cities as identified through passenger data and hotel stakeholder input.
- ❖ Identify opportunities to integrate programming with Sports Marketing while focusing on increasing visitation to Laughlin and Mesquite.
- ❖ Increase exposure at targeted golf consumer travel shows, and develop a golf group promotion to run during seasonal shoulder periods in conjunction with local golf courses and the hotel community.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
<u>Leisure Sales</u>			
FAMs	18	8	10
Leads	266	210	240
Bookings	524	510	530
Sales Calls	88	90	95
LVCVA Produced Events	59	52	60
<u>Leisure Sales (Extended Destinations)</u>			
Leads	61	65	70
Out-of-Market Sales Calls	76	85	90
Industry Meetings, Events and Consumer Trade Shows attended	52	45	45
Industry-specific Familiarization tours	38	25	25
LVCVA produced sales and networking events	16	20	30

Prior Year Achievements

- ❖ Learn and Earn Experience: Five courses were created and completed by 300 agents. Eighty agents were selected to participate in a three-day experience in market with seminar training, hands on experiences and partner interaction.
- ❖ Launched our new series of Sales Missions incorporating a Vegas Mystery theme and community “Give Back” components.
- ❖ Secured Las Vegas as the location for Global Travel Marketplace West, a premier industry trade show for three years.
- ❖ Enhanced and expanded our proprietary 14,000-person database with personal and sales related information using TA Connect, increasing the qualification process for events and opportunities.
- ❖ Established relationships with travel industry partners who utilize TV and Radio media to promote Las Vegas, successfully integrating with Public Relations efforts and securing exposure on multiple radio and TV shows in targeted markets.
- ❖ The Extended Destinations Sales Office developed initiatives and programming designed to increase exposure and visitation for Laughlin, Mesquite, Primm and Boulder City resort partners.
- ❖ Hosted nine targeted familiarization tours in Boulder City introducing 143 new clients for group, wedding and FIT business. Designed and hosted wedding/romance specific familiarization tours in Mesquite and Laughlin, partnering with wedding professional organizations, for 34 destination wedding planners.
- ❖ Completed metro Dallas sales mission with American Airlines Vacations representative in advance of new air service launch. Completed 19 sales calls to top selling agencies and two presentations to ten agents. Also conducted destination awareness presentation to American Airlines reservation center agents in Dallas.
- ❖ Assisted with the development of the new Boulder City website with R&R Partners and LVCVA Digital Team by scheduling and escorting photo shoot, providing content verbiage, contacting allied partners for images and b-roll, and creating a spreadsheet for a tiered content launch beginning March 2017.
- ❖ Completed the Colorado Sales Mission in Ft. Collins, Colorado Springs and Denver targeting travel professionals and military reunion planners. Conducted 16 sales calls and met with nine reunion planners which resulted in two group bookings for Laughlin. Exhibited at the Denver Travel and Adventure Show (10,000 consumers) promoting American Airlines daily flights to Laughlin and collecting consumer database for e-newsletter.

MARKETING – INTERNATIONAL MARKETING

SPORTS MARKETING

Las Vegas has undergone numerous development phases over the last twenty years including; night- and day clubs, dining, spas, and now the sports and special events phase. The city has long been considered a top destination for champion sporting events including NASCAR, NFR, Big League Weekend in conjunction with MLB, UFC, USA Rugby Sevens, boxing and the Rock 'n' Roll Marathon. The success and attendance of these events have proven that Las Vegas is viable for professional sports, and have paved the way for the first professional sports team, the National Hockey League's expansion team, the Vegas Golden Knights, as well as the addition of a second NASCAR race in 2018.

Mesquite, Laughlin, Boulder City and Primm continue to play a pivotal role in hosting events that generate revenue for the destination, as well as account for incremental room nights in their respective locales. Mesquite events include; Hot Air Balloon Festival, Motor Mania, Amateur Golf Tournament and Nevada Open. Laughlin events include; Rockets Over the River, concert series at the Laughlin Events Center featuring A-List talent and Championship Bull Riding. Boulder City is the home to a new drone port in which LVCVA will take an active interest in as a potential venue for events.

Goals

- ❖ Develop, enhance and maintain relationships with event producers, promoters and venue operators responsible for sports programming and special events.
- ❖ Identify new events and opportunities to drive room nights to Las Vegas from sports and special events related programming.
- ❖ Increase the number of leads generated for the Southern Nevada resort community.
- ❖ Create and implement strategies for attracting targeted vertical markets, including e-Sports, amateur and youth sports, NCAA, Team USA, soccer, adventure races and professional sports events, as well as industry trade shows and meetings and conventions.
- ❖ Increase global exposure for events with international following in conjunction with Public Relations, Digital Marketing and LVCVA International Representative Offices.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Leads & Bookings	30	70	100
Industry Event Participation/Customer Development Programming	13	25	35

Prior Year Achievements

- ❖ Increased leads generated to the resort community for sports programs and special events.
- ❖ Developed a vision plan for the department to gain advantage on future prospects.
- ❖ Integrated digital, social and public relations into sporting events which broadened reach and coverage.
- ❖ Increased the destination's exposure to key decision makers at National Association of Sports Commissions, CAA World Congress of Sports and Sports Business Journal Awards.
- ❖ Secured new events for the destination including a second NASCAR race and the National Collegiate Club Golf Association tournament.

MARKETING – SPECIAL EVENTS

SPECIAL EVENTS

The LVCVA works in partnership with Las Vegas Events as the exclusive special events agency for the destination that began in 1983. The relationship has assisted LVCVA with positioning Las Vegas as the event and entertainment capital of the world, as well as driving incremental media exposure and room nights through events. For FY 2018 a budget of \$9.7 million will be provided to Las Vegas Events (LVE).

ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18	% CHANGE
1,087,992	1,135,437	1,227,500	Salaries & Benefits - LVE	1,300,400	1,367,500	5.2%
6,081,544	6,216,904	7,507,858	Special Events - LVE	9,644,127	8,307,600	(13.9%)
1,401,353	1,413,259	2,929,926	Special Events - LVCVA	3,336,073	4,515,000	35.3%
8,570,889	8,765,600	11,665,284		14,280,600	14,190,100	(0.6%)

Funding for events come from room taxes and use of facilities revenue. Utilizing event criteria matrixes, both LVCVA and LVE are able to determine the value of a proposed event. Events are scored based on visitation numbers from out of town attendees, potential economic impact, year-over-year event growth, use of funding requested, exposure for the destination, other sponsor involvement and number of partner properties used for accommodations, among other factors.

LVCVA and LVE promote and encourage special events that in turn stimulate tourism and provide media exposure for Southern Nevada. Events sponsored range from rodeo (i.e. National Finals Rodeo) to golf (i.e. Mesquite Long Drive Championship) and from auto races (i.e. NASCAR, Primm 300 Off Road Race) to music events (i.e. Electric Daisy Carnival) as well as award shows (i.e. Academy of Country Music Awards) and other sporting events (i.e. USA Sevens Rugby Tournament).



GLOBAL BUSINESS SALES

The Global Business Sales department plays an integral role in securing new and maintaining existing business visitors for the destination. The team is strategic and targeted in disciplines of convention sales, trade show sales and specialty markets.

The Global Business Sales team is directly aligned to provide the users of the Cashman Center and the Las Vegas Convention Center a superior customer experience and also promote Las Vegas to trade show organizers, meeting planners and association executives. This is done by creating an environment of trust, care and communication during all aspects of the trade show/event sales and services cycle. Sales teams produce leads and service accounts for the Las Vegas hotel/resort community as well as solicit meetings and events in the following markets: corporate, association, third party/association management and SMERF. They book business for both Cashman Center and the Las Vegas Convention Center and provide leads to local venues through a strategic account management approach delivered to resort partners in real time using the latest digital communications platform.

Specialty markets include health and wellness/spa tourism, cultural tourism, LGBT/diversity sales, wedding and romance travel and World Trade Center Las Vegas sales. The LVCVA recognizes these specialty niche markets as emerging areas of tourism growth and opportunity. Health and wellness travel is focused on promoting Las Vegas as a medical meetings and health and wellness/spa travel destination. Cultural tourism is an expanding market due to interest in “learning” vacations and represents an opportunity to increase Las Vegas visitor arrivals by highlighting the area’s history, arts community and outdoor adventure. LGBT/diversity sales focuses on the continued effort of promoting Las Vegas as an LGBT-friendly destination for LGBT associations and conferences as well as LGBT leisure customers. Wedding and romance travel sales efforts are designed to build upon Las Vegas’ brand identity and reputation as the “Wedding Capital” of the world by targeting destination weddings. Finally, World Trade Center sales efforts include promotion of Las Vegas’ international trade shows as platforms for global commerce. These teams continue to position the Las Vegas brand to remain “top of mind” with industry professionals and competitive within the international and domestic meetings and trade show industries. The distinct yet equally important disciplines support the LVCVA’s mission to promote Las Vegas as the leading destination for business and leisure travel.

Sales executives’ markets are segmented by geographic regions throughout the United States between the Las Vegas, Washington, DC and Chicago regional offices. Certain accounts and industry events have been assigned an industry relations contact at the LVCVA to oversee efforts (HelmsBriscoe, ConferenceDirect, Experient, SITE International, FICP -Financial and Insurance Conference Planners and pharmaceutical events). Emphasis is dedicated to top producing third party/association management companies that represent end user organizations.

The key focus during FY 2018 will be the expansion of business sales activities into international markets, finding new business, client retention and communication of the LVCCD project. Growing building occupancy for the Las Vegas Convention Center continue to be a focus as well as looking for new business for local convention facility stakeholders.

Business is secured through targeted sales programs and initiatives directly to the customer base and hotel partners. The sales team’s goals cover a wide variety of efforts to ensure the highest and most productive results, providing unmatched customer service to end user clients and hotel partners.

MARKETING – GLOBAL BUSINESS SALES

GLOBAL BUSINESS SALES (continued)

Goals

- ❖ Continue to utilize digital marketing tools to complement sales efforts. Develop a tool that will communicate quickly and efficiently with our building clients in order to distribute up-to-the-minute information about the LVCCD project. Review how the use of social media resources can augment these efforts.
- ❖ Implement new and creative client development events Las Vegas which will provide a unique opportunity to develop and maintain client relationships while “living the brand” locally.
- ❖ Implement new international business sales activities for Brazil, Canada, China, Germany, Mexico and United Kingdom. Look to expand into new MICE markets (Japan, Australia and Southern Europe) over the next two fiscal years.
- ❖ Increase staff participation on industry boards, committees and task forces, which will keep Las Vegas on the mindset of the meetings & events industry.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
LVCVA Networking Events Produced	86	90	95
Industry Events Attended	369	375	378
Leads	3,440	3,475	3,505
Bookings	3,280	3,300	3,340
Industry Trade Show Participation	31	35	37

Prior Year Achievements

- ❖ Won the bid to host the American Society of Association Executives (ASAE) 100th Annual Meeting in Las Vegas, in August 2020. Las Vegas will also host the annual meeting for Professionals International World Education Conference from June 19-23, 2017 (4,000+ estimated attending meeting professionals).
- ❖ Hosted industry events bringing thousands of planners and organizers in the meeting, incentive, trade show and corporate disciplines to Las Vegas to experience the city as a business destination. Examples of these shows include: Trade Show Executive “Fastest 50 Awards and Summit”, “Incentive Research Foundation (IRF) Annual Conference”, “Experient E4” and “IMEX America”.
- ❖ Hosted MICE luncheons and conducted sales calls during a trade show sales mission in South America which explored MICE opportunities in Santiago, Chile and Buenos Aires, Argentina.
- ❖ In alignment with the LVCVA Inter-Local Agreement with Clark County, developed a sales plan for Wedding and Romance Travel to support the LVCVA advertising and marketing strategy. Leisure, Business Sales, PR and Social Media worked cumulatively to develop sales activations which are above-and-beyond regular wedding and romance travel sales tactics. Enhanced partnership with the Las Vegas Wedding Chamber of Commerce and the Clark County Clerk’s Office. Secured a new partnership with Destination Wedding and Honeymoon Services Association.
- ❖ Collaborated with the World Trade Center Association (WTCA) on planning the WTCA 48th General Assembly from April 2-5, 2017 which resulted in an inter-departmental collaboration from Industry Relations and PR, as well as outside cooperation from Freeman, Housing Connections, Caesars/Paris Las Vegas Hotel and other allied partners.

MARKETING – INDUSTRY RELATIONS

INDUSTRY RELATIONS

Industry Relations works closely with the leadership at the LVCVA and key stake holder organizations to develop relationships and lines of communication with relevant audiences to create and implement initiatives that effectively achieve the LVCVA’s goals.

In coordination with resort stakeholders and community business partners, Industry Relations addresses issues that impact the destination from a travel tourism perspective including air service development, multi-modal transportation challenges and industry events that are hosted by the LVCVA.

Since the implementation of the internal meetings and events team, Industry Relations has successfully facilitated a fundamental cultural change by partnering with the Marketing and Executive teams to manage the execution and logistics of industry events both in and out of Las Vegas where the LVCVA is the primary sponsor. These include; IMEX, MPI, ASAE, SISO and tradeshow booth participation as well as special events hosted around Branded Weekends.

Goals

- ❖ Increase direct air service both domestically and internationally working in conjunction with McCarran International Airport. Raise industry awareness of Terminal 3 expansion and focus on opportunities to add more nonstop international service.
- ❖ Showcase the destination to leaders in the aviation industry by hosting the Boyd Group International Aviation Forecast Summit. Further promote the destination as a key market for air service development by hosting airline summits in market and attending industry conferences. These include: World Routes, regional Routes conferences (Americas, Europe and Asia), CAPA Aviation Summit and Airports Council International Conferences (Jumpstart).
- ❖ Expand the events team’s meeting planning knowledge by attending five educational planner focused events. Plan and execute 145 events for multiple LVCVA departments by partnering with individual executives from Leisure, Meetings Tradeshow, International, Special Events, Airline Development, Public Relations and Human Resources.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Annual Las Vegas Visitor Volume - <i>in millions</i> (calendar year)	42.9	43.2	43.3
Annual In-bound Nonstop Seats Domestic - <i>in millions</i>	24.9	25.8	25.9
Annual In-bound Nonstop Seats International - <i>in millions</i>	2.1	2.1	2.2

INDUSTRY RELATIONS (continued)

Prior Year Achievements

- ❖ Increased total Las Vegas seat capacity by a projected 3.3% in FY17; domestic capacity is up 3.4% while international is up 1.7%. The estimated annualized non-gaming economic impact of increased air service for FY17 is projected to hit \$539 million.
- ❖ In conjunction with McCarran International Airport, successfully secured and launched the first nonstop service from mainland China (Beijing) to Las Vegas by Hainan Airlines. Continued to achieve growth in international air traffic, which yielded strong results. Overall added or significantly increased air service in twenty-two markets representing 804,661 new inbound seats for the year.
- ❖ Hosted the 2016 final Presidential Debate in partnership with University of Las Vegas Nevada (UNLV). Attracting more than 71 million television viewers and generating nearly \$114 million in publicity for UNLV and Las Vegas.
- ❖ Hosted the 10th Annual Routes Americas in partnership with McCarran International Airport for the first time in Las Vegas. It was the largest Routes Americas event to date, with a record number of delegates and more than ninety-four airlines in attendance. The event generated more than \$2.5 million in earned media value.
- ❖ In partnership with Digital Engagement, enhanced the LVCVA brand presence at both international and domestic exhibitions. Rolled out the first ever tradeshow booth guidelines and invested \$1 million to be best-in-class with immersive touchscreen technology. Produced over forty-nine activations with 140 events in FY2017.

MARKETING - BRAND STRATEGY

BRAND STRATEGY

Brand Strategy is comprised of Advertising, Digital Engagement and Digital Marketing. Brand Strategy plays a vital role in guiding the marketing decisions of the LVCVA as it works with both the advertising agency and internal marketing departments to create and implement strategic, holistic, integrated and effective marketing programs. The department works to support and enhance the overall synergy and impact of the domestic and international marketing efforts to increase leisure and business travel to the destination, while providing proactive, forward-thinking strategies to advance the marketing prowess of the organization.

Digital Engagement works to maximize communications opportunities that encompass all product verticals along with sales, advertising and research efforts to provides an influential and comprehensive marketing approach.

Digital Marketing oversees the growth, maintenance, development and implementation of all LVCVA marketing databases and digital marketing systems including websites for desktop, tablets, smart phones, partner extranets, content management systems, customer relationship systems, marketing email distribution systems, apps and social media management tools.

Goals

- ❖ Engage with consumers on a deeper level by utilizing new visitor segmentation research to craft content that is specifically relevant and speaks to each segment’s need across channels.
- ❖ Ensure the Las Vegas brand remains culturally relevant by evolving marketing efforts that resonate with an increasingly diverse consumer landscape.
- ❖ Continue to grow brand awareness and affinity in key international markets.
- ❖ Build on a growing business traveler segment by leveraging content and storytelling strategies.
- ❖ Develop a new website that inspires and educates potential Las Vegas visitors through original content, with a focus on third-party and user-generated content.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Video Content Engagement Rate	79 Million	120 Million	155 Million
Average Time on Website*	6 min	7 min	2.5 min
Domestic PR Value	1.19 Billion	1.22 Billion	1.25 Billion

*FY16 for LasVegas.com. FY17 split between LasVegas.com and VisitLasVegas.com. FY18 for VisitLasVegas.com. Variance in time spent based on change in strategy from focus on booking trips to content engagement.

Prior Year Achievements

- ❖ A continued focus on engaging video content generated over 120 million total views across Facebook, YouTube and Twitter (up from 79 million FY 2016).
- ❖ Secured more than 30 placements in top-tier national publications, including Forbes, Departures, USA Today, The Huffington Post and the New York Times.
- ❖ Elevated the Las Vegas brand in high-profile national events and sponsorships, including the NHL, Billboard Music Awards, American Country Music Awards, PBR and more, through broadcast and digital media placements.
- ❖ Secured an alpha measurement study with Facebook, a Destination Marketing Organization first.
- ❖ Developed branding campaigns for Mexico, Canada and the United Kingdom, inclusive of the “See Vegas” campaign, highlighting all there is to see and do in Las Vegas.

RESEARCH CENTER

Reflecting the core function research has played in the LVCVA’s history, the Research Center oversees a broad range of functions that span the organization’s marketing programs and facility operations. The department’s wide range of research and analytics programs track the dynamics of Las Vegas and southern Nevada tourism, nationwide competitive gaming and tourism trends, international tourism data and special event impacts. To guide operational decisions at the LVCVA’s convention facilities, the department also plays an active role compiling and analyzing data and customer feedback from tradeshow producers and convention attendees. The department generates numerous reports, including but not limited to, monthly executive summaries of tourism and convention indicators, annual visitor profile studies that track visitor demographics and behaviors, semi-annual marketing bulletins, summaries of top air feeder markets and a variety of reports that address local, national and global travel trends. With the ever-evolving digital channels utilized by consumers to plan and experience travel, the department’s analytical expertise also contributes to strategies focused on digital engagement, websites and social media efforts.

Goals

- ❖ Conduct employee focus groups as part of the LVCCD Research Plan to guide next phases of the LVCCD development and design.
- ❖ Expand interactive dashboards of key web and research data for use by internal department heads and external audiences to allow for user-defined custom data queries.
- ❖ Participate on the research committee of the Center of Exhibit Industry Research (CEIR) to guide its research goals and deliverables to support the convention industry.
- ❖ Monitor and summarize impacts of new federal policies on visitor sentiment and international travel to the US and Southern Nevada.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Statistical Reports and Publications Produced	33	33	32
Publications Distributed	19,006	19,000	19,000
LVCVA.com Research and Report Downloads	39,046	40,000	42,000

Prior Year Achievements

- ❖ Expanded online library of research reports and resources published on LVCVA.com.
- ❖ Developed interactive dashboards of key web and research data for internal staff to allow for real-time access and review of data points.
- ❖ Implemented an online survey of Clark County wedding license applicants to acquire visitor information in support of expanded wedding marketing efforts.
- ❖ Crafted an LVCCD research plan in consultation with Operations and Cordell Corporation to acquire customer and stakeholder insights to steer the development and eventual design of the expansion and renovation of the LVCC.
- ❖ Completed a comprehensive national segmentation study of leisure travelers to categorize visitor segments based on common emotional drivers and “need states” to ultimately steer future messaging and media targeting.

MARKETING – CUSTOMER EXPERIENCE

CUSTOMER EXPERIENCE

The Customer Experience Department includes Convention Services and Destination Services. Customer Experience spearheads the LVCVA’s efforts to address the specific needs of our building guests, convention attendee and exhibitor customer base.

Globally, Customer Experience is responsible for developing programs that deliver the LVCVA’s brand promise to LVCVA operations. The brand promise is delivered to our attendees, exhibitors and show managers when they arrive on site for their event. Examples of brand promise delivery are safe and clean facilities, quality food and beverage at reasonable prices, availability of appropriate business services, up-to-date technology products and services, ease of transportation to and from the facility, and professional, helpful employees and stakeholders in the facility.

Key functions include being a liaison among various departments of the LVCVA and establishing campus wide programs and initiatives that will improve customer service and the customer experience. In particular, direct responsibilities include delivery and accountability of our facility partners’ (Centerplate, Cox Business, FedEx and AMEX Open) key performance and quality services. Additionally, the department reviews services delivered by our facility stakeholders such as general service contractors, exhibitor approved contractors, as well as ensuring compliance with county and city regulatory measures. Providing exceptional customer service in every interaction is the overall goal of Customer Experience.

Goals

- ❖ Support LVCVA efforts to build community awareness and promote the destination by providing presentations and tours to numerous international groups, government and tourism officials, and students groups.
- ❖ Evaluate convention centers located domestically and abroad on design, structure, green initiatives, etc. in order to propose recommendations to the LVCCD expansion Oversight Panel.
- ❖ Upgrade the digital signage product offerings through Cox Business to include fewer, larger screens and re-evaluate pricing of Cox Business Wi-Fi to drive revenue.
- ❖ Continue food and beverage transition to implement new products, concepts and monitor \$16 million capital investment upgrades.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Customer Experience Survey Results (overall satisfaction ratings from 1-5)	4.5	4.6	4.7
Community / Industry / Partner Outreach Presentations	20	15	30
Building Partner Goals to Support LVCVA Customer Experience	20	25	25

Prior Year Achievements

- ❖ Successfully completed the Food and Beverage RFP process to include Board approval of contract award to Centerplate.
- ❖ Successfully transitioned food and beverage providers on January 1, 2017, days before International CES 2017.
- ❖ Transitioned the digital signage services to Cox Business, thus expanding their services and offerings.
- ❖ Successfully monitored the installation of an \$18 million DAS project, ensuring that the facility maintains its position as the nation’s most technologically-advanced convention center.

MARKETING – CUSTOMER EXPERIENCE

CONVENTION SERVICES

The Convention Services team continues to provide the industry’s bench mark for service standards. Superior customer care leads to years of repeat business. Committed convention service managers quickly adapt to all challenges that the world’s leading convention center presents while priding themselves on the fact that clients are extremely satisfied at the end of their event.

Goals

- ❖ Restructure the Convention Services Department to prepare for additional responsibilities related to the LVCCD project. Assist in the design and layout of the new facility to ensure contractors, servicing needs and clients expectations are met.
- ❖ Work with Cox Business to integrate a new digital signage program at LVCC, to include updated technology and new display monitors.
- ❖ Implement iPlan, a new cloud based event planning software program used for event setup. This program will allow convention services managers, show producers and in-house partners to produce and store layouts for meeting rooms, exhibit halls and parking lots.
- ❖ Integrate a new texting program with Engineering Department to allow building work orders to be submitted at any time from any location. The new program will provide a written record of work orders and allow 1 Call a chance to process work orders at their own pace.
- ❖ Facilitate new green initiatives with community groups such as Greenourplanet.com to garner support for a waste, and/or product collection program that benefits local schools gardening projects. The program will save costs to show exhibitors by reducing freight and/or waste charges.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
In-house Bookings Manages	367	390	415
VIP Bookings Managed	9	12	16
Convention/Events Serviced	321	340	360
Convention/Events Amount Invoiced	\$30,308,962	\$30,311,089	\$31,661,112

Prior Year Achievements

- ❖ Worked with Business Sales, Legal and Traffic to incorporate parking lot sectors at the Las Vegas Convention Center. New process allows smaller portions of the lots to be utilized for flexibility and accountability of parking lot usage. Installed medallions, amended the floor plan, updated brochure and distributed information. Integrated new pricing model into the invoice program.
- ❖ Transitioned Leasing Department over to Business Sales. Trained staff on procedures including space blocks, leasing, revenue forecasting, lease changes report and discussion.
- ❖ Collaborated with Business Sales to combine and eliminate the designation of halls N1.1, C4.1 and C5.1 along with the new increase in building rates. In conjunction with Auditing, Legal, Advertising and Business Sales, we verified accuracy and integrated procedures for the new pricing structure.
- ❖ Coordinated and assisted Cox Business, and the four major cellular carriers for the completion of the DAS system. Scheduled the subcontractors and general contractors during the show move-ins, maximizing available time and dates for installation.
- ❖ Integrated our new food and beverage provider. Worked with new provider to ensure seamless transition into facilities without interruption to shows.

MARKETING – CUSTOMER EXPERIENCE

DESTINATION SERVICES

Destination Services focuses on the logistics of bringing customers to Las Vegas and Clark County to ensure the visitors' experience is pleasant and memorable. Employees in Visitor Information Services (VIS), Registration Services and outlying Visitor Information Centers (VIC) deliver the Las Vegas brand by providing convention staffing assistance and offering destination information on Clark County and Southern Nevada. Additionally, Destination Services communicates the mission of the LVCVA to primary stakeholders and allied partners.

Goals

- ❖ Create a Hotel Convention Areas & Parking Guide for Registration Services on-call staff. The guide will include the Las Vegas strip and other Las Vegas properties we service.
- ❖ Work with Database Marketing to cross-train the outlying VIC full-time staff on Elvis, specifically on the Map Publisher, so they can provide visitors with a map specific to their destination.
- ❖ Produce a quarterly status newsletter for the part-time Registration Services staff.

Activity Measures

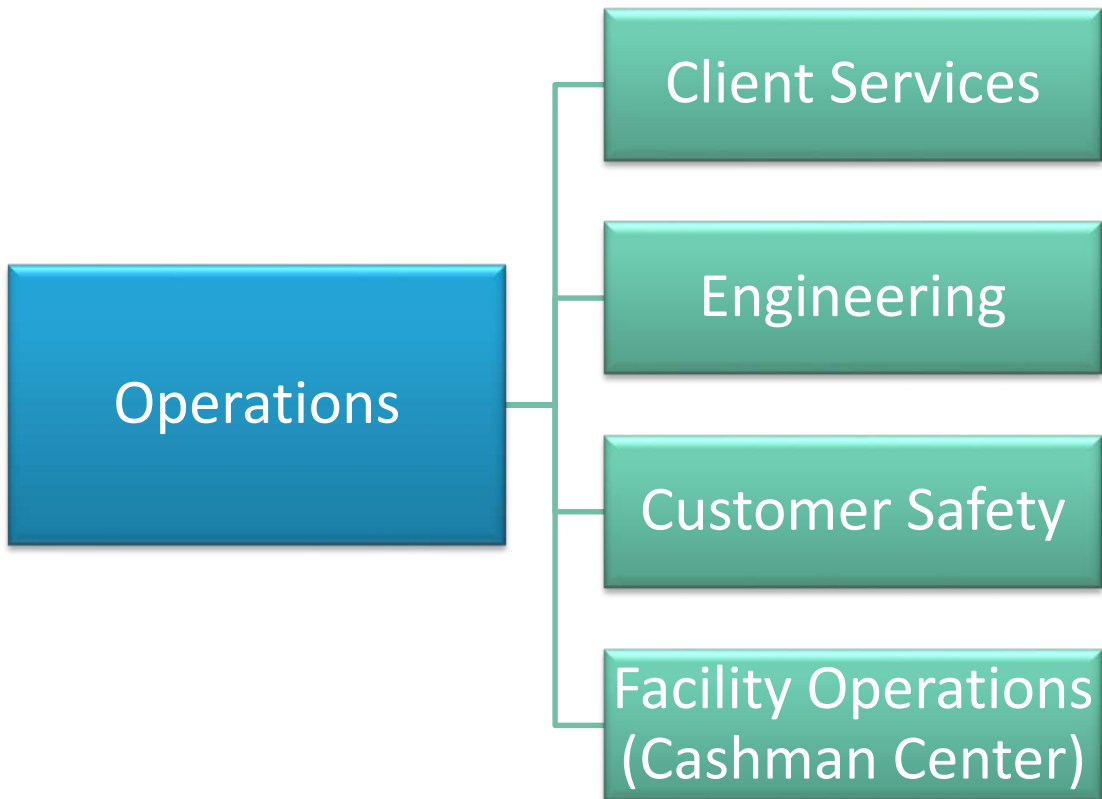
	Actual FY 16	Est. FY 17	Est. FY 18
Total Visitor Volume (all centers)	219,177	227,695	230,389
Visitor Center Brochures Distributions (all centers)	1,526,765	1,522,330	1,532,264
Number of Conventions Serviced by Registration Services	229	210	215
Revenue Billed by Registration Services	\$1,185,102	\$902,100	\$906,510
Registration Services - New Clients	46	48	50

Prior Year Achievements

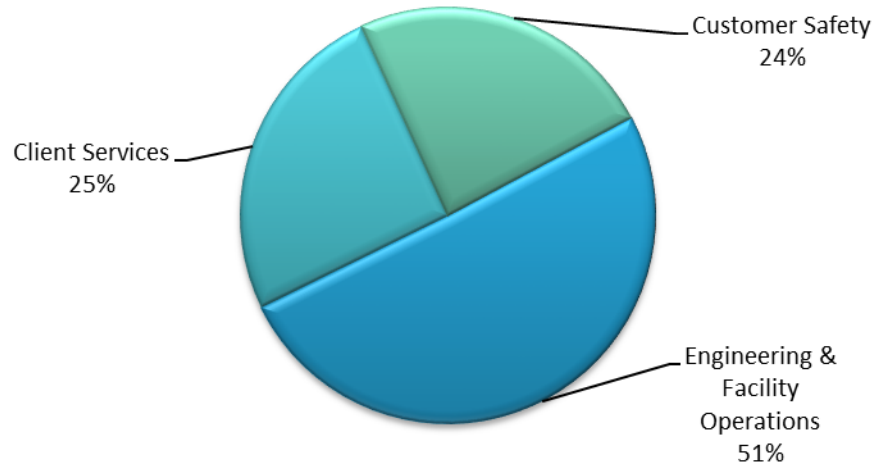
- ❖ Created comprehensive process with procedures for parking reimbursement for Registration Services part-time staff.
- ❖ Updated Visitor Centers' staff uniform to a more modern look consistent with the LVCC's new design.
- ❖ Completed phase two of the VIC remodeling project by adding artificial plants and pictures to enhance décor of the VIC's.
- ❖ Updated procedures manual for Registration Services on-call staff to mirror LVCVA full-time employee handbook verbiage.

OPERATIONS

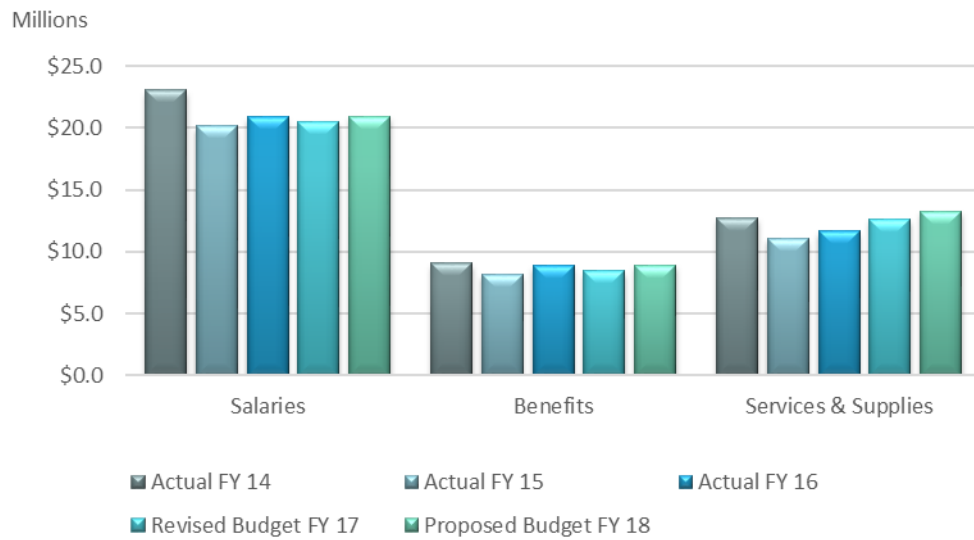
The Operations division support housing our convention and meetings visitors. The Operations section has the overall responsibility for the operation, maintenance and safety of the Las Vegas Convention Center and Cashman Center.



OPERATIONS FY 2018 EXPENDITURES



5 Year Expenditure Analysis



OPERATIONS

BUDGET ANALYSIS

The Operations budget reflects a 3.6% increase in FY 2018 as compared to the FY 2017 revised budget, mainly due to programmed increases in personnel costs. Of the services and supplies budget, approximately \$8.5 million is devoted to utilities, and \$1.9 million is for repair and maintenance.

ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18	% CHANGE
23,080,276	20,165,057	20,910,579	Salaries & Wages	20,533,600	20,966,900	2.1%
9,076,876	8,189,282	8,853,518	Employee Benefits	8,462,200	8,908,000	5.3%
12,779,008	11,099,637	11,651,761	Services & Supplies	12,656,000	13,256,400	4.7%
44,936,160	39,453,976	41,415,858		41,651,800	43,131,300	3.6%
1,385,216	578,197	996,084	Capital Outlay	527,500	982,300	86.2%
347	309	316	Full-time Personnel	300	302	0.7%

No new positions were approved for FY 2018 for the Operations division. However, two positions from General Government were shifted to Operations in FY 2018.

Capital items totaling \$982,300 (i.e. furniture and equipment over \$10,000) are incorporated this fiscal year, with \$650,000 allocated for Phase I of the multi-year Cart Replacement Program for more efficient and safe equipment. Those requests are accounted for in the capital improvement and replacement fund (see page 80). All computer-related budget requests (i.e. computers, printers, software, scanners and network servers) are accounted for in Information Technology's capital budget.

The Operations division has the overall responsibility for the operation, maintenance and safety of the Las Vegas Convention Center and Cashman Center.

To fulfill the LVCVA mission, the following goals have been created:

- ❖ Continue with preparations, planning and due diligence phases for the LVCCD project.
- ❖ Introduce initiatives to foster employee development, partner education and stakeholder outreach to ensure a consistent understanding and delivery of the LVCVA brand promise.
- ❖ Fully develop the LVCVA's commitment to sustainability, including the continuation of green operating procedures, increased energy measurement and efficiencies and staff education in sustainable practices.
- ❖ Develop and execute facility improvement, upgrades and renovation programs to maintain the competitive features and offerings of the Las Vegas Convention Center.
- ❖ Develop incremental programming to improve supervisor and management training, employee development and staff accountability.

OPERATIONS – CLIENT SERVICES

CLIENT SERVICES

Client Services is responsible for a myriad of daily show and building-related requirements as well as the overall cleanliness of both the Las Vegas Convention Center and Cashman Center. These responsibilities include room set-up, production and sporting event set-up, equipment logistics, response to show manager requirements, restroom cleanliness and tracking over \$6 million dollars of equipment and supplies.

In order to accomplish these activities, Client Services works closely with other internal departments, building partners and contractors to ensure our customers’ desired outcome is achieved. This teamwork and constant communication allows the department to schedule, plan and allocate the necessary resources in a timely and efficient manner.

Goals

- ❖ Further develop safety initiatives and record keeping that are cloud based, user friendly and allow for a broader, more consistent implementation throughout the course of a year.
- ❖ Evaluate current meeting room furniture inventory and begin research on identifying next generation, high capacity, ergonomic options that meet the future needs of our customers and facility.
- ❖ Explore employee recognition programs that focus on department specific achievements and determine best criteria for staff members to strive for, while being recognized by peers and/or supervisors.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Recycle Rate (per calendar year)	54%	56%	56%
Scheduled Room Changes	660	650	630
Work Orders Complete	1,369	1,448	1,491
Restroom Support (% of labor-hours used)	36%	37%	35%
Building Maintenance (% of labor hours used)	22%	23%	23%

Prior Year Achievements

- ❖ Emphasized increased communication efforts in which smaller group and one-on-one conversations were encouraged while the introduction of full department town hall style meetings proved to be beneficial across the board.
- ❖ Focused on improving employee morale with three key areas being identified to maximize success: increased due diligence during the hiring process, coaching/training current staff members on customer service expectations and both private and public displays of appreciation ranging from “thank you” to more formal options.
- ❖ Restructured and enhanced the overall maintenance of shows by introducing an attendant style restroom maintenance program, which created increased capacity for staff in turn allowing high traffic areas to gain more focus.
- ❖ Developed a custom seating design throughout the facility that will be complemented by additional and conveniently located charging stations while contributing to an overall increased seating capacity.

OPERATIONS – ENGINEERING

ENGINEERING

LAS VEGAS CONVENTION CENTER

The Las Vegas Convention Center, located adjacent to the Las Vegas Strip, currently encompasses approximately 3.2 million square feet with exhibit space of more than 2 million square feet and meeting space of more than 241,000 square feet. It includes 144 meeting rooms with seating capacities from 20 to 2,500. Parking for 5,200 cars is available on-site. See the diagram on page 7.

The Engineering section encompasses the activities of heating, ventilation and air conditioning (HVAC), plumbing, electrical, carpentry, painting, welding/fleet/folding walls, computerized maintenance management system (1CALL), grounds, graphics and the Engineering Projects department.

The section's primary objective and responsibility is to maintain and operate all building systems and building components to a level that minimizes customer disruption and supports customer needs. Engineering continuously pursues new technology that improves building efficiencies without compromising the comfort or quality that today's customer expects of the Las Vegas Convention Center.

Engineering staff handles preventative maintenance in all areas, from maintaining over 5,000 doors, including freight doors, to fleet vehicles and resolving HVAC and lighting issues, not only at the Las Vegas Convention Center, but also at the five outlying visitor information centers.

Goals

- ❖ Develop and implement a comprehensive roof access protocol.
- ❖ Propose a revised air-conditioning rate structure that will define adequate rates to cover the cost of doing business and ensure rates are fair and equitable to all customers.
- ❖ Develop strategic plan for integrating handheld devices into engineering operations.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Maintained and/or Repaired Doors (5,620)	4,275	5,000	5,000
Maintained and/or Repaired Fleet Vehicles, Carts, and Multi-use Lift Equipment (204)	204	204	204
Maintained and/or Repaired Bulbs and Lamps (278,000)	239,000	239,000	250,000
Maintained Plumbing Fixtures (1,589)	1,192	1,192	1,400
Maintained Ceiling Components (892,000 sq. ft.)	828,100	850,000	850,000
Maintained Restroom Partition Doors and Door Hooks (1,088)	1,025	1,000	1,000
Maintained and/or Repaired Electrical Power Panels and Disconnects (1,500)	625	625	650
Maintained Restrooms (126) and Janitor Closets (32)	99	126	126/32
Maintained and/or Repaired Stand-alone A/C Units (182)	148	182	182
Maintained Freight Doors (86) and Central Plant Doors (4)	82 / 4	86 / 4	86 / 4
Maintained Elevators (24) and Escalators (20)	24 / 20	24 / 20	24 / 20
Maintained and/or Repaired Parking Areas (99.28 acres)	76	76	99
Maintained Air Handlers (142)	130	142	142

ENGINEERING (continued)

Prior Year Achievements

- ❖ Completed an assessment of the current condition of the roof as a precursor to the development of the action plan to address the issues. The roof was videotaped and mapping was developed to indicate levels of criticality in each area. Coordination and oversight of the efforts to make the recommended repairs on C1 & C2 were completed and will continue with the planning and scheduling of the remaining proposed repairs from the FY17 roof assessment.
- ❖ In response to a request made by Homeland Security, identified power distribution paths from NV Energy into our facility. The plan included color coded exhibit halls matching their designated power distribution points, enabling immediate response to the source for resetting or disconnecting power during an emergency. This “at a glance” ability to respond is critical to Life Safety, Homeland Security and sets the standard for response plans regarding other utilities.
- ❖ Worked collaboratively with the Safety Manager to develop a program ensuring all Engineering personnel receive the required safety training applicable to their position within the organization. Conducted a training needs analysis and created an employee training matrix schedule. The matrix indicated the type of training needed and provided a tracking vehicle to ensure staff met mandated OSHA requirements and state regulations.
- ❖ Coordinated efforts with Centerplate to ensure a seamless transition into the organization that included refurbishing kitchen areas, reviewing floor plans and providing technical assistance for food service strategies. Completed a face-lift of the executive offices, delivering work space for support staff and a practical conference room. Created a dedicated drop box exclusively for Centerplate to access all restaurant locations.

OPERATIONS – ENGINEERING

ENGINEERING PROJECTS

The Engineering Projects department, part of the Engineering section, is responsible for overseeing all construction projects from conceptual design through the permitting, construction, commissioning and final acceptance process. The department coordinates the work of architects, engineers and construction firms for projects ranging from minor renovations and demolitions to capital projects for building and land improvements. Personnel work closely with LVCVA departments to identify strategic capital improvement projects that will enhance the customer experience and support sustainability initiatives.

Goals

- ❖ Continue coordination of the exterior property door upgrade and standardization with the implementation of the 3rd phase of the Door Replacement Program replacing worn doors and hardware with storefront glass and metal doors.
- ❖ Facilitate construction of a right turn lane for westbound Desert Inn traffic turning right onto Joe W. Brown Drive to assist with safety and traffic flow in and around the LVCC.
- ❖ Resume with the next phase of the multiyear fire alarm project, Emergency Notification system, in various areas of the property.
- ❖ Coordinate the crack seal, seal coat and re-stripe the Silver Lots as part of the parking lot preservation program.

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Construction (CIP) Pay Applications and Invoices Reviewed and Submitted	219	220	220
Completed Board Approved CIP and Additional Approved CIP Projects	23	25	25

Prior Year Achievements

- ❖ Facilitated the upgraded and renovated landscaping areas in and around the property to improve aesthetics for customers and the surrounding community.
- ❖ Coordinated and completed the Interior Charging Station project installing charging outlets in the Central Hall Lobby near columns for customer use.
- ❖ Improved the project closeout process by meeting with sponsors and customers at the end of each project to assess success and lessons learned.
- ❖ Launched the Engineering Team Site to all other employees within the LVCVA to improve the communication experience through forms, diagrams and maps.
- ❖ Combined central carrier service locations and installed distributed antennae system in strategic areas for better cell reception throughout the Las Vegas Convention Center.

CUSTOMER SAFETY

With over 240 full and part-time staff, Customer Safety is comprised of three sections: Security Operations, Traffic and Fire Prevention. It is the only department within the organization with a 24/7 presence.

Security Operations includes three sub-sections: (1) Control Center; (2) Safety and, (3) Canine Units. The Control Center is responsible for transmitting emergency/non-emergency (incoming and outgoing) calls for service via telephone, radio and in-person. The Control Center collects and identifies lost and found property; monitors fire alarm systems; issues employee and contractor photo ID badges; and handles lighting requests and access control. Programs such as GuestAssist, a text messaging service and WeatherCall, a climate notification system are both managed by the Control Center. Safety is responsible for leading employee safety efforts including program management, OSHA compliance, injury prevention and safety training. Canine Units check objects, suspicious packages and areas for explosive contraband. The presence of a canine team in our environment has proven to be a deterrent to criminal activity involving explosives or other contraband. Security Operations oversee programs such as the Executive Protection, and Nursing/First-Aid.

Traffic is responsible for securing the perimeter of the campus and traffic control. The Perimeter Security team monitors freight areas and assists in ensuring all vehicular traffic coming on property is authorized. Traffic section also includes paid-parking which generates revenue for the organization.

Fire Prevention is responsible for ensuring and maintaining a safe and risk-free environment for employees, visitors and guests through the enforcement of regulatory statutes, codes, industry standards, and basic risk management theories and practices. Life Systems is a sub-section of Fire Prevention and is responsible for ensuring the safety of all building occupants by monitoring/maintaining technologies involving all fire and alarm systems.

Over the years, Customer Safety has established a diverse position in the community, collaborating with organizations equally committed to protecting the public's welfare and core infrastructures. Some of those organizations include, but are not limited to the International Tourism Safety Association, Las Vegas Security Chiefs Association and Las Vegas Metropolitan Police Department's Southern Nevada Counter-Terrorism Center.

Goals

- ❖ Further increase communication and visibility by becoming more active in community associations, organizations and events.
- ❖ Continue to foster organizational safety efforts through involvement by leadership and employees using training, information sharing, goals/metrics and mentoring. Continue efforts towards standards compliance by developing necessary safety programs and procedures.
- ❖ Introduce new department initiatives focusing on elevating the customer's experience.
- ❖ Develop and roll out a structured training academy for new employees entering the security section of the department.
- ❖ Improve efficiencies of daily tasks and assignments through a series of process improvements.

CUSTOMER SAFETY (continued)

Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Lost/Found – Percentage of Items Returned to Owner	50%	51%	51%
Photo ID Badges Created for Building Workers	5,164	5,400	5,282
First Aid Room Contacts (patients treated)	1,550	2,075	1,780
Paid Parking Revenue	\$3,220,518	\$2,990,000	\$3,050,000
Total Guest Assist Text Conversations	602	728	850
Total Guest Assist Text Alerts Released by Control Center	1,022	1,150	1,200
Number of Individuals Receiving Guest Assist Text Alerts	26,720	33,025	35,000

Prior Year Achievements

- ❖ Played a leading role in overall success of the final Presidential Debate. All areas of the department staff were completely engaged during the entire process. Collaborated, almost daily, with law enforcement and public safety representatives from agencies such as Las Vegas Metropolitan Police Department, United States Secret Service, Federal Bureau of Investigations, United States Department of Homeland Security, Clark County Fire Department and Las Vegas Fire & Rescue, to execute a seamless security operations plan on the campus site of the University of Nevada, Las Vegas.
- ❖ Customer Safety continued to establish a vigorous foothold in the community by strengthening partnerships, building new relationships and introducing new initiatives to not only the LVCVA but the community at large. Embarked on new initiatives such as BioWatch, a federal government program designed to detect the release of harmful/toxic pathogens into the air. Customer Safety’s involvement assisted in determining which local special events received the federally grant-funded detection equipment. Assisted UNLV on an initiative to develop a Tourist Safety Center in Southern Nevada. Introductory meetings included members from LVCVA Executive Team, LVMPD and leaders representing the resort corporate security community. Participated on the advisory board of the Veterans Tribute Career and Technical Academy to better prepare its students for career paths in the fields of law enforcement and public safety
- ❖ Customer Safety along with the Purchasing Department facilitated travel safety training sessions for employees who travel for business purposes, both domestically and internationally. As well as training sessions for the LVCVA Board of Directors.
- ❖ Rolled-out an Active Shooter Training Certificate Program where employees were required to complete the on-line training class. 100% of current employees have undergone the training, and the program is now provided to new hires.
- ❖ Developed a professional quick-reference Emergency Operations Plan Guidebook for all employees. The guidebook contains LVCVA campus site-specific operations/procedure instructions, including policies, contact information and maps to assist employees in successfully overcoming every imaginable threat or emergency.

OPERATIONS – FACILITY OPERATIONS (CASHMAN CENTER)

FACILITY OPERATIONS

Cashman Center is located on 51 acres near downtown Las Vegas. This facility provides an outdoor sports stadium that seats 10,000 fans and is home to a Triple A baseball franchise, the Las Vegas 51s. The theater accommodates 1,898 patrons, with seating on the main floor and balcony areas. The campus contains fourteen meeting rooms with approximately 13,000 square feet of space and two exhibit halls with 98,100 square feet of space for small conventions, seminars, receptions and other events. See the schematic on page 8.

In March 2017, the Board of Directors approved a revised property transfer agreement that will turn the exhibit halls and theater at the center over to the city of Las Vegas and the building will be decommissioned by December 31, 2017. The LVCVA will continue to operate the sports stadium and parking lots surrounding it through the duration of lease agreement with the Las Vegas 51s.

Goals

- ❖ Develop new operational processes to support revised facility function and activities.
- ❖ Grow annual field maintenance clinic attendance by 15%.

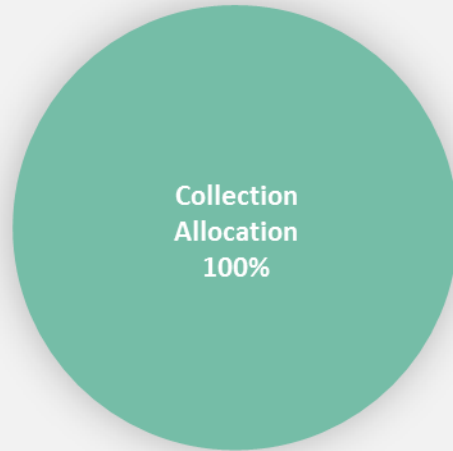
Activity Measures

	Actual FY 16	Est. FY 17	Est. FY 18
Work Orders Completed (%)	97.5%	95%	95%
Scheduled Preventative Maintenance Completed (%)	100%	80%	80%
Ball Field Maintenance (labor hours)	6,520	6,800	6,800

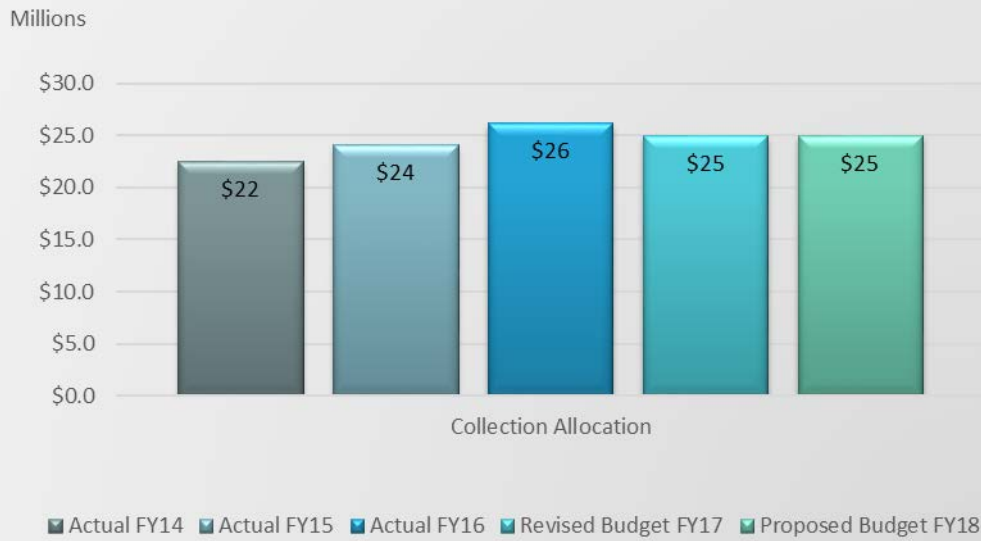
Prior Year Achievements

- ❖ Supported the successful food and beverage partner transition.
- ❖ Recognized as the first AAA baseball field to implement Universe Frazee Mowing for turf cleanout and renovation.
- ❖ Provided an additional water savings of 1.2 million gallons due to conservation practices.

FY 2018 Expenditures



5 Year Expenditure Analysis



COMMUNITY SUPPORT

BUDGET ANALYSIS

Personnel and capital are not a budget category for this section.

Collection allocation increases and decreases proportionally with room taxes, as it is based on 10% of the amount of room taxes and gaming fees collected. However, in October 2016 the Nevada State Legislature passed SB1. Revenues generated from the one-half of one percent (0.5%) room tax are excluded from the collection allocation, as those revenues are wholly restricted to the LVCCD Project. Additionally, SB1 imposed a cap of \$25 million on the total annual collection allocation eligible to be returned to the collecting entities under NRS 244A.645. The excess of collection allocation over the capped amount is restricted for use in the LVCCD fund and is included in the transfers out to other funds. The financial impact of that cap, will be reflected in the collection allocation reimbursement for the fourth quarter of fiscal year 2017.

Other financing uses is comprised of transfers out which represents appropriations for capital outlay, LVCCD, other post-employment benefits, and debt service as discussed in the following capital, LVCCD, debt service and internal service fund sections.

Reserve for contingency contains funding for unforeseen expenses that must be approved by the Board.

ACTUAL FY 14	ACTUAL FY 15	ACTUAL FY 16	EXPENDITURES BY CATEGORY AND OTHER FINANCING SOURCES	REVISED BUDGET FY 17	PROPOSED BUDGET FY 18	% CHANGE
22,449,149	24,104,565	26,161,392	Collection Allocation	25,000,000	25,000,000	0%
28,837	-	-	Other	-	-	0%
22,477,986	24,104,565	26,161,392		25,000,000	25,000,000	0.0%
61,483,509	79,988,725	76,510,457	Other Financing Uses	112,898,300	115,892,477	2.7%
-	-	-	Reserve for Contingency	500,000	500,000	0.0%
83,961,495	104,093,290	102,671,849		138,398,300	141,392,477	2.2%

10% of the total room taxes and gaming fees collected are set aside to be returned to the county and the cities or transferred to LVCCD fund. The division of this collection allocation to the collecting entity is set forth in an agreement between the various entities and may be designated by the individual entities for any purpose. The distribution to the county and its incorporated cities is mainly based upon the governor-certified population figures as prepared by the state demographer. The agreement adopted in FY 2007 maintained the reimbursement allocation up to the level as paid in FY 2007 ("Baseline"). Distribution above the baseline is remitted to the entity that collected the increase. If revenue falls below the FY 2007 level, the agreement reverts back to the one adopted in 1995 which is based solely on population with a set percentage for the cities of Mesquite and Boulder City. As collection allocation budget in FY 2018 is above the FY 2007 level, the entity distribution is based on the 2007 agreement.

CAPITAL PROJECTS FUND

The capital projects fund is used to account for the acquisition of capital assets and the construction of new facilities or improvements. For FY 2018, the LVCVA has two funds reported in the capital projects fund. The Capital Improvement and Replacement Fund, and the Nevada Department of Transportation Fund. The LVCCD Project Fund is shown as a separate external fund to enhance transparency.

CAPITAL IMPROVEMENT AND REPLACEMENT FUND

The Capital Improvement and Replacement Fund is used to account for capital expenditures for furniture, equipment, construction work-in-progress, land, buildings, improvements to land and buildings and leaseholds.

In FY 2002, capital assets became depreciable per GASB Statement No. 34's "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This means that the LVCVA allocates the cost of tangible property over a period of time, rather than expensing the entire cost in one year. Generally, at the end of an asset's useful life, the net value of the asset (original cost less accumulated depreciation) will equal the salvage value of the asset.

The requirement for maintaining controls over capital assets is found in the Nevada Revised Statutes and Nevada Administrative Code. The latter spells out the following inventory guidelines:

- (1) The governing body of every local government shall take an inventory at least once every two years of all its equipment and other personal property that constitute fixed assets.
- (2) Each item of property subject to the inventory must be assigned an identifying number and be labeled as belonging to the local government.

CAPITALIZATION THRESHOLD

Nevada Administrative Code 354.750 sets guidelines for the establishment of capitalization thresholds by resolution.

A capital asset is property such as equipment having a useful life greater than one year. There are two major types: real property, such as land, land improvements (excavation, filling, utilities, removal, retaining walls, fencing, etc.) buildings, building improvements and personal property including vehicles, machinery, equipment and furniture and fixtures. Capital assets may also include patents, goodwill, trademarks and leaseholds.

Capital Fund Threshold

Assets with a unit cost less than \$10,000 shall be treated as operating supplies and funded from the initiating department's operating budget. Assets with a unit acquisition cost greater than \$10,000 will be funded from the LVCVA's Capital Fund.

Capitalization Threshold

State statutes allow the governing body to adopt a resolution establishing the thresholds for required capitalization. Capitalization assumes the following: the item is generally tangible in nature (computer software is the major exception); the item has a useful life greater than one year; and the item is not a repair part or supply item. The LVCVA has established the following thresholds for determining the cost at which items should be classified as a capital asset.

- Assets with a unit acquisition cost greater than \$10,000.
- Bulk capital asset purchases are defined as a single purchase or an acquisition of a quantity of similar items with unit costs of less than the threshold. Bulk capital asset purchases will be capitalized if those items are part of the rolling stock of recurring purchases. Typical bulk capital assets are setup tables and chairs, podiums, barricades and amplifiers. While individually costing less than the threshold, these items will be combined and capitalized as a group of assets.

CAPITAL PROJECTS FUND

BUDGET PROCESS

Planning for capital acquisitions is a continuous process throughout the year. Individual employees originate proposals for acquiring new and replacement equipment and furniture. If the supervisor agrees with the proposal, it is added to the section's capital requests.

During the budget process, each organizational unit submits its requests to acquire equipment and furniture. These requests must be justified as replacements for existing items that have failed or become obsolete, or as new acquisitions that will enhance and improve the efficiency and/or effectiveness of the LVCVA's operations. All requests are reviewed and discussed during the executive budget review process. The acquisitions that are approved through this process are consolidated into the final budget. Some are moved to subsequent years for future consideration.

Factors that can influence an increase or decrease in the land and building improvement accounts are:

- ✧ As the Las Vegas Convention Center is expanded, the older parts of the facility are updated and modernized.
- ✧ Due to the number of shows and events using the exhibit halls and meeting rooms, projects must wait for an open time frame before proceeding.
- ✧ National and international events, such as economic downturns, can determine if capital improvement projects will be deferred until future years.

The LVCVA uses the construction work-in-progress account to fund various on-site improvements that have been on the drawing board, in some cases for years.

Capital land and building improvement project requests have a similar, although more involved, budget process. The capital improvement program is described on page 84.

These expenditures are funded from current operations or bond proceeds.

IMPACT ON GENERAL FUND

Capital projects can have an impact on the LVCVA's operating budget in several ways. Costs impacted by acquiring or replacing equipment and constructing additional exhibit space include required personnel levels, maintenance expenses and utility charges. Some of the capital projects are multi-year programs, and the fiscal impact can be spread across many fiscal years.

Building and land improvements are listed on pages 81-82. Included is a description of the project and any quantifiable impacts on the general fund.

The majority of the furniture/fixtures and equipment purchases are for replacement due to damage, obsolescence or theft. When repairing damaged equipment is no longer cost-effective, it is replaced. However, depending on the type of equipment, many departments utilize damaged equipment for parts, thereby reducing repair costs.

BUDGET ANALYSIS

FY 2018 capital projects and purchases are funded with a transfer to the Capital Fund from the operating budget. The FY 2018 transfer of \$5.5 million is 52.2% less than FY 2017 revised budget, as during FY 2017 additional funds were augmented into capital. During FY 2018, our capital fund will be used for a variety of small improvement projects, including land improvement, building improvements and routine replacement of furniture and equipment.

The capital improvement program (CIP) for FY 2018 is comprised of economic reserves.

Non-CIP building and land Improvements total \$3,035,900 and furniture, equipment and computer appropriations total \$2,496,300.

CAPITAL PROJECTS FUND

NEVADA DEPARTMENT OF TRANSPORTATION FUND

As authorized by Nevada Revised Statute 244A.637, the LVCVA issued bonds to provide funding to the Nevada Department of Transportation (NDOT) for road projects along Interstate 15. A legislative mandate required the LVCVA to contribute the lesser of \$20,000,000 a year for a period of 30 years for debt service or a total of \$300,000,000 in principal to the NDOT for projects in Clark County. All bonds have been issued related to this obligation. This fund accounts for the expenditures of funds to the Nevada Department of Transportation. The principal and interest on outstanding debt is accounted for in the debt service section. All remaining funds have been appropriated in the FY 2017 budget for the Tropicana Pedestrian Bridge project and therefore, no planned expenditures are budgeted for in FY 2018.

HISTORICAL SCHEDULE OF CAPITAL FUND

The historical schedule below includes all internal capital project funds, and is shown as a single fund for external financial reporting purposes, except the LVCCD Project Fund, which is reported separately (thus not included below).

	ACTUAL FY 2015	ACTUAL FY 2016	REVISED BUDGET FY 2017	PROPOSED BUDGET FY 2018	% INCREASE FY18/17
REVENUES:					
Interest and Investment Earnings	\$ 213,192	\$ 546,659	\$ 285,000	\$ 376,000	32%
Miscellaneous	672,130	850,703	-	-	0%
Total Revenues	885,322	1,397,362	285,000	376,000	32%
EXPENDITURES:					
Business Partner Expenditures	785,448	822,238	-	-	0%
Non-Capital Assets	271,161	1,101,785	-	-	0%
Leasehold Improvements	138,832	179,163	-	-	0%
Land & Improvements	188,888,059	924,732	11,380,100	348,800	-97%
Buildings	1,715,789	1,160,933	4,402,900	2,687,100	-39%
Capital Improvement Program	404,320	-	-	-	0%
Capital Transition Projects	50,725	477,132	-	-	0%
Construction in Progress	1,844,025 *	32,792,139 *	89,228,130 *	27,000,000	-70%
Furniture & Equipment					
General Government	36,975	-	3,258,300	1,228,000	-62%
Marketing	12,384	314,202	685,900	100,000	-85%
Operations	457,559	875,681	527,500	982,300	86%
Issuance of Capital Leases					
Capital Lease Principal	108,769	114,440	186,000	186,000	0%
Capital Lease Interest	11,868	5,964	-	-	0%
Total Expenditures	194,725,915	38,768,408	109,668,830	32,532,200	-70%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(193,840,593)	(37,371,046)	(109,383,830)	(32,156,200)	-71%
OTHER FINANCING SOURCES (USES):					
Transfers In	21,500,000	14,000,000	11,500,000	5,500,000	-52%
Transfers Out	-	-	(3,255,000)	-	-100%
Proceeds from Sale of Capital Assets	600,000	-	-	-	0%
Proceeds of Debt Issuance	187,000,000	-	50,000,000	-	-100%
Total Other Financing Sources (Uses)	209,100,000	14,000,000	58,245,000	5,500,000	-91%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES					
	15,259,407	(23,371,046)	(51,138,830)	(26,656,200)	-48%
FUND BALANCE, BEGINNING (from CAFR)	87,298,289	102,557,696	79,186,650	28,047,820	-65%
FUND BALANCE, ENDING (from CAFR)	\$ 102,557,696	\$ 79,186,650	\$ 28,047,820	\$ 1,391,620	-95%

*Includes projects from the Nevada Department of Transportation Funds.

CAPITAL PROJECTS FUND

The summary below represents capital projects and purchases by organizational unit. A more detailed listing follows it.

EXPENDITURE SUMMARY

IMPROVEMENTS

Building Improvements

Las Vegas Convention Center	\$ 2,592,100
Cashman Center	95,000

Reserves

Economic Reserve	27,000,000
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Land Improvements

Las Vegas Convention Center	220,800
Cashman Center	128,000

Subtotal

30,035,900

FURNITURE /FIXTURES & EQUIPMENT

General Government

Finance & Accounting	500,000
Human Resources	108,000
Information Technology	806,000

Marketing

Brand Strategy	100,000
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Operations

Client Services – LVCC	304,800
Engineering	650,000
Traffic	27,500

Subtotal

2,496,300

\$ 32,532,200

Project numbers listed on the following three pages encompass a range of projects from FY 2012 to FY 2018. A project may have expenses in a prior year and also have funding in the new budget year. Additionally, a project which has been canceled in a prior year may receive funding in the new budget year. Using the original project number, we are better able to report the projects' timeline and to track the entire cost.

CAPITAL PROJECTS FUND

CONVENTION CENTER

BUILDING IMPROVEMENTS

Building improvements include such projects as additions, expansions or renovations to current buildings and upgrades or replacements of equipment attached to the buildings. Projects numbers flow from year to year which allows us better tracking of the entire cost of a project.

	BUDGET FY 2018
00000.18.001 Building Enhancements	\$ 500,000
00000.18.002 C5 Hall Door Replacement	95,000
00000.12.003 Emergency Notification System	1,902,100
00000.17.005 Exterior Building Lighting	95,000
	<u>\$2,592,100</u>

LAND IMPROVEMENTS

Land improvements are defined as land attachments of a permanent nature, other than buildings and include such items as roads, bridges, tunnels, walks, parking lots, etc.

	BUDGET FY 2018
00000.18.003 Blue Lots Reconfiguration	\$ 90,000
00000.18.004 North Road Gate Installation	12,800
00000.18.005 Silver Drive Seal Coat	68,000
00000.18.006 South and East Perimeter Landscaping	50,000
	<u>\$ 220,800</u>

MAJOR PROJECTS FOR FY 2018

EMERGENCY NOTIFICATION SYSTEM – Fire panels will be replaced throughout the whole facility and new strobe lights and speakers will be installed in the 2nd and 3rd floor administration areas. In previous years this project was funded to move fire alarm strobe lights in the Central Halls. This life-safety project will bring the LVCC into compliance with current building and safety codes.

CART REPLACEMENT – A vast majority of the Authority’s cart inventory is greater than ten years old and from a variety of manufacturers. The replacement project aims to narrow the number of cart types which will standardize the look of the vehicles. Fewer cart types reduces the downtime for repairs as parts become interchangeable. Finally, the new carts will be street-legal in order to traverse our growing campus.

RADIO REPLACEMENT – The LVCVA uses hand-held 2-way radios as its primary communication method for call-of-service between departments and during emergencies out in the field. Our hand-held radios are aging and we often have 4-5 units out for repair at any one time. This project will completely replace the nearly 20-year old radio system with a new state-of-the-art digital system that will provide secure and reliable communication.

CAPITAL PROJECTS FUND

With the LVCCD project's long-term vision in mind, capital funding in FY 2018 remains limited to reinvestment in the facilities that is deemed to be essential in ensuring current operational excellence. Significant capital improvements programs, including the future year expenditures, are highlighted on pages 85-87.

CASHMAN CENTER

BUILDING IMPROVEMENTS

Building improvements include such projects as additions, expansions or renovations to current buildings and upgrades or replacements of equipment attached to the buildings.

		BUDGET
		FY 2018
00000.18.006	Plumbing Cleanout Valves Installation	\$ 95,000
		<u>\$ 95,000</u>

LAND IMPROVEMENTS

Land improvements are defined as land attachments of a permanent nature, other than buildings and include such items as roads, bridges, tunnels, walks, parking lots, etc.

		BUDGET
		FY 2018
00000.18.007	Outfield Wall Replacement	\$ 73,000
00000.18.008	Ballfield Protective Netting and Padding	55,000
		<u>\$ 128,000</u>

IMPACT ON OPERATING BUDGET

The various major projects are anticipated to reduce repair and maintenance costs and increase efficiency. However, none of these projects are expected to increase general fund expenditures, such as personnel.

CAPITAL PROJECTS FUND

Departmental Furniture & Equipment

	<u>FURNITURE</u>	<u>EQUIPMENT</u>
<u>GENERAL GOVERNMENT</u>		
<u>HUMAN RESOURCES</u>		
10500.18.001 Trailer		\$ 108,000
		<u>108,000</u>
<u>FINANCE & ACCOUNTING</u>		
10705.18.001 FF&E Reserve		500,000
		<u>500,000</u>
<u>INFORMATION TECHNOLOGY</u>		
11000.18.001 Data Center Server Upgrade		35,000
11000.18.002 Mixer/Amps		45,000
11000.18.003 Network Firewall Upgrade		50,000
11000.18.004 Office Space Furniture	\$ 10,000	
51000.17.004 PC/Laptop Leasing		186,000
11000.18.005 Radio Replacement		450,000
11000.18.006 UPS Battery Replacement		30,000
	<u>10,000</u>	<u>796,000</u>
<u>MARKETING</u>		
<u>BRAND STRATEGY</u>		
33800.16.001 International Sales Booth		100,000
		<u>100,000</u>
<u>OPERATIONS</u>		
<u>CLIENT SERVICES - LVCC</u>		
55020.18.001 Barricades		35,300
55020.18.002 Electric Pallet Jack		23,300
55020.18.003 Mity-Lite 8' Banquet Tables (700)		134,000
55020.18.004 Pressure Washer		13,700
55020.18.005 Ride-On Sweeper		14,000
55020.18.006 Scrubber		18,700
55020.18.007 Seating for Lobby	50,000	
55020.18.008 Trash Cans		15,800
	<u>50,000</u>	<u>254,800</u>
<u>ENGINEERING</u>		
55041.18.001 Cart Replacement		650,000
		<u>650,000</u>
<u>TRAFFIC</u>		
55059.18.001 Digital Message Sign		27,500
		<u>27,500</u>
<u>TOTALS</u>		
	<u>\$ 60,000</u>	<u>\$ 2,436,300</u>
	Grand Total	<u>\$ 2,496,300</u>

FIVE YEAR CAPITAL IMPROVEMENT PLAN

A Capital Improvement Plan (CIP) is a financial planning and management tool that lists proposed capital projects and capital acquisitions for a rolling five-year period. This multi-year document identifies and prioritizes the need for the improvements and acquisitions and coordinates their funding and optimal time frames for completion. It is also a process that provides order and continuity to the repair, replacement, construction or expansion of the LVCVA's facilities.

The LVCVA prepared a five-year capital improvement plan for fiscal years 2018 – 2022. It includes not only all planned capital acquisitions or projects expected to cost \$30,000 or more in one fiscal year, but also multi-year equipment replacements and additions regardless of estimated individual cost. Current year projects and equipment estimated to be less than \$30,000 are included in the capital furniture and equipment listing on page 80. The first year projects (FY 2018) operating impacts have already been discussed on pages 81-82. If there are any impacts on the operating budgets for FY 2019 – 2022, they will be noted below the project name.

Following the five-year capital improvement listing is a brief narrative about the projects, in fiscal year order, with expected budgets over \$250,000. Each project narrative identifies and prioritizes the need for the improvements and acquisitions and coordinates their funding and optimal time frames for completion. Also presented are general fund impacts of said projects (personnel, services and supplies). The listing is sorted by fiscal year, location and category.

Nevada Revised Statute 350.013 requires that capital improvement plans be submitted to the Nevada State Department of Taxation and the County Clerk with the entity's Debt Management Policy and Indebtedness Report on August 1.

BUDGET PROCESS

In conjunction with the review and update of departmental objectives and preparation of the departmental annual budget, each department is required to identify and submit individual capital project requests to their respective executive.

Departments are urged to carefully assess their equipment necessities and planned improvement programs to determine the full five-year needs in an effort to encourage long-range planning instead of short-term, stop-gap, or "emergency" repairs or rehabilitation work.

For each project/acquisition, the submitter must provide a description, justification, documentation and amount of funding that is expected to be needed. In addition, any effects that the project will have on future annual operating budgets must be identified and quantified if possible. Based on the individual project details, summaries of capital funding needs over the next five years can be prepared and sources of funding identified.

The Finance Department then compiles a preliminary listing of capital projects and acquisitions for the executive review process. It is during this review process that project recommendations are accepted, deferred to later years, or changed either in time frame or funding.

Year one of the plan (budget year) is submitted to the board of directors for their acceptance and approval in the budget. Any projects or purchases that may have an impact on the operating budget will be footnoted and quantified if possible. The CIP does not include reserves.

FIVE YEAR CAPITAL IMPROVEMENT PLAN

LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2018-2022

	FY 18	FY 19	FY 20	FY 21	FY 22
CONVENTION CENTER					
Building Improvements					
Emergency Notification System	\$1,902,100	\$ 1,174,315			
Building Enhancements	500,000				
Exterior Building Lighting Project	95,000	150,000	\$ 150,000		
C-5 Door Replacement	95,000				
Central Plant Condenser Pump & VFD			188,000		
Central Plant Hot Water Boilers Upgrade			138,500		
South Hall Roof Drain Relining				\$ 275,000	
Central Plant Ventilation Wall				150,000	
Rapid Roll-Up Door Replacements				123,500	
S-1 Lobby Receptacles				80,000	
Vertical Metal Gray Siding Repair				75,900	
A/C Unit Carpenter Shop				28,000	
White Wall Insulation Panels (C3-C5)					\$ 200,000
Security Office Upgrades - South Hall					20,000
Subtotal	2,592,100	1,324,315	476,500	732,400	220,000
Land Improvements					
Blue Lots Reconfiguration	90,000				
Silver Drive Seal Coat	68,000				
South and East Perimeter Landscaping	50,000				
North Road Gate Installation	12,800				
Orange Lot Freight Door Aprons			598,000		
JW Brown Landscaping/Fencing/Gates				175,000	
Bronze Lot Fog Seal				80,000	
North Road Seal Coat				20,000	
Orange Lots 1&2 Surface Repairs					559,600
Platinum Lot Seal Coat					125,000
S2 Plaza Reconfiguration					79,500
Loading Dock 7 & 8 - Wall Protection Installation					60,000
Red Lot & Red Drive Seal Coat					25,000
Subtotal	220,800	-	598,000	275,000	849,100

FIVE YEAR CAPITAL IMPROVEMENT PLAN

LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2018-2022

	FY 18	FY 19	FY 20	FY 21	FY 22
CONVENTION CENTER					
Furniture & Equipment					
Cart Replacement	\$ 650,000				
FF&E Reserve	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Radios	450,000				
Capital Computer Lease	186,000	186,000	200,000	200,000	200,000
Tables	134,000	150,000	170,000		
Other (less than \$30K)	123,000				
Computer Equipment	115,000	250,000	250,000	250,000	250,000
Trailer	108,000				
International Sales Booth	100,000				
Lobby Seating	50,000	80,000			30,000
Mixer/Amps	45,000				
Barricades	35,300				
Skywatch		85,000	85,000		85,000
Mobile Surveillance Trailer		75,000			
Stage Panels and Legs		70,000			
Ride-on Sweeper		40,000	40,000		
Scrubber		40,000			75,000
DOT Signs		35,000	35,000		35,000
Sweeper Truck			115,000		
Forklift			47,500		
Chairs				500,000	500,000
Truck Mount Carpet Trailer				40,000	
Utility Truck					35,000
Subtotal	2,496,300	1,511,000	1,442,500	1,490,000	1,710,000
CASHMAN CENTER					
Building Improvements					
Plumbing Cleanout Valves Installation	95,000				
Stadium Lights Replacement		495,000			
Stadium Seat Supports Metal Replacement		35,000			
Concourse - Stadium Concrete Replacement			250,000		
Dugout Upgrades - Players			70,000		
Grounds Warehouse - Roof Repairs			40,000		
Boilers - Re-Tube			35,000		
Airwalls Recarpeting (Meeting Rooms)			30,000		
Subtotal	95,000	530,000	425,000	-	-

FIVE YEAR CAPITAL IMPROVEMENT PLAN

LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2018-2022

	FY 18	FY 19	FY 20	FY 21	FY 22
CASHMAN CENTER					
Land Improvements					
Outfield Wall Replacement	\$ 73,000				
Ballfield Protective Netting and Padding	55,000		\$ 55,000		
Parking Lot A South Side - Additional Wrought Iron Fencing		\$ 39,500			
Outfield Foul Ball Pole Replacement		25,000			
D Lot Repairs - Crack Seal, Seal Coat and Re-stripe			56,200		
B Lot Repairs - Crack Seal, Seal Coat and Re-stripe			43,000		
Subtotal	128,000	64,500	154,200	-	-
Furniture & Equipment					
Mower/Groomer/Field Specialty Equip		57,000	34,000	\$ 30,000	-
Other (less than \$30K)			27,000	27,000	
Subtotal	-	57,000	61,000	57,000	-
TOTAL – FIVE YEAR CAPITAL PLAN	\$5,532,200	\$ 3,486,815	\$ 3,157,200	\$ 2,554,400	\$ 2,779,100

FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Location Convention Center

Project Title Emergency Notification System

Project Number 0000012003.09

Project Description

Fire alarm strobe lights have already been moved in the Central Halls. In FY18, fire panels will be replaced throughout the whole facility and new strobe lights and speakers will be installed.



Project Justification

The fire alarm strobe lights, used as a visual notification system to building occupants in an emergency situation, can easily become blocked from view during shows in the North and South Halls. The blocked strobes create building and life safety code violations with government agencies and create a risk management situation for the facility. Relocating the fire alarm strobes to higher elevations will remove the life safety risk, increase client safety and satisfaction, and bring the LVCC into compliance with current building and life safety codes.

Fiscal Impact

There will be no impact on the operating budget in personnel or supplies/services.

Expenditures	2018	2019	2020	2021	2022	Total
Land Improvements						
Building Improvements	\$ 1,902,100	\$ 1,174,315				\$ 3,076,415
Capital Improvement Program						

FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Location Convention Center

Project Title Low Bay Lighting Upgrades

Project Number 0000017005.09

Project Description

Remove and replace all existing HID light fixtures throughout the campus with LED efficient lighting.



Project Justification

Lighting is currently limited in low-bay exhibit areas. Parts are often challenging to find for these fixtures. Improving the aesthetics of the area will increase usability and efficiency. LED's will increase lumens, improve quality of light, improve security, and lower energy consumption by as much as 70%.

Fiscal Impact

This project is expected to reduce maintenance and staffing costs associated with lighting repairs by approximately \$12,000 annually.

Expenditures	2018	2019	2020	2021	2022	Total
Land Improvements						
Building Improvements	\$ 95,000	\$ 150,000	\$ 150,000			\$ 395,000
Capital Improvement Program						

FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Location Cashman Center

Project Title Stadium Lights Replacement

Project Number FY19 Project



Project Description

Replace stadium lighting fixtures.

Project Justification

The current 2000 watt fixtures and lamps for the baseball stadium are no longer being manufactured. The upgrade is needed in order to meet minimum infield/outfield foot candle requirements of Major League Baseball.

Fiscal Impact

This project is expected to reduce maintenance and staffing costs associated with lighting repairs by approximately \$3,000 annually. Also, energy costs for stadium lighting should decrease by 10-15%, or \$3,500.

Expenditures	2018	2019	2020	2021	2022	Total
Land Improvements						
Building Improvements		\$ 495,000				\$ 495,000
Capital Improvement Program						

FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Location Convention Center

Project Title Orange Lot Freight Door Aprons

Project Number FY20 Project



Project Description

Replace all freight doors' concrete aprons from Orange Lot 1 into Central Halls; approximately 7,200 square feet.

Project Justification

The concrete aprons in front of the freight doors 2-6, and the concrete staging areas next to the freight doors, are in need of repair and replacement. The concrete areas have suffered from heavy use, weather, pooling water and construction projects over the last several decades.

Fiscal Impact

There will be no impact on the operating budget in personnel or supplies/services.

Expenditures	2018	2019	2020	2021	2022	Total
Land Improvements						
Building Improvements			\$ 598,000			\$ 598,000
Capital Improvement Program						

FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Location Cashman Center

Project Title Stadium Concrete Replacement

Project Number FY20 Project



Project Description

Seal concrete on Club and Concourse levels, steps, seating areas and ramps leading to the patio area in front of Cashman Center's administrative offices.

Project Justification

As the concrete expands and contracts, it causes cracks and sprawling of the flat surfaces of concrete as well as on the steps. Water seepage from rain and cleaning will cause major damage as more water runs through.

Fiscal Impact

Reduced maintenance and staffing costs associated with current ongoing concrete repairs are approximately \$3,000 annually.

Expenditures	2018	2019	2020	2021	2022	Total
Land Improvements						
Building Improvements			\$ 250,000			\$ 250,000
Capital Improvement Program						

FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Location Convention Center

Project Title South Hall Roof Drain Relining

Project Number FY21 Project



Project Description

Reline 27 South Hall roof drains.

Project Justification

Air conditioning condensation lines in the South Hall are deteriorating. Lines are scaling, rusting and chipping; constantly blocking the flow of waste water to the main drain. Deteriorated drains are causing water backup damage in client booths.

Fiscal Impact

Reduction of risk and potential costs from water damage.

Expenditures	2018	2019	2020	2021	2022	Total
Land Improvements						
Building Improvements				\$ 275,000		\$ 275,000
Capital Improvement Program						

FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Location Convention Center

Project Title Orange Lot Resurfacing

Project Number FY22 Project



Project Description

Resurfacing or repaving of Orange Lots 1&2.

Project Justification

In the last twenty years the asphalt in both Orange Lots 1 and 2 has endured exhibit space usage, weather, UV light damage, and pooling water which have deteriorated the asphalt surface. Additionally, multiple construction projects have removed and resurfaced areas on the Orange Lot asphalt several times making the lot visually displeasing. Continued usage will begin to increase the safety risk to staff, visitors, and vehicles.

Fiscal Impact

There will be no impact on the operating budget in personnel or supplies/services.

Expenditures	2018	2019	2020	2021	2022	Total
Land Improvements						
Building Improvements					\$ 559,600	\$ 559,600
Capital Improvement Program						

LVCCD PROJECT FUND

In October 2016, the Nevada State legislature passed the SB1 approving the development of the LVCCD project, which provides an increase in the transient lodging tax of one-half of one percent (0.5%) to support funding for the project. The new revenues are legislatively restricted to support the capital financing program for the LVCCD project. Therefore, the LVCVA will now move forward with the expansion and renovation to provide our clients the increased space they need to grow and succeed.

	ACTUAL FY 2015	ACTUAL FY 2016	REVISED BUDGET FY 2017	PROPOSED BUDGET FY 2018	% INCREASE FY18/17
REVENUES:					
Room Tax	-	-	\$ 10,500,000	\$ 29,450,000	180%
Interest	-	-	-	266,500	100%
Total Revenues	-	-	10,500,000	29,716,500	183%
EXPENDITURES:					
CWIP	-	-	3,500,000	100,000,000	2757%
Total Expenditures	-	-	3,500,000	100,000,000	2757%
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	7,000,000	(70,283,500)	-1104%
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	25,430,000	44,610,000	75%
Proceeds from Debt	-	-	-	100,000,000	0%
Total Other Financing Sources (Uses)	-	-	25,430,000	144,610,000	469%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES					
	-	-	32,430,000	74,326,500	129%
FUND BALANCE, BEGINNING (from CAFR)					
	-	-	-	32,430,000	0%
FUND BALANCE, ENDING (from CAFR)					
	\$ -	\$ -	\$ 32,430,000	\$ 106,756,500	229%

FIVE YEAR CAPITAL IMPROVEMENT PLAN

A capital improvement plan for the LVCCD project is a financial planning model and management tool that lists proposed expansion and renovation costs for a rolling five-year period. This multi-year document identifies and prioritizes the need for the improvements and acquisitions and coordinates their funding and optimal time frames for completion. It is also a process that provides order and continuity to construction and development of the project.

**LAS VEGAS CONVENTION & VISITORS AUTHORITY
LVCCD CAPITAL IMPROVEMENT PLAN
PROJECT EXPENDITURE LISTING
FISCAL YEARS 2018-2022**

	FY 18*	FY 19	FY 20	FY 21	FY 22
Debt Issuance Costs	-	\$ 4,875,000	\$ 5,000,000	\$ 5,312,500	-
Phase Two Expansion	\$40,208,000	249,708,800	379,740,800	189,286,400	-
Phase Three Renovation	-	53,431,000	109,846,750	182,912,750	\$ 131,513,500
TOTAL – FIVE YEAR CAPITAL PLAN	\$40,208,000	\$ 308,014,800	\$ 494,587,550	\$ 377,511,650	\$ 131,513,500

*Amounts in the table reconcile to the preliminary Financial Planning Model developed for the project. The FY 2018 budget contemplates additional CIP spend as a conservative budget forecast to ensure adequate resources if the project runs ahead of the current anticipated schedule.

DEBT SERVICE FUNDS SUMMARY

Most of the LVCVA's outstanding debt obligations are general obligation (G.O.) bonds of Clark County, acting by and through the LVCVA. General obligation bonds are primarily secured by ad valorem taxes and are additionally secured by net pledged revenues of the LVCVA, represented basically by room taxes. The LVCVA has never resorted to the use of property taxes for debt service, using only net pledged revenues derived from operations. In fact, no ad valorem property tax revenues are allocated to the LVCVA for any purpose. No change in this practice is contemplated. Three of LVCVA's obligations are revenue bonds, which are secured by room taxes and the facilities revenue generated by the LVCVA.

As required by Nevada Revised Statute 244A.637 the LVCVA issued bonds to provide funding for the Nevada Department of Transportation (NDOT). A legislative mandate in 2007 required the LVCVA to contribute the lesser of \$20 million a year for a period of 30 years for debt service or a total of \$300 million in principal to NDOT for projects in Clark County. The initial issuance of \$26,455,000 was completed in August 2008. In January 2010, an additional \$99,640,000 was issued and the remaining balance of \$173,905,000 was issued in December 2010. The FY 2010 and FY 2011 issuances for NDOT funding included over \$226 million in Build America Bonds (BAB's), which are anticipated to save more than \$95 million, factoring in federal sequestration reductions, in interest expenses over the term of the bonds as a result of a federal subsidy.

In April 2016 the LVCVA Board approved the 2016B Term Loan Credit Agreement. This credit facility will have a two-year term, expiring July 2018. Advances from the 2016B facility, if any, will be used for LVCCD planning, development and capital project costs for the LVCC. Total borrowing on the facility may not exceed an aggregate principal amount of \$300 million; however, only \$100 million may be outstanding at any given time. Expenditure of funds from the revolving credit facility will follow LVCVA delegation of authority processes, including the presentation for Board approval of proposed expenditures of \$100,000 or more.

Obligation Name and Type	Original Issue	Semi-Annual Interest	Final Maturity	Outstanding Principal at 6/30/17
05/07 Refunding Bonds (G.O.)	38,200,000	4.0-5.5%	FY 2018	\$ 3,035,000
07/08 NDOT (G.O.)	26,455,000	4.0-5.0%	FY 2039	22,385,000
2010A NDOT BABS (G.O.)	70,770,000	6.5-6.7%	FY 2039	70,770,000
2010B NDOT (G.O.) ¹	28,870,000	2.0-5.0%	FY 2023	16,055,000
2010B Refunding (G.O.) ¹	24,650,000	2.0-5.0%	FY 2027	24,110,000
2010C NDOT BABS (G.O.)	155,390,000	4.0-7.0%	FY 2039	151,065,000
2010E Refunding CP Bonds (Revenue)	81,925,000	4.0-5.5%	FY 2041	78,530,000
2012A Land (G.O.)	24,990,000	2.0-4.0%	FY 2033	21,885,000
2014 LVCC Expansion & Renovation Phase I (G.O.)	50,000,000	2.0-5.0%	FY 2044	50,000,000
2015A Refunding Series (G.O.) ²	72,370,000	2.0-5.0%	FY 2022	58,685,000
2015A Refunding Series LOC (G.O.) ²	109,435,000	2.0-5.0%	FY 2045	109,435,000
2016 Line of Credit ³	300,000,000	variable	FY 2018	1,000,000
2016C Refunding Land (Revenue)	100,705,000	3.0-5.0%	FY 2047	100,705,000
Total Outstanding Principal as of 6/30/17				\$ 707,660,000

⁽¹⁾ Total Issue for 2010 B was \$53,520,000

⁽²⁾ Total Issue for 2015 was \$181,805,000

⁽³⁾ Subordinate debt

In April 2017, the LVCVA was in the process of re-financing the 07/08 NDOT bonds for savings. At the time of printing, the bond sale had not been finalized, and thus not reflected in the charts presented but anticipated savings exceed \$2 million.

DEBT SERVICE FUNDS SUMMARY

Monthly transfers from the general fund are made to fund interest payments due on January 1 and principal and interest payments due on July 1. These funds are invested in the interim, and interest earned on the investments is transferred back to the general fund. The budgeted ending fund balances of the debt service funds are sufficient to pay principal and interest due on the first day (July 1) of the next fiscal year. The budgeted ending fund balance in the debt service funds at June 30, 2018 is \$52.4 million. Of that balance, \$46.6 million will be used to pay principal and interest payments due on July 1, 2018. The remaining balance of \$5.8 million is restricted as security for the 2010E revenue refunding bonds per the Bond Resolution. The Reserve Fund is required to be maintained as a continuing reserve and amounts on deposit in the Reserve Fund may only be used to meet deficiencies in the Bond Fund.

BOND ISSUE PROCESS

As a governmental entity, the LVCVA must follow Nevada Revised Statute 350.013. This statute requires filing several reports with the Debt Management Commission prior to August 1 of each year regardless if new debt is being contemplated or not. These reports include a complete statement of current general obligation debt and a report of current debt and retirement schedules, a complete statement of general obligation debt contemplated, the entity's debt management policy and a five-year capital improvement plan.

The debt management policy must contain the following discussions:

- A discussion of ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;
- A discussion of capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit;
- A discussion of general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in this state;
- A discussion of 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;
- Policy regarding the manner in which the municipality expects to sell the debt;
- A discussion of sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;
- A discussion of its operational costs and revenue sources, for the ensuing five fiscal years, associated with each project included in its plan for capital improvement.

LVCVA Debt Compliance Policy

The LVCVA Debt Issuance Compliance Policy was adopted in FY 2010 and is applicable to all debt issuance activities of the LVCVA. In 2016 the policy received the "Certification of Excellence" from the Association of Public Treasurers of the US and Canada. The policy establishes the requirements and procedures for ensuring compliance with federal laws relating to the issuance and post-issuance monitoring of tax-exempt bonds and taxable Direct Pay Bonds.

Post-issuance compliance responsibilities include:

- Tracking that proceeds of a debt issuance are spent on qualified tax-exempt debt purposes;
- Maintaining detailed records of all expenditures and investments related to debt funds;
- Ensuring the project financed is used in a manner consistent with the legal requirements;
- Providing necessary disclosure information regarding financial and operating status annually.

DEBT SERVICE FUNDS SUMMARY

TOTAL DEBT SERVICE FUNDS

	ACTUAL FY 2015	ACTUAL FY 2016	REVISED BUDGET FY 2017	PROPOSED BUDGET FY 2018
REVENUES:				
Interest & Investment Earnings	\$ 138,329	\$ 197,823	\$ 109,900	\$ 191,100
Federal Grant Subsidy	<u>4,746,179</u>	<u>4,773,723</u>	<u>2,530,213</u>	<u>2,496,765</u>
Total Revenues	<u>4,884,508</u>	<u>4,971,546</u>	<u>2,640,113</u>	<u>2,687,865</u>
EXPENDITURES:				
Principal	24,800,000	27,665,000	98,020,000	27,865,000
Interest	32,754,483	34,310,622	46,275,689	37,334,584
Debt Issuance Costs	<u>1,204,907</u>	<u>-</u>	<u>737,079</u>	<u>-</u>
Total Expenditures	<u>58,759,390</u>	<u>61,975,622</u>	<u>145,032,768</u>	<u>65,199,584</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,874,882)	(57,004,076)	(142,392,655)	(62,511,719)
OTHER FINANCING SOURCES (USES):				
Transfers In	56,995,784	58,082,039	68,723,300	63,282,477
Proceeds of Debt Issuance	181,805,000	-	183,623,063	-
Premium on Debt Issuance	16,018,109	-	-	-
Refunding Bonds Issued	(197,740,437)	-	(113,122,324)	-
Transfers Out	<u>(2,139,911)</u>	<u>(192,000)</u>	<u>(109,900)</u>	<u>(191,100)</u>
Total Other Financing Source (Uses)	<u>54,938,545</u>	<u>57,890,039</u>	<u>139,114,139</u>	<u>63,091,377</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	1,063,663	885,963	(3,278,516)	579,658
FUND BALANCE, BEGINNING	<u>53,147,131</u>	<u>54,210,795</u>	<u>55,096,758</u>	<u>51,818,242</u>
FUND BALANCE, ENDING	<u>\$ 54,210,795</u>	<u>\$ 55,096,758</u>	<u>\$ 51,818,242</u>	<u>\$ 52,397,900</u>

DEBT SERVICE FUNDS SUMMARY

Since the LVCVA's establishment in 1959, room taxes have provided sufficient funding for debt service with no effect on operations. The economic forecast does not indicate any reversal of this trend. Annual bonded fixed rate debt service requirements for the next 30 years:

FYE	Principal (in \$)	Interest (in \$)	Total (in \$)
6/30/2018	\$ 27,865,000	\$ 35,334,582	\$ 63,199,582
6/30/2019	29,085,000	34,014,340	63,099,340
6/30/2020	30,445,000	32,612,402	63,057,402
6/30/2021	18,575,000	31,539,003	50,114,003
6/30/2022	22,050,000	30,643,528	52,693,528
6/30/2023	23,505,000	29,518,835	53,023,835
6/30/2024	24,580,000	28,298,312	52,878,312
6/30/2025	25,685,000	26,995,558	52,680,558
6/30/2026	26,840,000	25,629,137	52,469,137
6/30/2027	28,185,000	24,179,604	52,364,604
6/30/2028	24,090,000	22,778,264	46,868,264
6/30/2029	25,205,000	21,428,701	46,633,701
6/30/2030	26,370,000	20,045,980	46,415,980
6/30/2031	27,575,000	18,585,011	46,160,011
6/30/2032	28,865,000	17,017,245	45,882,245
6/30/2033	30,190,000	15,428,971	45,618,971
6/30/2034	29,765,000	13,816,159	43,581,159
6/30/2035	31,150,000	12,137,919	43,287,919
6/30/2036	32,595,000	10,379,139	42,974,139
6/30/2037	34,060,000	8,563,686	42,623,686
6/30/2038	35,590,000	6,690,517	42,280,517
6/30/2039	33,985,000	4,777,481	38,762,481
6/30/2040	16,625,000	3,446,699	20,071,699
6/30/2041	17,420,000	2,675,783	20,095,783
6/30/2042	12,315,000	2,029,768	14,344,768
6/30/2043	12,855,000	1,517,519	14,372,519
6/30/2044	13,410,000	983,744	14,393,744
6/30/2045	10,340,000	504,400	10,844,400
6/30/2046	3,645,000	224,700	3,869,700
6/30/2047	3,795,000	75,900	3,870,900
	\$ 706,660,000	\$ 481,872,884	\$ 1,188,532,884

*The table excludes subordinate debt.

The LVCVA has also budgeted approximately \$2 million for the estimated interest costs to be incurred in FY 2018 related to the 2016B credit facility.

Currently, the LVCVA's bonds issued through Clark County are rated "AA" by Standard and Poor's and "Aa1" by Moody's. LVCVA's underlying bond rating is "A+" issued by Standard and Poor's and "A1" issued by Moody's.

DEBT LIMITS AND CAPACITY

DEBT MARGIN
CLARK COUNTY, NEVADA
AS OF JUNE 30, 2016

	Las Vegas Convention & Visitors Authority	Clark County
Approximate Assessed Valuation (1)	\$ 70,522,285,405	\$ 70,522,285,405
Bonded Debt Limit (2)	5%	10%
Statutory Debt Limitation	3,526,114,270	7,052,228,541
Less: Amount of Debt Applicable to Debt Limit	552,365,000 (3)	1,509,847,771 (4)
Total General Obligation Indebtedness Available	\$ 2,973,749,270	\$ 5,542,380,770

(1) This is the net total assessed value for the secured and estimated unsecured property for Clark County, Nevada for FY 2016. It includes the assessed valuation of the redevelopment agencies. These values are included for purposes of calculating the debt limit but are not subject to County taxation for the retirement of general obligation bonded indebtedness. This valuation is used to determine the LVCVA's debt margin since our debt is issued in the name of the County as described below.

(2) State statute requires debt issued by the LVCVA to be issued in the name of the County. The LVCVA's Board of Directors is empowered to issue general obligation bonds, which are secured by the full faith and credit of the County and are additionally secured by a pledge of revenues derived by the LVCVA. Nevada Revised Statute (NRS) 244A.653 states that the County may not become indebted in excess of 5 percent of the total last assessed valuation of taxable County property for the issuance of general obligation bonds designated for County recreational purposes. This requirement applies to the LVCVA.

NRS 244A.059 limits the aggregate principal amount of the County's general obligation debt to 10 percent of the County's total reported assessed valuation.

(3) The LVCVA's Outstanding General Obligation includes general obligation bonds and medium term obligations.

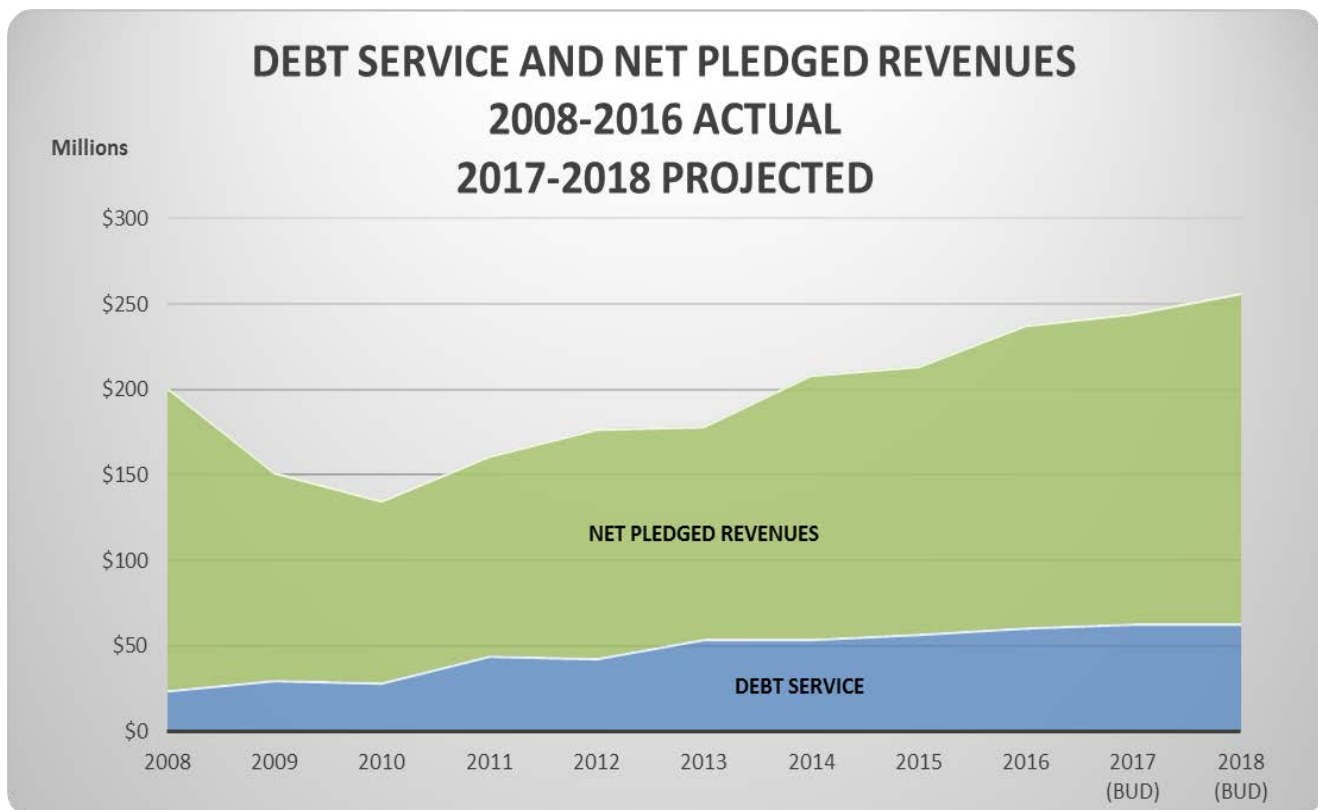
(4) Clark County's Outstanding General Obligation Indebtedness includes general obligation bonds, general obligation revenue bonds, notes and medium-term obligations.

DEBT SERVICE – BOND COVERAGE

The LVCVA's bonds constitute direct and general obligations of Clark County (except for the 2005 Refunding Series bonds, the 2010E Revenue Refunding Series bonds and the line of credit). They are additionally secured by a pledge of revenues consisting of gross revenues derived from the operation and use of facilities, plus room and gaming taxes (gross pledged revenues), less operating and maintenance expenses of the facilities and collection allocation.

Gross pledged revenues also include interest income and miscellaneous fees and charges in the general fund and transfers in from the debt fund. Operating and maintenance expenditures include general government, operations and collection allocation. Also included are those marketing expenditures related only to the sales effort of the Las Vegas Convention Center and Cashman Center. The calculation below is based on general obligation bond documents.

FISCAL YEAR	GROSS REVENUES	MAINTENANCE EXPENDITURES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL AND INTEREST	DEBT SERVICE COVERAGE
2007	269,783,512	77,608,698	192,174,814	24,391,084	7.9x
2008	282,743,913	81,762,821	200,981,092	23,989,130	8.4x
2009	225,682,302	74,174,827	151,507,475	30,454,599	5.0x
2010	200,886,994	65,614,509	135,272,485	28,562,969	4.7x
2011	227,600,497	66,460,656	161,139,841	44,321,298	3.6x
2012	250,917,732	73,815,376	177,102,356	42,754,341	4.1x
2013	253,121,291	74,631,057	178,490,234	53,951,716	3.3x
2014	285,749,837	77,050,163	208,699,674	54,393,473	3.8x
2015	293,340,228	78,998,993	214,341,235	57,183,145	3.7x
2016	322,769,973	85,126,979	237,642,994	61,252,680	3.9x
2017 (bud)	338,670,700	93,649,800	245,020,900	62,892,861	3.9x
2018 (bud)	354,929,400	98,434,900	256,494,500	63,199,582	4.1x



DEBT SERVICE – HISTORICAL PERSPECTIVE

The schedule below presents a historical record of all debt issued by the LVCVA since it was established.

DATE ISSUED	ORIGINAL ISSUE AMOUNT	INTEREST RATE	PURPOSE	STATUS	DATE RETIRED/DEFEASD
2016C	100,705,000	3.0-5.0%	Refund 11/07 Bonds (\$41,505,000) and 2016B Payoff Term Loan (\$69,200,000)	Outstanding - Final Payment date FY 2047	Outstanding
2015A	181,805,000	2.0-5.0%	\$72,370,000 to refund 3/05 and partial 5/07; \$109,435,000 for principal reduction on Line of Credit	Outstanding - Final Payment date FY 2045	Outstanding
2014	50,000,000	2.0-5.0%	LVCC expansion and renovation project Phase I	Outstanding - Final Payment date FY 2044	Outstanding
2012A	24,990,000	2.0-4.0%	Purchase land	Outstanding - Final Payment date FY 2033	Outstanding
2010E	81,925,000	4.0-5.5%	Refund Commercial Paper	Outstanding - Final Payment date FY 2041	Outstanding
2010D	18,515,000	3.0-5.0%	Nevada Department of Transportation	Outstanding - Final Payment date FY 2016	7/1/2015
2010C	155,390,000	4.0-7.0%	Nevada Department of Transportation	Outstanding - Final Payment date FY 2039	Outstanding
2010B	53,520,000	2.0-5.0%	\$28,870,000 - NDOT; \$24,650,000 refund 1998A bonds	Outstanding - Final Payment date FY 2023 and FY 2027	Outstanding
2010A	70,770,000	6.55-6.75%	Nevada Department of Transportation	Outstanding - Final Payment date FY 2039	Outstanding
FY 2008	80,000,000	variable	Issue commercial paper for the Las Vegas Convention Center's Master Plan Enhancement Program	Partially issued. Board authorized issuance of \$822,000,000, (\$680 million in Feb. 2006 and \$142 million in May 2007). Program closed. Revenue bonds in January 2011 to fully redeem all outstanding commercial paper.	1/31/2011
08/08	26,455,000	4.0-5.0%	Nevada Department of Transportation	Outstanding – Final payment date FY 2039. Total NDOT bonds authorized \$300,000,000	Outstanding *
FY 2007	16,000,000	variable	Issue commercial paper for the Las Vegas Convention Center's Master Plan Enhancement Program	Partially issued. Board authorized issuance of \$822,000,000, (\$680 million in Feb. 2006 and \$142 million in May 2007). Program closed. Revenue bonds in January 2011 to fully redeem all outstanding commercial paper.	1/31/2011

*Currently re-financing bonds, but bond sale is not finalized; anticipated savings exceed \$2 million.

DEBT SERVICE – HISTORICAL PERSPECTIVE

HISTORICAL RECORD (continued)

DATE ISSUED	ORIGINAL ISSUE AMOUNT	INTEREST RATE	PURPOSE	STATUS	DATE RETIRED/DEFEASED
11/07	50,000,000	4.0-6.0%	Purchase land	Refunded with 2016C	7/20/2016
05/07	38,200,000	4.0-5.5%	Refunded 8/96 Bonds	Advance refund in April 2015. Final payment date FY 2018	7/20/2015
03/05	118,745,000	3.0-5.25%	Refund a portion of the 11/99 bonds	Refunded in April 2015. Final payment date FY 2016	7/1/2015
05/03	35,075,000	1.2-2.1%	Refund 8/93 Bonds	Retired	7/1/2008
11/99	150,000,000	4.8-6%	Expansion of Convention Center	Partially refunded by 3/05 – Called in FY 2011	6/30/2011
4/1/98B	5,020,000	4.50%	Grant to the University of Nevada Las Vegas for the purpose of improvements to the Thomas and Mack Center and Sam Boyd Stadium	Retired	7/1/2003
4/1/98A	36,200,000	4.7-5.1%	Refund a portion of 8/1/93 and 9/1/96 bonds	Refunded by 01/10 B	1/31/2010
9/1/1996	97,425,000	5.4-6%	Expansion of Convention Center & Cashman Center, refund 6/1/86 bonds	Partially refunded by 98A and 5/07	7/1/2008
8/1/1993	80,530,000	4.8-5.2%	Purchase land; refund a portion of 6/1/88 bonds	Partially refunded by 98A and 5/03	7/1/2003
6/1/1988	35,000,000	7-10%	Expansion of Convention Center	Partially refunded by 8/1/93 bonds	7/1/1998
6/1/1986	38,240,000	5.9-8%	Refund portion of 12/1/82 bonds	Refunded by 9/1/96 bonds	9/1/1996
12/1/1982	52,825,000	7-10.9%	Refund 7/73, 8/76, 7/80 and 10/80 bonds	Retired	7/1/1993
10/1/1980	20,000,000	9%	Purchase land; expansion of East Hall and cafeteria; construction of pedestrian bridge; \$2.5 million for recreation grants	Refunded by 12/1/82 bonds	12/1/1982
7/1/1980	22,000,000	7-8.5%	Cashman Center construction	Refunded by 12/1/82 bonds	12/1/1982
8/31/1976	12,225,000	6.2-6.3%	Refund 5/1/75 bonds	Refunded by 12/1/82 bonds	12/1/1982
5/1/1975	12,000,000	7-8%	East Hall and kitchen expansion; warehouse and meeting rooms annex construction	Refunded by 8/31/76 bonds	8/31/1976
7/1/1973	6,960,000	4.5-5.3%	Refund 1/15/71 bonds	Refunded by 12/1/82 bonds	1/1/1985
1/15/1971	7,500,000	4.5-5%	East Hall expansion - \$6,500,000; stadium construction - \$1 million	Refunded by 7/1/73 bonds	1/15/1982
7/15/1963	4,790,000	3.50%	Refund 1/15/57 and 12/15/58 bonds	Retired	7/15/1973
12/15/1958	1,000,000	4-4.25%	\$500,000 for construction; \$500,000 for recreation grants	Refunded by 7/15/63 bonds	1/15/1968
1/15/1957	4,500,000	5%	Original construction of Convention Center	Refunded by 7/15/63 bonds	1/15/1977

INTERNAL SERVICE FUND

Employees of state and local governments may earn benefits over their years of service that will not be received until after their employment with the government ends through retirement or other reason for separation. Post-employment benefits generally take the form of pensions and healthcare benefits provided to eligible retirees, including in some cases their beneficiaries. LVCVA retirees may participate in the employee health insurance programs, which results in an implicit rate impact that affects the plan premiums. These rate impacts are considered Other Post-Employment Benefits (OPEB).

The Governmental Accounting Standards Board (GASB) established standards for how governmental employers should account for and report on OPEB through GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB believes that OPEB is part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. Therefore, the cost of these future benefits should be reported as a part of the cost of providing public services today.

The LVCVA has complied with GASB 45 reporting standards since FY 2008 and reports our accumulating liability for future OPEB costs. However, we have continued a “pay-as-you-go” program of funding only current year premium costs, which is consistent with most other state and local governments. This practice does not provide for the compounding growth of the unfunded liability, which is reported in our annual financial statements.

Accumulating funds specifically restricted for the OPEB liability is a fiscally responsible practice and credit rating agencies factor this action into their assessment of credit ratings. In September 2011, the Board approved a policy statement addressing OPEB and establishing a formal plan of action to fund the growing liability. The statement directed the creation of an internal service fund to account for cash held in reserve to offset the liability for post-employment benefits. The LVCVA has completed yearly transfers to this fund since FY 2013. For FY 2018, the tentative budget incorporates a total of \$27.7 million allocated to OPEB funding. The annual funding requirement will be revaluated based on biannual actuarial studies and new GASB pronouncements.

	ACTUAL FY 2015	ACTUAL FY 2016	REVISED BUDGET FY 2017	PROPOSED BUDGET FY 2018	% CHANGE FY18/17
REVENUES:					
Interest	\$ 76,413	\$ 144,485	\$ 185,200	\$ 203,900	10%
Unrealized Gain/Loss	13,540	116,811	-	-	0%
Total Revenues	<u>89,953</u>	<u>261,296</u>	<u>185,200</u>	<u>203,900</u>	<u>10%</u>
EXPENDITURES:					
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	89,953	261,296	185,200	203,900	10%
OTHER FINANCING SOURCES (USES):					
Transfers In	3,500,000	4,500,000	10,500,000	2,500,000	-76%
Total Other Financing Source (Uses)	<u>3,500,000</u>	<u>4,500,000</u>	<u>10,500,000</u>	<u>2,500,000</u>	<u>-76%</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	3,589,953	4,761,296	10,685,200	2,703,900	-75%
FUND BALANCE, BEGINNING	<u>5,995,605</u>	<u>9,585,558</u>	<u>14,346,854</u>	<u>25,032,054</u>	<u>74%</u>
FUND BALANCE, ENDING	<u>\$ 9,585,558</u>	<u>\$ 14,346,854</u>	<u>\$ 25,032,054</u>	<u>\$ 27,735,954</u>	<u>11%</u>

SUMMARY OF PERSONNEL REQUESTS

Budget Process

In the early stages of the budget process, personnel requests along with detailed justifications and other supporting documentation are submitted. Budget meetings and further analysis result in a reduction of requests. Every effort is made to limit the number of new employees while ensuring efficient operation of the LVCVA.

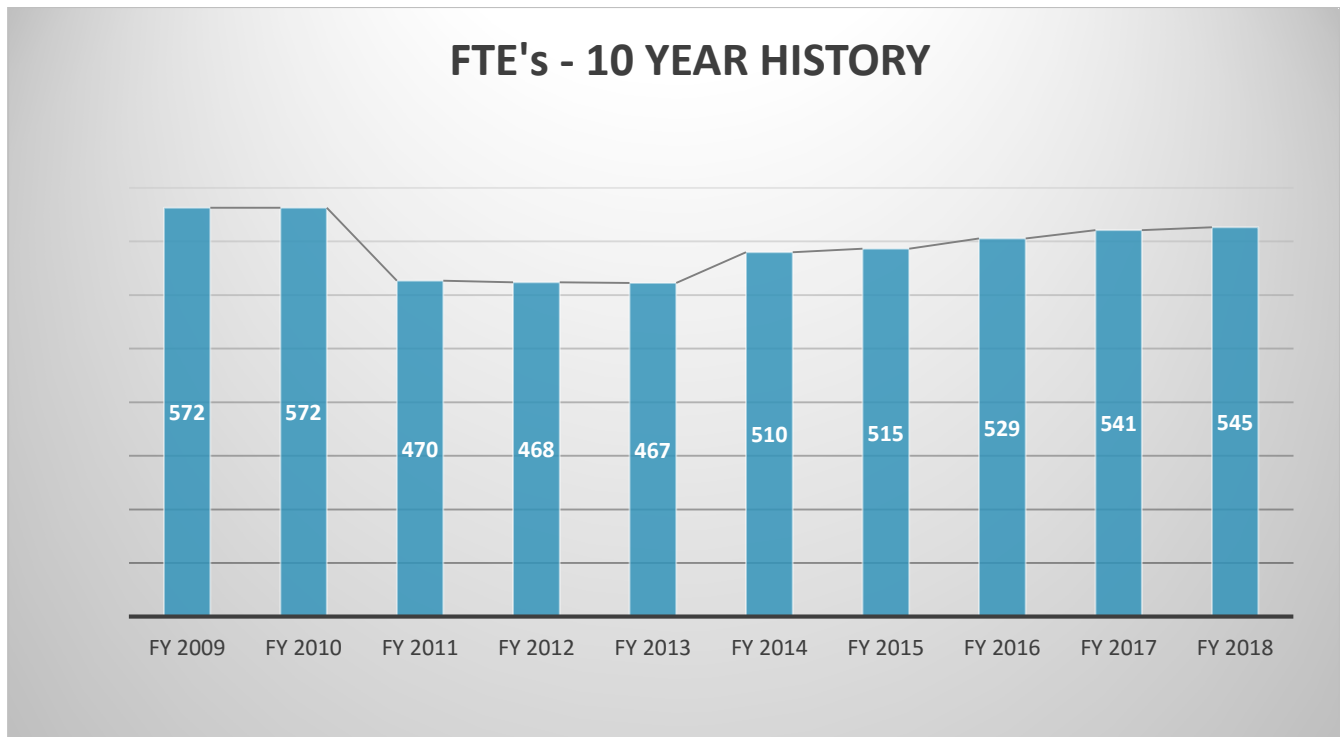
The LVCVA’s commitment to and investment in the organization’s employees is a fundamental objective of the updated strategic business plan. In FY 2011, 67 vacant positions were eliminated from the overall number of authorized positions. The Authority held flat at the 505 position level for 3 years, then was approved for 5 additional Perimeter Security Officer positions in both FY 2014 and FY 2015.

In FY 2016, the LVCVA Board approved 14 new positions, of which 6 were allocated to the Customer Safety Department to ensure the safety of our facilities for our meeting and tradeshow attendees. The other positions were needed to meet the increased demand of day to day operations and to support the leadership structure for LVCVA’s Five-Year Vision Plan.

Additionally, the LVCVA Board approved 12 new full-time positions for FY 2017. Of those positions, 4 are devoted to the Customer Safety Department to demonstrate our continued efforts to enhance security presence both in the facility as well as around the campus. Four new positions are being added in FY 2018 to primarily focus on and support increasing technology demands, operational efficiency, network security and will be used to provide support for LVCVA’s international efforts as we continue to expand and position ourselves as a global tourism leader.

Although the LVCVA has 545 authorized positions, it is still 4.7% below our pre-recession FTE level of 572.

The FY 2018 budget provides funding to fill all authorized positions, including current vacancies.



PERSONNEL ALLOCATION

SUMMARY OF AUTHORIZED POSITIONS by Organizational Unit/Section

	FYE 6/30/2014	FYE 6/30/2015	FYE 6/30/2016	FYE 6/30/2017	FYE 6/30/2018
<u>GENERAL GOVERNMENT</u>	80	81	83	107	106
Executive	16	16	16	17	13
Finance	36	37	39	61	64
Human Resources	8	8	10	11	11
Public Affairs	20	20	18	18	18
<u>MARKETING</u>	83	125	130	134	137
Global Business Sales	38	33	35	37	37
Convention Services ^{1,4}	--	15	15	15	15
Digital Marketing	7	7	7	7	7
International Sales	11	9	9	16	16
Leisure Sales	10	10	11	10	10
Registration ^{1,4}	--	4	4	4	4
Research Center (was Strategic Research & Analytics) ²	6	7	7	7	7
Sports Marketing	2	1	1	1	1
Industry Relations (was Strategic Planning)	4	7	8	8	8
Visitor Information ^{1,4}	--	17	17	17	17
Brand Strategy ³	5	11	12	7	10
Customer Experience ⁴	--	4	4	5	5
<u>OPERATIONS</u>	347	309	316	300	302
Client Services	112	112	112	112	112
Customer Experience ^{2,4}	4	--	--	--	--
Convention Services ^{1,4}	15	--	--	--	--
Registration ^{1,4}	5	--	--	--	--
Visitor Information ^{1,4}	19	--	--	--	--
Engineering	100	92	94	96	96
Engineering Projects	4	4	3	2	4
Information Technology ⁵	13	21	21	--	--
Fire Prevention (was Safety)	5	5	5	5	5
Customer Safety (was Security)	47	47	62	64	64
Traffic	23	28	19	21	21
<u>TOTAL LVCVA</u>	510	515	529	541	545

In FY 2014, an Authority-wide strategic realignment took place and multiple departments were affected:

- 1 Convention Services, Registration & Housing and Visitor Information were moved to the Operations division.
- 2 Destination Services was split between the Research Center (Marketing) and Customer Experience (Operations).
- 3 Brand Strategy was created within Marketing and the Advertising personnel function was moved into the department.

In FY 2015, a realignment took place and these were the departments were affected:

- 4 Customer Experience, Convention Services, Registration and Visitor Information were moved to the Marketing division.

In FY 2017, a realignment took place and these were the departments were affected:

- 5 Information Technology was moved into the Finance department under the General Government division.

PERSONNEL ALLOCATION

The following is the staffing pattern by organizational unit/section for FY 2018. All new positions, transfers, reclassifications and title changes are included.

Upon approval by the Board of Directors at the public budget hearing, this staffing pattern will be authorized as of July 1, 2017. Total authorized positions: 545.

EXECUTIVE (General Government)		FINANCE (General Government)	
	13		64
President/CEO	1	Chief Financial Officer	1
Chief Operating Officer	1	Senior Vice President of Finance	1
Executive Director of Strategic Initiatives	1	Executive Director of Information Technology	1
Legal Counsel	1	Senior Director of Finance & Accounting	1
Director of Internal Audit	1	Director of Purchasing & Business Services	1
Internal Audit Manager	1	Senior Manager of Accounting Operations	1
Executive Assistant to the President	1	Senior Manager of Financial Resources	1
Internal Auditor	2	Senior Manager of Financial Systems	1
Executive Assistant to the COO	1	Senior Manager of Purchasing	1
Executive Assistant to the Board	1	Accounting Manager	1
Legal Assistant	1	Materials Management Manager	1
Assistant to the Board	1	Network Supervisor	1
		Support Services Supervisor	1
		Systems Development Supervisor	1
		Telecommunications Supervisor	1
		Senior Web Developer	1
		Finance ERP Technician	1
		Financial Systems Administrator	1
		Network Specialist Administrator	1
		Programmer Analyst	1
		Systems Administration Specialist	1
		Financial Analyst	4
		Executive Assistant to the CFO	1
		Transportation Coordinator	1
		Contracts Administrator	2
		Executive Assistant	1
		Analyst	1
		Financial Systems Technician	1
		Information Technology Coordinator	1
		Lead Accountant	1
		Lead Payroll Technician	1
		Lead Records Management Technician	1
		Portable Systems Technician	1
		Senior Help Desk Specialist	2
		Systems Technician	1
		Contracts Coordinator	1
		Help Desk Specialist	1
		Payroll Technician	1
		Records Management Specialist	1
		Purchasing Specialist	1
		Communications Supervisor	2
		Lead Accounting Technician	1
		Accounting Technician	3
		Communications Technician	6
		Purchasing Assistant	2
		Business Services Specialist	1
		Distribution Center Specialist	2
		Mail Clerk	2
PUBLIC AFFAIRS (General Government)			
	18		
Chief Communications and Public Affairs Officer	1		
Senior Director of Communications	1		
Senior Director of Community Relations and Public Affairs	1		
Director of Communications	1		
Director of News Bureau	1		
Communications Manager	2		
Community Relations Manager	1		
Media Services Manager	1		
Photography Manager	1		
News Bureau Assistant	1		
Archivist	1		
Communications Assistant	1		
Communications Coordinator	1		
Community Relations & Public Affairs Assistant	1		
Photographer	2		
Video Specialist	1		
HUMAN RESOURCES (General Government)			
	11		
Chief Human Resources Officer	1		
Senior Director of Human Resources	1		
Senior Business Partner	1		
HR Information Systems Manager	1		
Total Rewards Manager	1		
Human Resources Administrator	1		
Total Rewards Administrator	1		
Executive Assistant to the CHRO	1		
Business Partner	2		
Human Resources Records Technician	1		

PERSONNEL ALLOCATION

DIGITAL MARKETING (Marketing)	7	GLOBAL BUSINESS SALES (Marketing)	37
Director of Marketing Systems	1	Vice President of Global Business Sales	1
Database Marketing Manager	1	Senior Director of Business Sales	2
Database Marketing Administrator	1	Director of Regional Sales - Chicago	1
Digital Communications Specialist	1	Director of Regional Sales - Wash DC	1
Digital Marketing Coordinator	1	International MICE Manager	1
Database Marketing Coordinator	2	Sales Executive	9
		Sales Executive - Chicago	2
		Sales Executive - Wash DC	4
		Specialty Markets Manager	2
		Administrative Services Coordinator	1
		Administrative Secretary	2
		Administrative Secretary - Chicago	1
		Administrative Secretary - Wash DC	1
		Account Representative	1
		Secretary - Wash DC	2
		Secretary	6
BRAND STRATEGY (Marketing)	10	LEISURE SALES (Marketing)	10
Senior Vice President of Marketing	1	Senior Director of Leisure Sales	1
Senior Director of Advertising	1	Senior Manager of Extended Destinations	1
Senior Director of Digital Engagement	1	Sales Executive	4
Director of Digital Engagement	1	Administrative Secretary	1
Advertising Manager	1	Secretary	3
Digital Content Manager	1		
Digital Engagement Manager	1	INTERNATIONAL SALES (Marketing)	16
Executive Assistant	1	Vice President of International Marketing	1
Advertising Coordinator	1	Senior Director of International Sales	1
Digital Engagement Coordinator	1	Director of Communications	1
		International Market Manager	4
		Communications Manager	2
		Marketing Specialist	1
		Administrative Coordinator	1
		Administrative Secretary	2
		Communications Coordinator	1
		Secretary	2
RESEARCH CENTER (Marketing)	7	SPORTS MARKETING (Marketing)	1
Executive Director of the Research Center	1	Specialty Markets Manager - Sports Mktg & Special Events	1
Director of the Research Center	1		
Digital Marketing Analyst	1	INDUSTRY RELATIONS (Marketing)	8
Senior Research Analyst	1	Senior Director of Industry Relations	2
Research Analyst	2	Director of Industry Relations	1
Administrative Secretary	1	Business Partnerships Coordinator	1
		Industry Relations Manager	2
		Administrative Secretary	2
		VISITOR INFORMATION (Marketing)	17
		Visitor Information Senior Supervisor	1
		Visitor Information Center Supervisor	3
		Visitor Information Services Supervisor	1
		Administrative Specialist	1
		Visitor Information Clerk	3
		Visitor Information Specialist	8
CUSTOMER EXPERIENCE (Marketing)	5		
Vice President of Customer Experience	1		
Senior Manager of Customer Experience	1		
Destination Services Manager	1		
Administrative Assistant	1		
Customer Experience Specialist	1		
CONVENTION SERVICES (Marketing)	15		
Senior Director of Convention Services	1		
Senior Manager of Convention Services	2		
Convention Services Manager	7		
Associate Convention Services Manager	1		
Convention Services Administrator	1		
Administrative Secretary	1		
Convention Services Coordinator	1		
Secretary	1		
REGISTRATION (Marketing)	4		
Registration Services Senior Supervisor	1		
Registration Services Supervisor	1		
Administrative Specialist	2		

PERSONNEL ALLOCATION

ENGINEERING PROJECTS (Operations)	4	CLIENT SERVICES (Operations)	112
Senior Vice President of Operations	1	Director of Client Services	1
Project Manager	2	Services Manager	3
Executive Assistant	1	Administrative Secretary	1
		Services Supervisor	9
		Services Support Technician	3
		Service Worker	46
		Custodian	49
ENGINEERING (Operations)	96		
Director of Engineering	1		
Director of Facility Operations	1		
Senior Manager of Engineering	3		
Grounds Manager	1		
CMMS Administrator	1		
Project Analyst	1		
Administrative Secretary	2		
CMMS Coordinator	1		
Building Engineer Supervisor	2		
Electrician Supervisor	1		
Engineering Maintenance Supervisor	2		
Engineering Supervisor	1		
Exterior Engineering Supervisor	1		
Facility Support Supervisor	1		
Graphics Supervisor	1		
HVAC Supervisor	1		
Mechanic/Welder Supervisor	1		
Plumber Supervisor	1		
Engineering Assistant Supervisor	1		
Grounds Supervisor	2		
Building Engineer	22		
Damage Assessment Technician	1		
Electrician	8		
Exterior Engineer	5		
Facility Support Technician	2		
Graphics Technician	2		
HVAC Technician	9		
Mechanic/Welder	5		
Plumber	6		
Groundskeeper	10		
		TRAFFIC (Operations)	21
		Traffic Manager	1
		Administrative Traffic Supervisor	1
		Traffic Field Supervisor	2
		Perimeter Security Supervisor	3
		Perimeter Security Officer	14
		CUSTOMER SAFETY (Operations)	64
		Executive Director of Customer Safety	1
		Senior Manager of Security	1
		Safety Manager	1
		Canine Supervisor	1
		Control Center Supervisor	1
		Administrative Assistant	1
		Surveillance Investigator	2
		Canine Officer	1
		Security Sergeant	7
		Security Officer	39
		Secretary	1
		Security Dispatcher	8
		FIRE PREVENTION (Operations)	5
		Fire Prevention Manager	1
		Fire Prevention Coordinator	1
		Life Systems Coordinator	1
		Fire Prevention Technician	2

PERSONNEL ALLOCATION

POSITION CLASSIFICATIONS

The FY 2018 salary schedule, which begins on July 1, 2017 is below.

GRADE	CLASS TITLE	CLASSIFICATION	SALARY SCHEDULE (\$)
BARGAINING CLASS			
9	Custodian	B	30,890.50 - 45,826.56
9	Perimeter Security Officer	B	
12	Mail Clerk	B	34,794.24 - 51,470.02
13	Administrative Specialist	B	36,173.28 - 53,443.10
13	Visitor Information Clerk	B	
13	Visitor Information Specialist	B	
14	Service Worker	B	37,594.75 - 55,670.78
15	Security Dispatcher	B	39,164.74 - 58,004.54
16	Business Service Specialist	B	40,777.15 - 60,211.01
16	Database Marketing Coordinator	B	
16	Distribution Center Specialist	B	
16	Secretary	B	
16	Services Support Technician	B	
17	Groundskeeper	B	41,467.40 - 61,295.00
17	Security Officer	B	
18	Photographer	B	43,959.55 - 65,090.69
18	Purchasing Assistant	B	
18	Video Specialist	B	
20	Accounting Technician	B	47,566.27 - 70,500.77
20	Building Engineer	B	
20	Communications Technician	B	
20	Damage Assessment Technician	B	
20	Electrician	B	
20	Exterior Engineer	B	
20	Facility Support Technician	B	
20	Graphics Technician	B	
20	HVAC Technician	B	
20	Mechanic/Welder	B	
20	Perimeter Security Supervisor	B	
20	Plumber	B	
22	Engineering Assistant Supervisor	B	51,470.02 - 76,186.66
22	Fire Prevention Technician	B	
22	Grounds Supervisor	B	
22	Lead Accounting Technician	B	
22	Security Sergeant	B	
22	Services Supervisor	B	

PERSONNEL ALLOCATION

POSITION CLASSIFICATIONS (continued)

GRADE	CLASS TITLE	CLASSIFICATION	SALARY SCHEDULE (\$)	
25	Building Engineer Supervisor	B	58,004.54	- 85,755.07
25	Communications Supervisor	B		
25	Electrician Supervisor	B		
25	Engineering Maintenance Supervisor	B		
25	Engineering Supervisor	B		
25	Exterior Engineering Supervisor	B		
25	Facility Support Supervisor	B		
25	Fire Prevention Coordinator	B		
25	Graphics Supervisor	B		
25	HVAC Supervisor	B		
25	Life Systems Coordinator	B		
25	Mechanic/Welder Supervisor	B		
25	Plumber Supervisor	B		
PROFESSIONAL CLASS				
16	Purchasing Specialist	P	39,000.00	- 57,595.20
16	Secretary	P		
16	Secretary—Chicago, WDC & Ext. Destinations	P		
18	Account Representative	P	42,036.80	- 62,254.40
18	Assistant to the Board	P		
18	Customer Experience Specialist	P		
18	Records Management Specialist	P		
18	Surveillance Investigator	P		
20	Administrative Secretary	P	45,489.60	- 67,433.60
20	Advertising Coordinator	P		
20	Archivist	P		
20	Canine Officer	P		
20	CMMS Coordinator	P		
20	Communications Assistant	P		
20	Communications Coordinator	P		
20	Community Relations & Public Affairs Assistant	P		
20	Contracts Coordinator	P		
20	Convention Services Coordinator	P		
20	Digital Engagement Coordinator	P		
20	Help Desk Specialist	P		
20	Payroll Technician	P		
22	Administrative Assistant	P	49,233.60	- 72,862.40
22	Analyst	P		
22	Business Partner	P		
22	Financial Systems Technician	P		
22	Human Resources Records Technician	P		
22	Information Technology Coordinator	P		
22	Lead Accountant	P		
22	Lead Payroll Technician	P		
22	Lead Records Management Technician	P		
22	News Bureau Assistant	P		
22	Portable Systems Technician	P		
22	Registration Services Supervisor	P		
22	Senior Help Desk Specialist	P		
22	Surveillance Investigator	P		
22	Systems Technician	P		
22	Traffic Field Supervisor	P		
22	Visitor Information Center Supervisor	P		
22	Visitor Information Services Supervisor	P		

PERSONNEL ALLOCATION

POSITION CLASSIFICATIONS (continued)

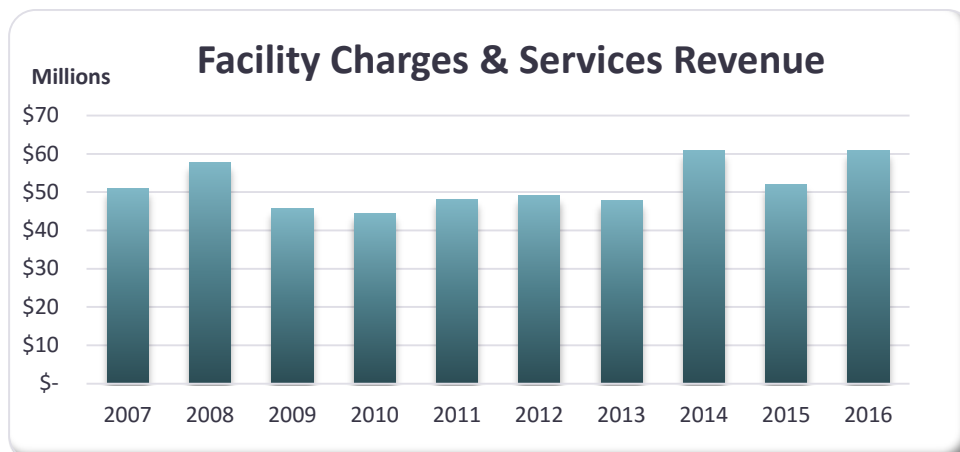
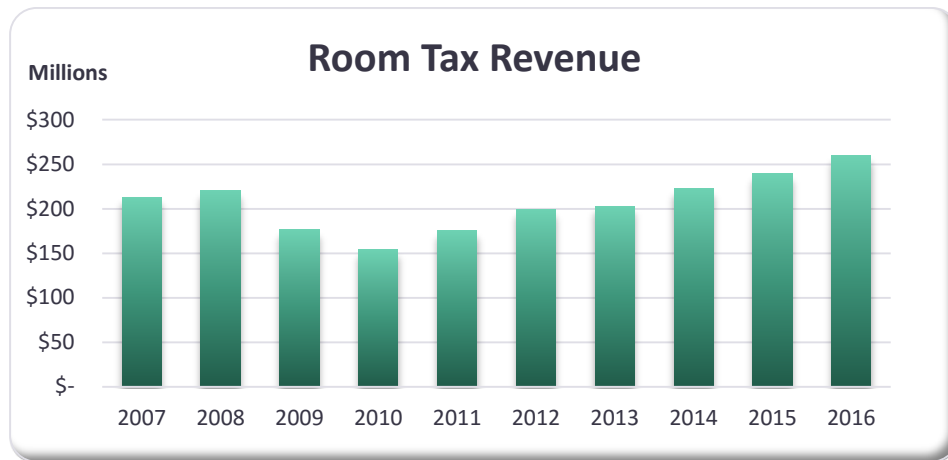
GRADE	CLASS TITLE	CLASSIFICATION	SALARY SCHEDULE (\$)	
23	Administrative Coordinator	P	51,126.40	- 75,774.80
23	Administrative Services Coordinator	P		
23	Contracts Administrator	P		
23	Convention Services Administrator	P		
23	Database Marketing Administrator	P		
23	Digital Communications Specialist	P		
23	Digital Marketing Coordinator	P		
23	Executive Assistant	P		
23	Executive Assistant to the Board	P		
23	Legal Assistant	P		
24	Executive Assistant to the CFO	P	53,248.00	- 78,873.60
24	Executive Assistant to the CHRO	P		
24	Executive Assistant to the COO	P		
24	Transportation Coordinator	P		
25	Administrative Traffic Supervisor	P	55,473.60	- 82,014.40
25	Canine Supervisor	P		
25	Control Center Supervisor	P		
25	Project Analyst	P		
25	Registration Services Senior Supervisor	P		
25	Research Analyst	P		
25	Total Rewards Administrator	P		
25	Visitor Information Senior Supervisor	P		
26	Digital Marketing Analyst	P	57,595.20	- 85,342.40
26	Financial Analyst	P		
26	Internal Auditor	P		
26	Senior Research Analyst	P		
29	CMMS Administrator	P	64,771.20	- 95,992.00
29	Finance ERP Technician	P		
29	Financial Systems Administrator	P		
29	Human Resources Administrator	P		
29	Network Specialist Administrator	P		
29	Programmer Analyst	P		
29	Systems Administration Specialist	P		
30	Executive Assistant to the President	P	67,433.60	- 99,840.00
31	Senior Web Developer	P	70,075.20	- 103,833.60
32	Network Supervisor	P	72,862.40	- 107,910.40
32	Support Services Supervisor	P		
32	Systems Development Supervisor	P		
32	Telecommunications Supervisor	P		
MANAGEMENT				
M5	Manager	M	55,619.20	- 86,091.20
M4	Manager	M	63,980.80	- 99,028.80
M3	Senior Manager	M	73,569.60	- 113,880.00
M2	Director	M	82,846.40	- 128,148.80
M1	Senior Director	M	91,520.00	- 141,336.00
EXECUTIVE				
E4	Vice President(s)/Executive Director(s)	E	137,500.00	- 244,100.00
E3	Senior Vice President(s)	E	171,900.00	- 305,100.00
E3	Chief Human Resources & Communications Officer(s)	E	171,900.00	- 305,100.00
E2	Chief Financial & Operating Officer(s)	E	212,200.00	- 424,400.00
E1	Executive Vice President	E	265,000.00	- 530,500.00
-	President/CEO	E	Board of Directors Discretion	

STATISTICAL DATA

GENERAL FUND REVENUES BY SOURCE LAST TEN FISCAL YEARS

The schedule below includes only revenues earned in the general fund. It does not include other financing sources such as transfers into the general fund or sale of capital assets. The percentage shown in the column boxes indicate the percent of increase or decrease for that column compared to the preceding year.

Fiscal Year	Total Revenues	Room Taxes		Facility Charges & Services		Gaming Fees		Interest & Other
2007	\$ 269,118,610	\$ 213,256,076	7%	\$ 50,916,320	5%	\$ 1,949,332	-1%	\$ 2,996,882
2008	281,918,942	220,733,128	4%	57,689,079	13%	1,851,848	-5%	1,644,887
2009	225,143,479	176,726,992	-20%	45,640,631	-21%	2,101,166	13%	674,689
2010	200,737,367	154,046,265	-13%	44,535,733	-2%	1,960,431	-7%	194,938
2011	226,060,028	175,425,978	14%	48,158,659	8%	1,919,186	-2%	556,204
2012	250,820,583	199,592,498	14%	49,168,968	2%	1,813,548	-6%	245,569
2013	253,051,353	203,196,429	2%	47,846,895	-3%	1,831,589	1%	176,440
2014	285,635,383	222,781,385	10%	60,786,406	27%	1,710,108	-7%	357,484
2015	293,207,376	239,318,802	7%	51,968,374	-15%	1,726,843	1%	193,357
2016	322,649,558	259,967,636	9%	60,835,569	17%	1,646,281	-5%	200,072

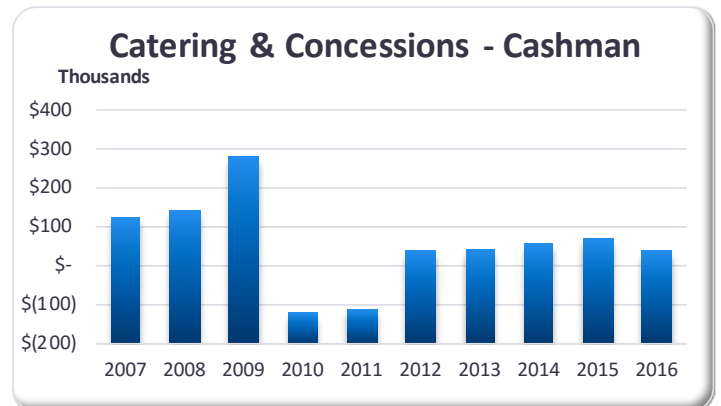
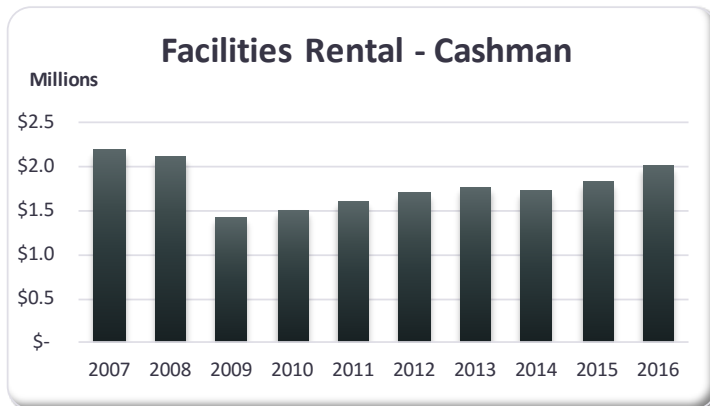
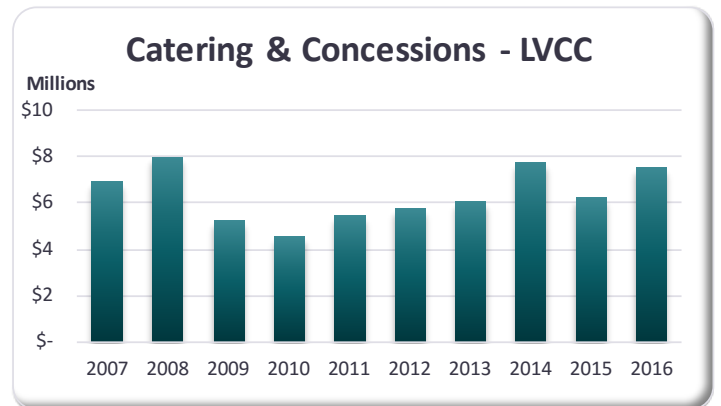
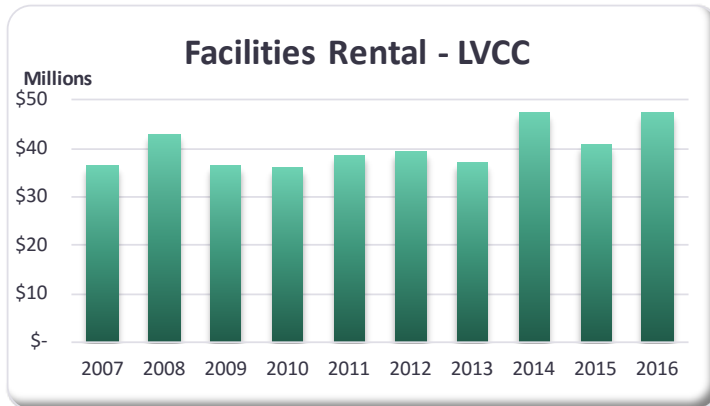


STATISTICAL DATA

GENERAL FUND REVENUES BY SOURCE LAST TEN FISCAL YEARS (continued)

The components of "Facility Charges and Services" are shown below: the percentages shown in the column boxes indicate the percent increase or decrease for that column compared to the preceding year.

Fiscal Year	Total Revenues	CONVENTION CENTER				CASHMAN CENTER				
		Facilities Rental		Catering & Concessions		Facilities Rental		Catering & Concessions	Other Fees & Charges	
2007	\$ 50,916,320	\$ 36,280,156	<1%	\$ 6,917,274	7%	\$ 2,182,678	11%	\$ 124,392	-15%	\$ 5,411,820
2008	57,689,079	42,873,520	18%	7,974,530	15%	2,102,463	-4%	144,345	16%	4,594,221
2009	45,640,631	36,227,413	-16%	5,247,263	-34%	1,428,416	-32%	281,434	95%	2,456,105
2010	44,535,733	36,002,880	-1%	4,547,121	-13%	1,511,102	6%	(121,721)	-143%	2,596,351
2011	48,158,659	38,688,753	7%	5,468,941	20%	1,597,635	6%	(113,475)	7%	2,516,805
2012	49,168,968	39,256,965	1%	5,747,299	5%	1,716,416	7%	36,267	132%	2,412,021
2013	47,846,895	37,165,086	-5%	6,063,135	5%	1,772,441	3%	42,774	18%	2,803,459
2014	60,786,406	47,388,553	28%	7,748,847	28%	1,734,836	-2%	55,487	30%	3,858,683
2015	51,968,374	40,837,099	-14%	6,257,047	-19%	1,836,856	6%	70,768	28%	2,966,604
2016	60,835,569	47,276,902	16%	7,554,524	21%	2,016,529	10%	36,789	-48%	3,950,825



STATISTICAL DATA

GENERAL FUND EXPENDITURES BY SOURCE LAST TEN FISCAL YEARS

The schedule below includes only expenditures in the general fund. It does not include other uses such as transfers for internal service, debt service, or capital project funds. The percentages shown in the column boxes indicate the percent of increase or decrease for that column compared to the preceding year.

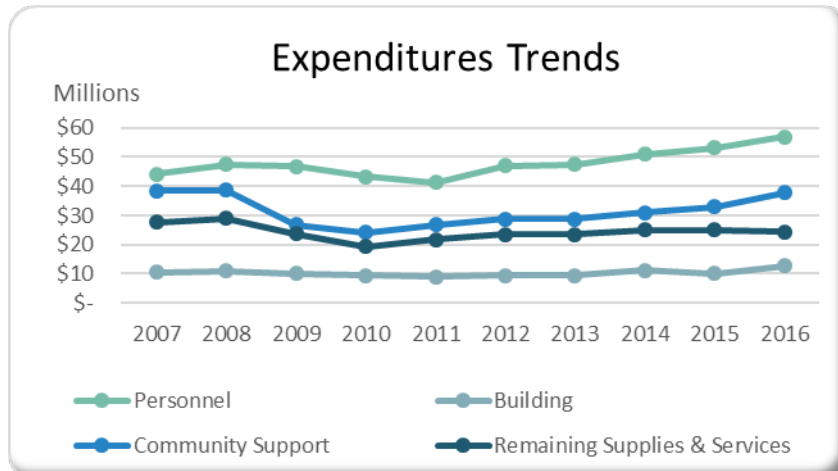
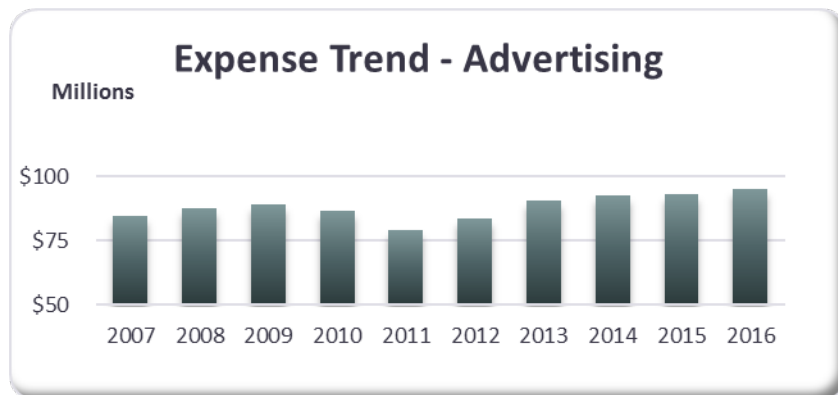
Fiscal Year	Total Expenditures	Personnel	Advertising	Building	Community Support	Remaining Supplies & Services
2007	\$ 205,278,234	\$ 44,145,739	\$ 84,506,694	\$ 10,474,091	\$ 38,416,171	\$ 27,735,539
2008	214,001,753	47,513,648	87,857,388	10,934,926	38,640,536	29,055,255
2009	196,747,731	46,804,234	89,342,627	10,151,104	26,802,232	23,647,534
2010	183,028,495	43,202,760	86,924,843	9,413,393	24,088,340	19,399,159
2011	178,389,411	41,324,899	79,423,380	9,041,566	26,842,989	21,756,577
2012	192,381,692	47,003,176	83,539,239	9,471,115	28,854,382	23,513,780
2013	199,569,062	47,428,784	90,466,753	9,467,068	28,736,573	23,469,884
2014	210,907,570	51,085,181	92,470,992	11,181,464	31,020,039	25,149,894
2015	214,520,535	53,261,897	93,148,972	10,108,151	32,870,164	25,131,351
2016	226,938,805	56,961,314	95,012,365	12,717,952	37,826,676	24,420,498

(A) The column labeled "Personnel" includes salaries and employee benefits.

(B) Advertising includes only the services and supplies.

(C) The "Building" column includes repairs and maintenance (excludes computers and portable equipment), utilities and insurance costs for the Convention and Cashman Center. Many repair and maintenance items can only be performed when the buildings are empty which results in fluctuating costs from year to year.

(D) The "Community Support" column includes collection allocation, grants and special events.

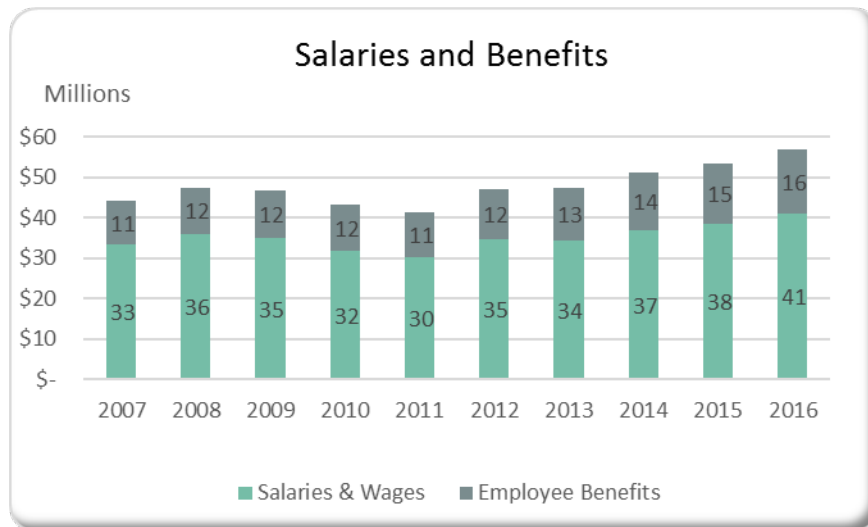


STATISTICAL DATA

GENERAL FUND EXPENDITURES BY SOURCE LAST TEN FISCAL YEARS (continued)

The components of personnel expenditures are shown below. The percentages shown in the column boxes indicate the percent of increase for that column compared to the preceding year.

Fiscal Year	Personnel Expenditures	Salaries & Wages		Employee Benefits		Benefits as a Percent of Salaries
2007	\$ 44,145,739	\$ 33,251,674	10%	\$ 10,894,065	10%	33%
2008	47,513,648	35,931,995	8%	11,581,653	6%	32%
2009	46,804,234	34,897,735	-3%	11,906,499	3%	34%
2010	43,202,760	31,685,192	-9%	11,517,568	-3%	36%
2011	41,324,899	30,243,257	-5%	11,081,642	-4%	37%
2012	47,003,176	34,722,818	15%	12,280,358	11%	35%
2013	47,428,784	34,333,989	-1%	13,094,795	7%	38%
2014	51,085,181	36,890,086	7%	14,195,095	8%	38%
2015	53,261,897	38,466,086	4%	14,795,811	4%	38%
2016	56,961,314	40,972,715	7%	15,988,599	8%	39%



STATISTICAL DATA

FACILITY CHARGES AND SERVICES LAST TEN FISCAL YEARS

The number of convention delegates visiting Las Vegas is related to a rise in total conventions held in the Las Vegas area. While many of those conventions and events are held at resort hotels, the LVCVA has also benefited from activities held at the Las Vegas Convention Center and Cashman Center. Facilities charges and services revenue does not include catering/concessions revenues or reimbursed services.

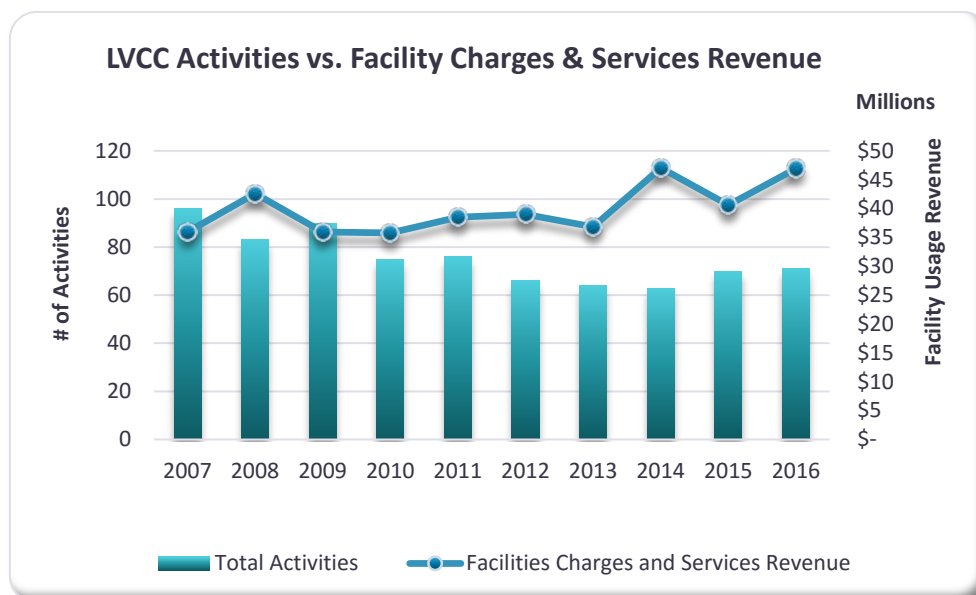
LAS VEGAS CONVENTION CENTER - BUILDING UTILIZATION

FISCAL YEAR	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES CHARGES AND SERVICES REVENUE
2007	78	15	3	96	\$ 35,961,983
2008	66	12	5	83	42,587,445
2009	68	15	7	90	35,951,249

In FY 2011, the methodology used in determining the event category was updated in order to be more specific regarding events other than conventions and tradeshows. Historical data going back two years was adjusted under the new method.

FISCAL YEAR	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES CHARGES AND SERVICES REVENUE
2010	64	9	2	75	\$ 35,783,911
2011	60	11	5	76	38,483,619
2012	53	10	3	66	39,022,683
2013	47	16	1	64	36,854,055
2014	47	13	3	63	47,067,894
2015	51	16	3	70	40,605,461
2016	51	19	1	71	46,954,668

Source: Las Vegas Convention and Visitors Authority – Research Center and Finance departments



STATISTICAL DATA

FACILITY CHARGES AND SERVICES LAST TEN FISCAL YEARS (continued)

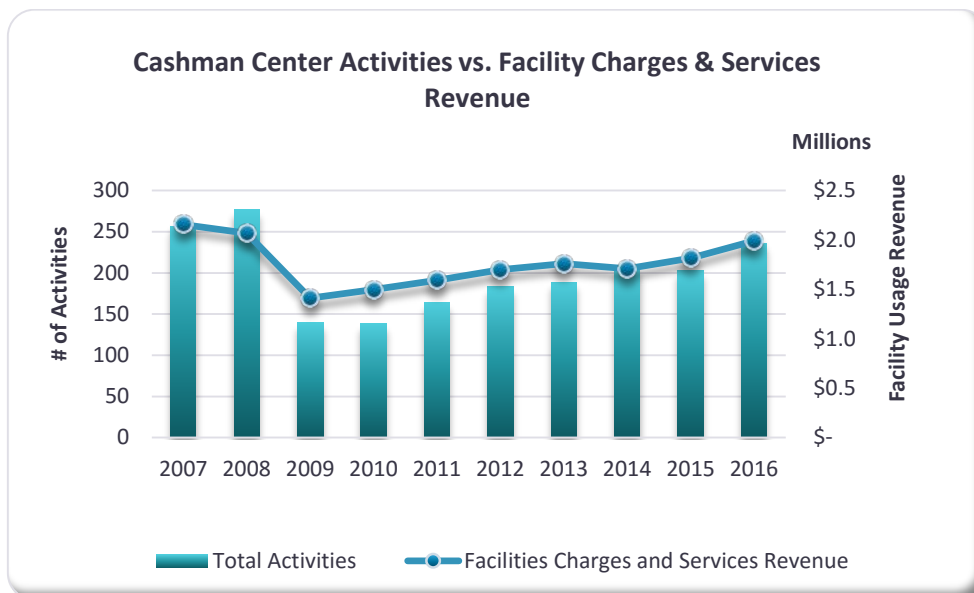
CASHMAN CENTER - BUILDING UTILIZATION

FISCAL YEAR	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES CHARGES AND SERVICES REVENUE
2007	4	158	95	257	\$ 2,157,445
2008	2	163	112	277	2,069,376
2009	0	102	38	140	1,412,766

In FY 2011, the methodology used in determining the event category was updated in order to be more specific regarding events other than conventions and tradeshows. Historical data going back two years was adjusted under the new method.

FISCAL YEAR	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES CHARGES AND SERVICES REVENUE
2010	1	100	38	139	\$ 1,497,930
2011	1	127	36	164	1,592,040
2012	1	144	38	183	1,699,204
2013	2	152	35	189	1,760,894
2014	1	169	35	205	1,708,593
2015	1	155	47	203	1,815,341
2016	1	173	62	236	1,989,571

Source: Las Vegas Convention and Visitors Authority – Research Center and Finance departments



EXCERPT OF RENTAL RATES PER FACILITY

Below is a current basic rate guide for both the Las Vegas Convention Center and Cashman Center.

LAS VEGAS CONVENTION CENTER

CONVENTION/TRADE SHOW AND PUBLIC EVENTS

When used for commercial exhibits, the cost per individual exhibit hall is either the minimum daily rate or \$0.33 per net square foot (effective July 1, 2016), whichever is greater. Exhibit halls used for catered food functions or general sessions only, are at no charge. The total number of move-in/move-out days equal to one (1) times the number of show days, are also at no charge. Additional move-in/move-out days are at 50% of the charged rate per day.

When exhibit halls are used for commercial exhibits and meeting rooms are used for association's use, meeting rooms will be provided in the amount of 10 complimentary meeting rooms per 100,000 square feet of exhibit space used in the North and Central Halls. Meeting rooms in the South Halls are assigned. Additional rooms will be charged the minimum daily room rate (ranges from \$150 to \$1,650). This includes a one-time set-up per day – i.e. lights, heat, air, custodial services and sound services. Change-overs and revised room set-ups will be charged the daily room rate. Meeting rooms used as exhibits are charged double the daily rate. If meeting rooms are sublet, they will be charged the minimum daily rate or 15% of their sublease rate, whichever is greater. Rental of meeting rooms only, are charged at the daily rate. In April 2015, the Board approved incremental rate increases over the next three fiscal years. Please see pages 32-33 for more details.

Parking fees are \$10.00 per space per day with in and out privileges.

CASHMAN CENTER

CONVENTION/TRADE SHOW

Exhibit hall rates are based on \$0.29 per net square foot or the minimum daily rate. The total days of move-in/move-out at no charge equal the number of actual show days. Extra move-in/move-out days are at 50% of the charged rate.

Meeting rooms are \$320 per day and leased at three levels:

- (1) Used by a lessee for their association meetings only, will be charged at the minimum daily rate.
- (2) Sublet by the lessee for meetings only will be charged the minimum daily rate or 15% of their sublease rate, whichever is greater.
- (3) Used for exhibit space will be charged at twice the minimum daily rate.

PUBLIC EVENT

Exhibit hall rates are set at \$4,000 per day for each hall. The total number of move-in/move-out days equal to one (1) times the number of show days are at no charge. Extra move-in/move-out days are charged at 50% of the charged rate.

Meeting room rental rates are \$320 per day (\$800 per day if using the Club Level Restaurant).

The theater rental rate for performances is \$3,000 per day. Business meeting use rate for the theater is \$1,250 per day. Dress rehearsals performed prior to actual show days are charged 50% of the minimum daily rate.

Parking fees are \$5.00 per car per day with in and out privileges.

As referenced against closed-to-the-public conventions and trade shows, public invited events come in a wide variety of compositions and are subject to different rate classifications: full rental, half rental and cost reimbursable.

STATISTICAL DATA

DEMOGRAPHIC STATISTICS - CLARK COUNTY, NEVADA LAST TEN FISCAL YEARS

Even though Clark County combines the glamorous gaming and entertainment mecca of Las Vegas alongside rural living, it is not much different from other counties its size. There are parks, museums, libraries and religious centers.

Per the Census Bureau, Clark County is the most populous county in the state of Nevada. The population in FY 2016 grew 2.3% compared to FY 2015.

City of Las Vegas, North Las Vegas and Henderson has a total population of 1,164,716 which makes up 54% of the total Clark County population of 2,166,180. Labor force at 2016 stands at 1,059,667 a slight increase compared to 2015. Unemployment rate at 2016 is 6.4%, which has continued to decline since 2010.

Entity	Incorporation Date	2016 Population	Square Miles (approx.) *
Clark County	1909	965,176	7,441
Las Vegas	1911	629,649	134
N. Las Vegas	1946	240,708	100
Henderson	1953	294,359	105
Boulder City	1958	16,298	208
Mesquite	1984	19,991	32

Source: population estimates - Nevada State Demographer, square miles from the Clark County.

Further statistics that reflect the local economy are shown below.

AS OF JUNE 30,	POPULATION (A)	LABOR FORCE (B)	UNEMPLOYMENT RATE (B)
2006	1,874,837	918,102	4.2%
2007	1,954,319	950,468	4.5%
2008	1,967,716	983,657	6.3%
2009	1,952,040	969,122	11.8%
2010	1,968,831	986,342	13.8%
2011	1,967,722	995,312	13.5%
2012	1,988,195	1,001,349	11.4%
2013	2,031,723	1,009,219	9.9%
2014	2,069,450	1,019,373	8.0%
2015	2,118,353	1,049,522	7.1%
2016	2,166,181	1,059,667	6.4%

Sources:

(A) December 31 population estimates from the Nevada State Demographer.

(B) Labor force statistics and unemployment rates from the Nevada Dept. of Employment, Training & Rehabilitation – Information Development & Processing Division – Research & Analysis Bureau.

(C) Starting with calendar year 2008 - median age calculation includes entire population; previously it was the adult population only.

All other statistics are as of December 31 and are from the [Las Vegas Perspective](#).



Source: <http://gisgate.co.clark.nv.us/gismo/gismo.htm>

AS OF DEC 31,	MEDIAN HOUSEHOLD INCOME *	MEDIAN AGE * (C)	SCHOOL ENROLLMENT *
2006	53,111	47.5	315,697
2007	53,704	50.1	323,037
2008	57,403	35.7	330,519
2009	58,148	35.3	323,607
2010	58,432	35.4	323,637
2011	54,255	34.5	322,555
2012	50,962	36.2	325,179
2013	50,454	36.4	329,034
2014	50,274	36.8	318,040
2015	52,865	37.2	319,713
2016	n/a	n/a	n/a

* Note: CY2016 Median Household Income, Median Age and School Enrollment are not available at the time of printing.

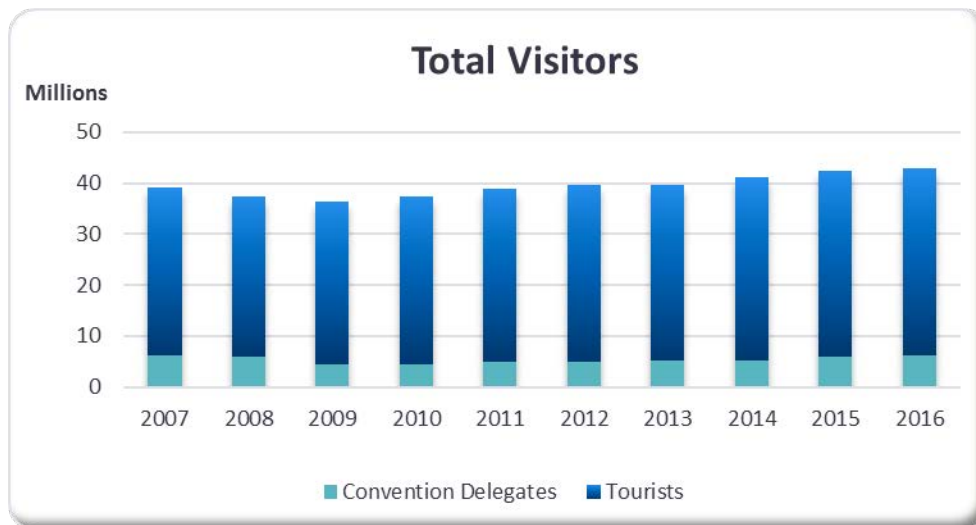
STATISTICAL DATA

VISITOR ANALYSIS LAST TEN CALENDAR YEARS

In its role of promoting Las Vegas as a travel destination, the LVCVA contributes to the growth of the entire local economy. The Las Vegas economy is heavily dependent on the tourism industry. In 2016, the total number of visitors to Las Vegas hit a record high of over 42.9 million an increase of 1.5% compared to 2015.

CALENDAR YEAR	CONVENTION DELEGATES	% OF TOTAL VISITORS	TOURISTS	% OF TOTAL VISITORS	TOTAL VISITORS	INCREASE / (DECREASE)
2007	6,209,253	15.80%	32,987,508	84.20%	39,196,761	0.70%
2008	5,899,725	15.74%	31,581,827	84.26%	37,481,552	-4.38%
2009	4,492,275	12.36%	31,859,194	87.64%	36,351,469	-3.02%
2010	4,473,134	11.98%	32,862,302	88.02%	37,335,436	2.71%
2011	4,865,272	12.50%	34,063,436	87.50%	38,928,708	4.27%
2012	4,944,014	12.44%	34,783,008	87.56%	39,727,022	2.05%
2013	5,107,416	12.88%	34,560,805	87.12%	39,668,221	-0.15%
2014	5,169,054	12.57%	35,957,458	87.43%	41,126,512	3.68%
2015	5,891,151	13.92%	36,421,065	86.08%	42,312,216	2.88%
2016	6,310,616	14.70%	36,625,493	85.30%	42,936,109	1.47%

Source: Las Vegas Convention and Visitors Authority - Research Center department



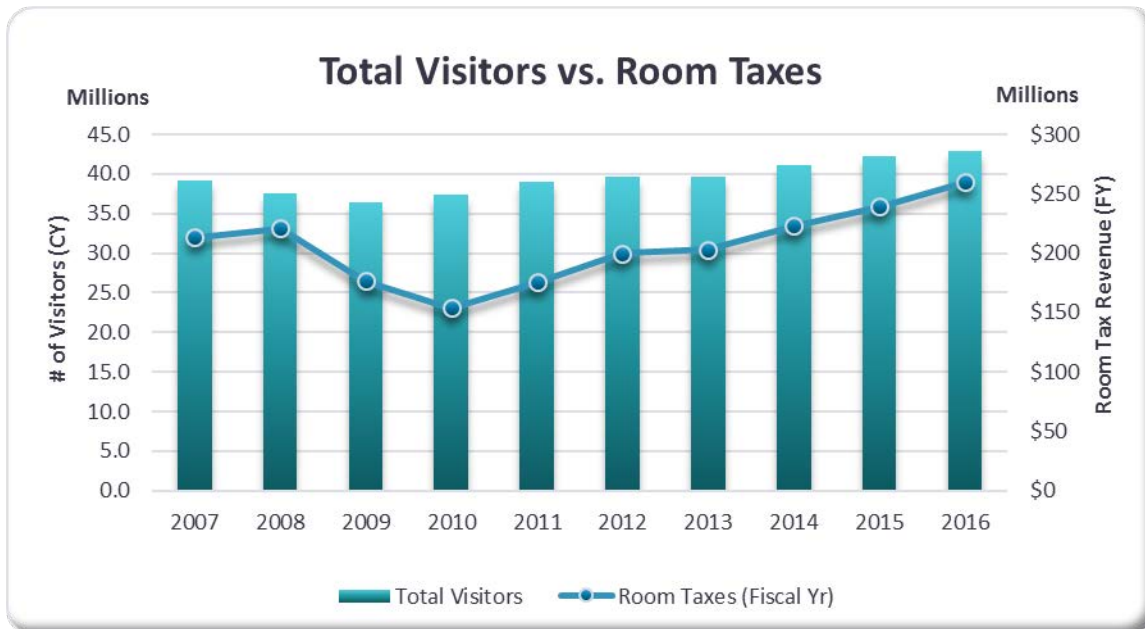
STATISTICAL DATA

VISITOR ANALYSIS LAST TEN CALENDAR YEARS (continued)

Strong visitor levels produce beneficial secondary effects in other industries as well, since visitors purchase a significant amount of goods and services while they visit the area. Indicators of the economic impact include total gaming revenues in Clark County and room taxes collected on behalf of the LVCVA. In 2016 gaming revenues total \$9.7 billion, a slight increase from 2015.

CALENDAR YEAR	TOTAL VISITORS	INCREASE / (DECREASE)	GAMING REVENUES (000)	INCREASE / (DECREASE)	ROOM TAXES (Fiscal Year)	INCREASE / (DECREASE)
2007	39,196,761	0.70%	10,868,554	2.10%	213,256,076	6.60%
2008	37,481,552	-4.38%	9,796,723	-9.86%	220,733,128	3.51%
2009	36,351,469	-3.02%	8,838,235	-9.78%	176,726,992	-19.94%
2010	37,335,436	2.71%	8,908,630	0.80%	154,046,265	-12.83%
2011	38,928,708	4.27%	9,222,680	3.53%	175,425,978	13.88%
2012	39,727,022	2.05%	9,399,882	1.92%	199,592,498	13.78%
2013	39,668,221	-0.15%	9,676,458	2.94%	203,196,429	1.81%
2014	41,126,512	3.68%	9,554,002	-1.27%	222,781,385	9.64%
2015	42,312,216	2.88%	9,616,463	0.65%	239,318,802	7.42%
2016	42,936,109	1.47%	9,712,796	1.00%	259,967,636	8.63%

Source: Las Vegas Convention and Visitors Authority - Research Center and Nevada State Gaming Control Board



STATISTICAL DATA

VISITOR DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

The Las Vegas Convention and Visitors Authority conducts and compiles various research information on visitors to gain a better understanding of the composition of the Clark County visitor, and to tailor advertising campaigns. In 2016, the median age is 44.0 with 44% of visitors between the ages of 21 to 39, 36% between 40 and 59 and 20% over 60. The majority of visitors are married and employed. Further statistics regarding visitors to Las Vegas are shown below:

AS OF DECEMBER 31,	GENDER		AVERAGE AGE	MARITAL STATUS			JOB CATEGORIES		
	Male	Female		Married	Single	Other*	Employed	Retired	Other**
2006	52%	48%	48	79%	14%	7%	70%	24%	6%
2007	50%	50%	49.0	79%	14%	7%	67%	26%	7%
2008	51%	49%	50.6	80%	13%	7%	66%	28%	6%
2009	50%	50%	50.0	78%	15%	7%	65%	28%	7%
2010	50%	50%	49.2	79%	14%	7%	66%	27%	7%
2011	51%	49%	49.0	77%	15%	8%	66%	25%	9%
2012	51%	49%	44.8	75%	18%	7%	69%	19%	12%
2013	50%	50%	45.8	79%	15%	6%	67%	20%	13%
2014	49%	51%	45.2	80%	14%	6%	64%	20%	16%
2015	51%	49%	47.7	79%	14%	8%	67%	24%	9%
2016	50%	50%	44.0	70%	22%	8%	71%	17%	12%

Source: [Las Vegas Visitor Profile Study](#)

*Marital Status - Other includes separated, divorced, or widowed. Numbers may not foot due to rounding.

** Job Categories - Other includes student, homemaker, or unemployed.

AS OF DECEMBER 31,	Foreign	UNITED STATES OF AMERICA			
		Eastern States	Southern States	Midwestern States	Western States
2006	13%	8%	13%	14%	52%
2007	12%	9%	13%	14%	52%
2008	15%	8%	13%	12%	52%
2009	14%	7%	11%	12%	55%
2010	18%	6%	11%	12%	54%
2011	16%	6%	12%	11%	55%
2012	17%	7%	11%	11%	54%
2013	20%	6%	12%	10%	52%
2014	19%	7%	12%	9%	53%
2015	16%	7%	13%	11%	53%
2016	19%	7%	15%	10%	49%

Source: [Las Vegas Visitor Profile Study](#)

Eastern states: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.

Southern States: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia.

Midwestern States: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.

Western States: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada (excluding Clark County), New Mexico, Oregon, Utah, Washington and Wyoming.

STATISTICAL DATA

PRINCIPAL ROOM TAX PAYERS DECEMBER 31, 2016

The primary source of revenue for the LVCVA is from room taxes imposed on hotels and motels in Clark County. The hotels listed below represent the ten largest hotel properties in Clark County and, accordingly, are in the group that generates the greatest volume of room taxes for the LVCVA.

	Approximate Rooms at December 31, 2016
MGM Grand	5,044
Luxor	4,400
Venetian	4,027
Aria	4,004
Excalibur	3,981
Bellagio	3,933
Caesars Palace	3,792
Circus Circus	3,767
Flamingo Las Vegas	3,460
Mandalay Bay	<u>3,211</u>
Total Top 10 Hotels	39,619
Total Jean/Primm	2,945
Other hotels/motels	<u>106,775</u>
Total Las Vegas metropolitan area	149,339
Total Laughlin	9,920
Total Mesquite	<u>1,905</u>
Total Inventory of Rooms	<u>161,164</u>

Source: Las Vegas Convention and Visitors Authority - Research Center department

Note: Other hotels/motels do not include timeshare properties.

STATISTICAL DATA

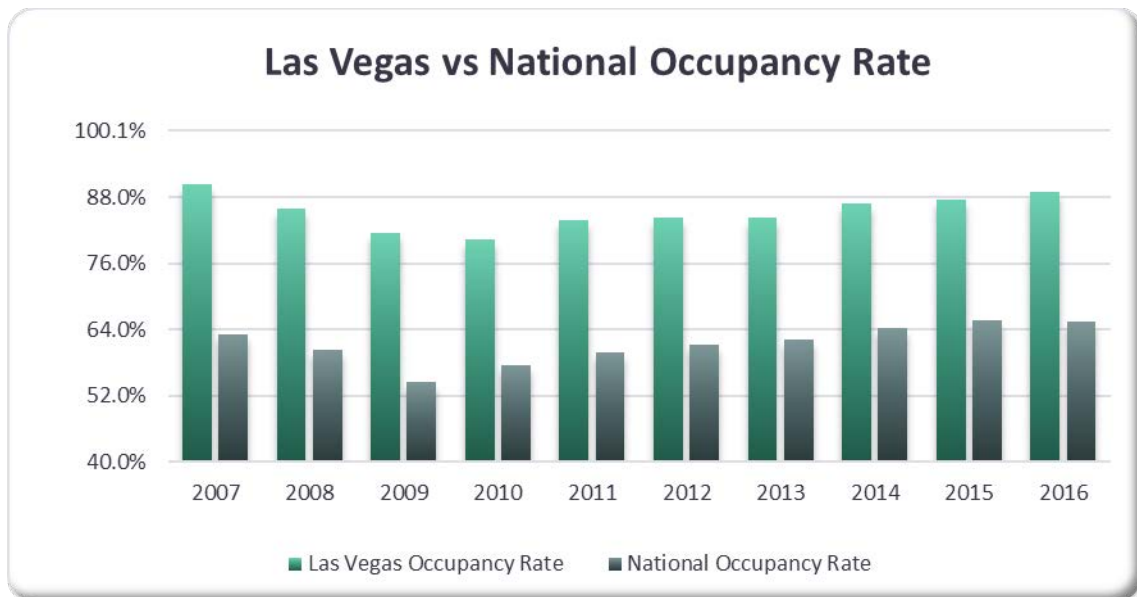
OCCUPANCY RATE LAST TEN CALENDAR YEARS

In spite of the increasing availability of rooms over the last decade, the occupancy rate for Las Vegas continues to grow, exceeding the national average by 23.6 points for calendar year 2016.

Calendar Year	Total Visitor Volume	Rooms Inventory*	Occupancy Percentage	Average Rooms Occupied Daily	Average Daily Rate	National Occupancy Percentage
2007	39,196,761	132,947	90.4%	120,184	132.09	63.1%
2008	37,481,552	140,529	86.0%	120,855	119.19	60.3%
2009	36,351,469	148,941	81.5%	121,387	93.06	54.5%
2010	37,335,436	148,935	80.4%	119,744	94.91	57.5%
2011	38,928,708	150,161	83.8%	125,835	105.11	59.9%
2012	39,727,022	150,481	84.4%	127,006	108.08	61.3%
2013	39,668,221	150,593	84.3%	126,950	110.72	62.2%
2014	41,126,512	150,544	86.8%	130,672	116.26	64.4%
2015	42,312,216	149,213	87.7%	130,860	120.67	65.6%
2016	42,936,109	149,339	89.1%	133,061	125.96	65.5%

Source: Las Vegas Convention and Visitors Authority- Research Center department

*Total Las Vegas metropolitan area includes properties in the Jean/Primm area.



STATISTICAL DATA

ROOM TAX RATE DISTRIBUTION BY JURISDICTION AS OF JUNE 30, 2017

	CLARK COUNTY			LAS VEGAS	
	Resort Hotels	Others Within 35 miles ¹	Others Outside 35 miles ¹	Resort Hotels	Others
<u>Distributed to:</u>					
State of Nevada ²	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8
Clark County School District Collecting Jurisdiction	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8
County Transportation ³	1	2	2	1	2
LVCVA	1	1	1	1	1
LVCVA - LVCCD Dedicated	5	4	2	5	4
LVCVA - LVCCD Dedicated	1/2	1/2	1/2	1/2	1/2
Stadium Authority ⁴	7/8	1/2	-	1/2	1/2
Total Room Tax Rate	13 3/8	13	10 1/2	13	13

	NORTH LAS VEGAS		HENDERSON		BOULDER CITY		MESQUITE
	Resort Hotels	Others	Resort Hotels	Others	Resort Hotels	Others	All
<u>Distributed to:</u>							
State of Nevada ²	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8
Clark County School District Collecting Jurisdiction	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8
County Transportation ³	1	2	2	2	-	-	2
LVCVA	1	1	1	1	1	1	1
LVCVA - LVCCD Dedicated	5	4	5	4	6	4	4
LVCVA - LVCCD Dedicated	1/2	1/2	1/2	1/2	1/2	1/2	1/2
Stadium Authority ⁴	1/2	1/2	1/2	1/2	1/2	1/2	-
Total Room Tax Rate	13	13	14	13	13	11	12 1/2

Source: Annual City/County Transient Lodging Tax Report as filed with the State of Nevada – Department of Taxation.

¹ Reference is to distance from the Las Vegas Convention Center.

² A portion of proceeds are allocated to NV Commission on Tourism. This applies only to counties whose population exceeds 300,000. (I.e. Clark and Washoe Counties only). The monies generated by this additional room tax are to fund education and other state programs.

³ Enacted by the Clark County Commission in 1991.

⁴ Stadium Authority established in 2016 receives 0.5% room tax from lodging establishments with in a 25-mile radius of the stadium district and 0.88% for properties located in the primary gaming corridor. The primary gaming corridor can be found on the Clark County Business license website at www.clarkcountynv.gov/business-license/pages/default.aspx

RESORT HOTEL DEFINITIONS BY JURISDICTION

Clark County – An establishment having a casino containing not less than three games.

Las Vegas – A hotel having seventy-five or more rooms.

North Las Vegas – A hotel having one hundred or more rooms and a casino containing not less than three games.

Henderson – An establishment renting rooms and having a casino on the same premises containing not less than three games.

Boulder City – An establishment having one hundred or more rooms.

Mesquite – No distinction between resort hotels and other transient lodging establishments.

GLOSSARY

The annual budget contains terminology unique to governmental finance and budgeting. To assist the reader of the budget document in understanding these terms, the following glossary has been compiled.

Account Group

A self-balancing set of accounts that have no expendable financial resources. Account groups are used to maintain records of general long-term debts and general capital assets.

Accounting System

The total set of records and procedures that are used to record, classify and report information on the financial status and operations of an organization.

Accrual Basis Accounting

A system of accounting in which revenues and expenses are recorded as they are earned and incurred, not necessarily when cash is received or paid.

Activity

A financial and budgeting classification of similar endeavors or groupings of organizational units performing a specific and distinguishable type of work. In the LVCVA's organizational chart, activities generally relate to departments.

Appropriation

An authorization made by the Board of Directors that permits the LVCVA to incur obligations and to make expenditures of resources.

Augmentation

An action increasing total appropriations. Augmentations are governed by state statute and require formal resolution by the Board of Directors.

B-roll

In film and television production; supplemental or footage that is intercut with the main shot.

BABS

An abbreviation for Build America Bonds.

Balanced Budget

A budget in which proposed funds or revenues available are equal to or exceed planned fund expenditures and uses.

Bond

A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance.

Budget

A financial plan for a specified period of time (fiscal year).

Budget Document

The instrument prepared by the Finance Department and supporting staff that presents a comprehensive budget.

GLOSSARY

Budget Message

The opening section of the budget document that provides a general summary of the most important aspects of the budget and discusses significant changes from the current and previous fiscal years.

Budgetary Control

The control or management of a governmental unit in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available resources.

Build America Bonds

A financial tool for state and local governments to access conventional corporate debt markets and issue taxable bonds with a direct federal subsidy on the interest. The program lowers net borrowing costs and allows governments to reach more sources of borrowing than with more traditional tax-exempt bonds.

CAFR

An abbreviation for Comprehensive Annual Financial Report.

Capital Asset

A financial resource meeting all of the following criteria: (1) generally tangible in nature (software is the exception); (2) useful life greater than one year; (3) not a repair part or supply item; and (4) original cost greater than the capitalization threshold.

Capital Budget

A plan of proposed capital outlays and the means of financing them.

Capital Expenditure (aka Capital Outlay)

A purchase or improvement of a capital asset (i.e. land, buildings, furniture) with a cost of \$10,000 or more and a useful life of at least one year.

Capital Improvement Plan

A financial planning and management tool that lists proposed capital projects and capital acquisitions for a rolling five-year period.

Capital Projects Fund

A fund used to account for financial resources to be used for the acquisition or construction of capital assets.

Capitalization Threshold

The level of cost at which an asset becomes subject to control and reporting as a capital asset.

Cash Basis Accounting

A system of accounting in which transactions are recorded, and revenues and expenses are recognized, only when cash is received or paid.

CC

An abbreviation for Cashman Center.

CIP

An abbreviation for capital improvement plan.

Client

person or organization able to bring tourism or convention/meeting business to Las Vegas.

GLOSSARY

CMMS

An abbreviation for Computerized Maintenance Management Software.

CMS

An abbreviation for Contact Management system.

Commercial Paper

A short-term negotiable paper arising from business transactions.

Contact Management System

A software program that enables users to store and find contact information such as names, addresses and telephone numbers.

CRM

Abbreviation for Customer Relationship Management system.

Customer Relationship Management

A strategy for managing an organizations interactions or contacts with customers, clients and sales prospects.

Debt Service Fund

A fund established to account for the accumulation of resources for and the payment of principal and interest on debt.

Debt Service Requirements

The amount of resources that must be provided so that all principal and interest payments can be made in full on schedule.

Defeased

Retirement of debt of a state or local governmental unit in an indirect manner.

Department

A grouping in the organizational structure of related sections or units.

Depreciation

The process of allocating the cost of tangible property over a period of time, rather than expensing the entire cost in one year. Generally, at the end of an asset's useful life, the net value of the asset (original cost less accumulated depreciation) will equal the salvage value of the asset.

Division

A major grouping in the organizational structure of related activities within a functional area.

Drone Port

An airport specifically designed for drones and aircraft that weigh less than 1,320 pounds.

EAC

An abbreviation for Exhibitor Appointed Contractor.

EFT

An abbreviation for electronic funds transfer; an automated means of payment.

GLOSSARY

Employee Benefits

A budget category that is comprised of retirement, insurance, unemployment, Medicare and educational assistance expenses.

Encumbrance

The legal commitment of appropriated funds to purchase an item or service. To encumber means to set aside or commit funds for a future expenditure.

Expenditure

The amount of cash paid or to be paid for a service rendered, goods received or an asset purchased.

FAM

An abbreviation for familiarization trip. An organized tour for LVCVA clients; that lets them become familiar and experience LVCVA partner offerings.

Fiduciary Fund Type

A fund used to account for assets held by a government in a trust capacity or as an agent for others.

Fiscal Year (FY)

A consecutive twelve-month period signifying the beginning and ending period for recording financial transactions. The LVCVA has designated July 1 to June 30 as its fiscal year.

FIT business

“Fully Independent Traveler” a leisure tourist that is independent, planning their own travel, itinerary or route; without the assistance of a group tour, pre-arranged schedule or other group setting.

FTE

An abbreviation for full-time employee.

FYE

An abbreviation for fiscal year ending.

Function

Financial and budgeting classification of a group of related activities aimed at accomplishing a broad goal or a major service. In the LVCVA's organizational chart, functions generally relate to divisions.

Fund

A separate self-balancing accounting entity. Resources are allocated to and accounted for in a particular fund based on the purposes of expenditures and the means of controlling them.

Fund Balance

The excess of assets and deferred outflows over its liabilities, and deferred inflows in a fund.

GAAP (Generally Accepted Accounting Principles)

A body of accounting and financial reporting standards set by the Governmental Accounting Standards Board (GASB) for state and local governments, and by the Financial Accounting Standards Board (FASB) for private sector organizations.

Gaming Fee

A quarterly license fee imposed on operators of games based on the number of table games and slot machines in operation.

GLOSSARY

General Fund

The general fund accounts for all of the financial resources not specifically accounted for in another fund.

General Obligation Bonds

G.O. bonds have the full faith and credit of the LVCVA pledged to the repayment of the bonds. They are primarily secured by ad valorem taxes and are additionally secured by net pledged revenues of the LVCVA, represented basically by room taxes. The LVCVA has never resorted to the use of property taxes for debt service, using only net pledged revenues derived from operations. In fact, no ad valorem property tax revenues are allocated to the LVCVA for any purpose.

GFOA

An abbreviation for Government Finance Officers Association.

Goal

A statement of broad direction, purpose, or intent.

Governmental Fund Type

A fund used to account for general governmental activities. Includes the general fund, capital projects funds and debt service funds.

Grant

A contribution or gift to be used or expended for a specified purpose or activity.

Green Items

Products and services with reduced effects on human health and the environment.

Intranet

A network operating like the Internet but having access restricted to a limited group of authorized users (such as employees of a company).

Internal Service Fund

A fund used to account for goods or services given to one department by another on a cost reimbursement basis. The LVCVA uses the fund to accumulate reserves for future other post-employment benefit costs.

Inventory

The process of verifying physical fixed assets with records of capital assets.

LGBT

Abbreviation for Lesbian, Gay, Bisexual and Transgender.

LVCC

Abbreviation for Las Vegas Convention Center.

LVCCD Fund

Abbreviation for Las Vegas Convention Center District Fund. A restricted fund established to account for all project revenues, including those received from SB1 legislation, as well as all related expenditures.

Las Vegas Territory

Refers to the area that encompasses the City of Las Vegas and surrounding towns and cities located within Clark County.

GLOSSARY

Line-Item Budget

A budget that lists each expenditure category (salary, telephone, travel, etc.) separately, along with a dollar amount budgeted for each specific account.

Line of Credit

An arrangement between a financial institution, usually a bank and a customer that establishes a maximum loan balance that the bank will permit the borrower to maintain. The borrower can draw down on the line of credit at any time, as long as the borrower does not exceed the maximum set in the agreement.

Long-Term Debt

Debt with a maturity of more than one year after a fiscal year end.

MICE

Abbreviation for Meeting Incentive Conference Exhibition.

Modified Accrual Accounting

A basis of accounting. Revenues are recognized, and any related receivable is recorded, when they become both measurable and available. Expenditures are recognized when the liability is incurred, except for unmatured principal and interest on long-term debt, which is recognized when due.

NAC

An abbreviation for Nevada Administrative Code.

NASCAR

An abbreviation for National Association for Stock Car Auto Racing.

NDOT

An abbreviation for Nevada Department of Transportation.

NRS

An abbreviation for Nevada Revised Statutes.

Objective

A statement of specific direction, purpose, or intent based on the goals established for a particular function.

OPEB

An abbreviation for Other Post-Employment Benefits.

Operating Budget

The portion of the budget that pertains to daily operations. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel and fuel.

Organizational Unit

Financial and budgeting classification for a responsibility unit within a government. Organizational units, which relate to sections in the structure of the LVCVA are the basic unit of the operating budget.

Original Cost

The invoice amount paid to the supplier of an item plus any other costs incurred to make the item capable of being used. Original cost includes shipping and installation.

GLOSSARY

Other Post-Employment Benefits

Post-employment benefits generally take the form of healthcare benefits provided to eligible retirees, including in some cases their beneficiaries. Las Vegas Convention and Visitors Authority (LVCVA) retirees may participate in the employee health insurance programs, which results in an implicit rate impact that affects the plan premiums.

PERS

An abbreviation for Public Employees Retirement System.

P/R

An abbreviation for public relations.

Purchase Order

A document authorizing the delivery of specific merchandise or the rendering of specific services.

Resources

Total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

Revenue Bonds

Bonds that pledge a specific dedicated LVCVA revenue source for their repayment.

Revenues

Resource increases from the sale of services or goods derived primarily from normal operations.

Reverse Sales Mission

Sales mission where clients are brought into Las Vegas for formal presentations and meeting with LVCVA partners and to experience LVCVA partner offerings.

Room Tax

A tax levied on hotels, motels and other lodging establishments throughout Clark County and the incorporated cities.

Salaries and Wages

A budget category comprised of all full-time and temporary employee salaries including overtime and retirement payouts.

Salvage Value

The estimated amount for which the asset could be sold at the end of its useful life.

Services and Supplies

A budget category that includes those goods and services that are consumed and purchased on a regular basis (i.e. office supplies, utilities, repair and maintenance).

SMERF

An abbreviation for Social, Military, Education, Religious and Fraternal markets.

Social Media

Software tools that allow users to generate content, engage in conversations and exchange content.

GLOSSARY

Tangible

An item capable of being touched.

Transfer

Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

Useful Life

The number of months or years that an asset is estimated to be used for the purpose for which it was purchased.

Vertical

Business niches where vendors serve a specific audience and their set of needs. Vertical markets are increasingly being served via ecommerce businesses because of the minimal overhead and ability to reach a worldwide audience.

Vertical Market

A market in which vendors offer goods and services specific to an industry, trade, profession, or other group of customers with specialized needs.

Weighted Net Gain

Used for estimating room tax revenue, the number of new rooms of the destination based on opening dates throughout the fiscal year.

Zero-based Budgeting

The budget is created using zero-based budgeting techniques where staff are required to estimate all revenues and expenditures as though each revenue and/or expenditure was being initiated for the first time.



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