

LAS *Vegas*TM

**CONVENTION AND
VISITORS AUTHORITY**



**Comprehensive Annual Financial Report
For The Year Ended June 30, 2008
Las Vegas, Clark County, Nevada**



**Prepared by the Finance Department
Under the Supervision of
Brenda Siddall, Vice President of Finance**

For The Year Ended June 30, 2008

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
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**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2008**

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2008**

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November 18, 2008

Board of Directors
Las Vegas Convention and Visitors Authority
3150 Paradise Road
Las Vegas, Nevada 89109-9096

We are pleased to present the Comprehensive Annual Financial Report (CAFR) for the Las Vegas Convention and Visitors Authority (LVCVA) for the year ended June 30, 2008. This report was prepared by the Finance Department in conformity with accounting principles generally accepted in the United States (GAAP), Nevada Revised Statutes (NRS) and standards set forth by the Governmental Accounting Standards Board (GASB).

Although the report contains our independent auditors' reports, responsibility for the accuracy of the presented data and accompanying disclosures and the completeness and fairness of the presentation rests with LVCVA management.

The LVCVA maintains a system of internal control designed, among other things, to provide reasonable assurance that (1) assets are safeguarded against loss or unauthorized use; and (2) financial records can be relied upon to produce financial statements in accordance with GAAP. The concept of reasonable assurance recognizes that the cost of maintaining internal controls should not exceed the benefits derived and that management is required to evaluate the cost and benefits by using estimates and judgments.

Piercy Bowler Taylor & Kern, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of Nevada, has audited the LVCVA's basic financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the LVCVA for the fiscal year ended June 30, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that the LVCVA's basic financial statements for the fiscal year ended June 30, 2008, are fairly presented, in all material respects, in conformity with GAAP. The independent auditors' report is presented as the first page of the financial section of this report.

This report has been prepared using the financial reporting requirements as outlined in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of *Management's Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors report.

REPORTING ENTITY

For more than 50 years, the Las Vegas destination has built, planned, marketed, rebuilt and expanded to earn its current status as one of the world's most exciting resort destinations. Created in 1955 as the Clark County Fair and Recreation Board, the LVCVA was charged with the dual mission of attracting visitors and operating its convention facilities efficiently. As the LVCVA extended the Las Vegas brand and global competition increased, the organization adjusted its mission statement to its present form:

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

The keys to successfully promoting Las Vegas and Southern Nevada are defined in the LVCVA's Vision Plan, which seeks to *grow* the brand, *house* the brand, and *live* the brand. The LVCVA is guided in its mission by five key tenets:

Inspire people to visit Las Vegas and Southern Nevada. Using marketing and sales strategies that are as dynamic and trendsetting as the destination itself, the LVCVA continually reinforces the message that Las Vegas and Southern Nevada are the most desirable locations for vacations, conventions, and special events.

Provide world-class customer service. As ambassadors for the destination, the LVCVA brings people back to Las Vegas and Southern Nevada time and again by providing legendary service with each and every customer interaction, especially with our convention and meeting customers.

Deliver on the brand promise. Through our employees and our facilities, we deliver on the promise that Las Vegas and Southern Nevada offer exactly what a customer wants – an experience that's unmatched by any destination and exceeds expectations every time.

Serve as the "Authority". Through our research, resources and expertise, the LVCVA sets industry benchmarks in every facet of destination promotion, living up to its name as the "Authority" on Las Vegas and Southern Nevada, as well as on leisure and business travel in general.

Create an experience. People come to Las Vegas and Southern Nevada for an experience they can't find anywhere else. The LVCVA creates the same type of environment for its employees – an atmosphere in which both business and fun are highly valued, and where every interaction mirrors the organization's core values: Loyalty, Integrity, Trust, Excellence and Respect.

ECONOMIC CONDITION

Fiscal Year 2008

The LVCVA's financial position is directly affected by the volume of visitors to the Las Vegas and Southern Nevada areas, as our major source of revenue is derived from room taxes. Room and gaming tax revenue increased from \$216.9 million to \$221.7 million in fiscal year (FY) 2008. Market research for the calendar year 2007 shows that the number of visitors to Las Vegas was 39.2 million (an increase of 0.7% over 2006), resulting in a \$41.6 billion impact on the local economy.

Despite increased competition from other gaming and resort destinations, Las Vegas city-wide hotel and motel occupancy rates average 17.8 percentage points higher than those of other top U.S. destinations.

	2007	Net Difference
Las Vegas	90.4%	
Los Angeles	75.2%	15.2
San Diego	72.9%	17.5
Miami	72.0%	18.4
San Francisco	75.2%	15.2
Orlando	67.9%	22.5

Source: LVCVA Research Department and Smith Travel Research

Las Vegas is also the leading convention destination. One reason is the sales staff at both the area resorts and the LVCVA work diligently to help tradeshow producers and meeting planners find the best venues for their events. In 2007, Las Vegas marked 14 years as the top-ranked destination for tradeshows by hosting 44 of the 200 largest tradeshows in North America, according to *Tradeshow Week*.

Las Vegas is home to three of the country's ten largest convention venues and to 15 of the 20 largest hotels in the world. With more than 9.7 million square feet of meeting space, Las Vegas is able to provide the perfect venue for every event. Traditionally, events in Las Vegas attract more delegates than when held in another destination. Overall, Las Vegas attracted 6.3 million convention delegates and hosted 23,825 events during 2007.

In order to *house the brand*, the LVCVA has started its most ambitious construction project to date. The Master Plan Enhancement Program will improve and expand the Las Vegas Convention Center (LVCC) to continue to provide its building customers the best experience possible.

Las Vegas is not immune to the slowing economy. In spite of the successes experienced in both the leisure and convention travel segments, the Las Vegas economy has weakened perceptibly in the last few months. For the first eight months of 2008, visitor volume was down 1.5% from the same time period last year. Additionally, room taxes experienced declines during fiscal year 2008.

WHAT THE FUTURE HOLDS

We are in the midst of a very challenging economic environment, with national consumer confidence at its lowest levels in 41 years. The housing crisis, credit freeze, market volatility and record-setting oil prices have all contributed to the most unstable conditions experienced in recent history. The LVCVA must ensure that all of our marketing efforts will be flexible enough to respond to any market conditions. To accomplish this, the LVCVA will be working closely with the resort industry to track visitor trends and to perform research that provides short-term trend analysis.

The primary focus of the LVCVA remains to fulfill our mission to attract visitors to the destination, and to help restore the health of the local economy. Advertising will continue the ongoing approach that has been so successful in the past few years. The pop-culture phenomena of:

“What Happens Here, Stays Here”™

will continue to lead the ad campaign, supplemented by the “*Crazy Times*” campaign, which is intended to drive immediate and spontaneous visitation.

Over the past few years, strategic planning has been the main focus of the LVCVA. The product of that strategic planning was the 2005 Vision Plan. The vision plan serves as the foundation for the LVCVA operations, using the priorities and issues identified as guiding factors in setting objectives and resource allocation decisions. The plan was comprehensive and aggressive – with an immediate goal of achieving 43 million visitors by the end of the decade.

Las Vegas Convention Center Master Plan Enhancement Program

The softening economy, collection of lower than expected room tax revenue and the commitment to be fiscally responsible in program funding resulted in a re-evaluation of the Master Plan Enhancement Program (MPEP). When the MPEP was approved by the Board of Directors, one of its hallmarks was that it was made up of discrete elements that allowed flexibility. A phasing strategy was developed allowing us to exercise that flexibility, completing the scope of the MPEP over an extended time within our debt capacity. The three phases are:

- Renovation of Existing Facilities
- South Hall Meeting Rooms and Renovations
- North-South Connector

Construction of the Metropolitan Police Substation (named the Convention Center Area Command) progressed throughout the fiscal year and was completed in October 2008.

MAJOR INITIATIVES IN 2007-2008

International Markets

The International Brand Strategy and International Sales department were created to develop and implement a consistent and coherent international brand strategy for Las Vegas. The key strategic elements of that strategy include:

- Expanding the global reach of the Las Vegas brand
- Achieving a mix of a regionalization strategy with a country-specific strategy throughout the world
- Implement regionalization brand strategy across the European Union, Australia/New Zealand/Southeast Asia, South America and Russia/Eastern Europe
- Enhance our country-specific strategy in the major markets of Canada, Mexico and the United Kingdom, and the primary markets of Japan and South Korea
- Establish the Las Vegas brand in the emerging markets of China, Russia, India and Brazil.

Establishment of a “Green Team”.

The LVCVA established this initiative to analyze ways the organization can contribute to the sustainability of the environment. The Green Team is made up of representatives from various departments. The team will be responsible for educating staff of current sustainability efforts (i.e. recycling, bio degradable products, green cleaning product purchases), and solicitation of new ideas, initiatives and best practices that we might introduce to our workplace.

Debt Issuance

During the year, the LVCVA issued \$50,000,000 in general obligation bonds to take advantage of the opportunity to purchase an eight acre parcel of land that has the potential for many uses such as outdoor exhibits, additional customer parking, and an area for construction equipment during the MPEP. LVCVA also issued \$65,000,000 in commercial paper to provide resources for the MPEP.

DEBT ADMINISTRATION

It is the LVCVA’s policy to fund principal and interest payments for outstanding debt issues due on January 1 and July 1 in quarterly installments. The reserves in the debt service funds at June 30, 2008, were sufficient to pay principal and interest due on July 1, 2008.

Outstanding bonded debt and debt service reserves at June 30, 2008, are shown below:

	Rating S&P	Rating Moody's	Outstanding Bonding Debt	Reserves In Debt Service	Net Bonded Debt
1998A Series Bonds*	AA+	Aa1	\$ 35,575,000	\$ 10,620,000	\$ 24,955,000
11/99 Series Bonds	A+	Aa3	31,825,000	100,000	31,725,000
04/05 Series Bonds	A+	Aa3	117,110,000	150,000	116,960,000
05/07 Series Bonds*	AA+	Aa1	38,200,000	1,800,000	36,400,000
11/07 Series Bonds	AA+	Aa1	50,000,000	670,000	49,330,000
MPEP**			96,000,000		96,000,000
			<u>\$ 368,710,000</u>	<u>\$ 13,340,000</u>	<u>\$ 355,370,000</u>

* Issued through Clark County.

** LVCVA approved up to \$822,000,000 in commercial paper. Only, \$96,000,000 has been issued.

The debt issues of the LVCVA are general obligation bonds or revenue bonds. Since the LVCVA's inception in 1955, room taxes and other revenues have provided sufficient funding for debt service with no effect on operations. Property taxes have never been used to finance debt service or any other expenditure. Additional information regarding long-term debt can be found in note 8 on pages 28 through 31.

CASH MANAGEMENT

The LVCVA's policy is to maintain a balanced investment program by following a conservative approach while still seeking to maximize interest earnings. Investments in government securities, repurchase agreements, banker's acceptances, and certificates of deposit, as well as bank deposit balances, are collateralized by securities held by an independent bank acting as the LVCVA's agent. Such investments and deposits are considered to be low credit and market risk, which is discussed further in notes 1 and 4 to the financial statements on pages 20, 24 and 25.

The LVCVA averaged a 4.74% rate of return, which totaled \$6.6 million in FY 2008.

RISK MANAGEMENT

The LVCVA's risk management program includes various risk control techniques, especially in the area of safety awareness. Several programs are in place and include a health and safety committee consisting of representative employees from all divisions, and regularly scheduled safety training sessions.

The LVCVA has third-party coverage for all lines of insurance, covering property, commercial liability, and employees. For worker's compensation, the LVCVA is self-insured at a relatively low threshold. For claims over the threshold, third-party coverage would take effect. See note 10 to the financial statements, on page 32, for additional information.

PENSION BENEFITS

The LVCVA contributes to the Nevada Public Employees Retirement System, a multiple-employer public employee-defined benefit plan. Additional information can be found in notes 11 and 12 on pages 32 through 35.

ACCOUNTING SYSTEMS AND BUDGETARY CONTROLS

The annual budget serves as the financial plan of the LVCVA. The process starts every December and advances through various review processes. The tentative budget is filed on April 15 with the Nevada Department of Taxation and the Clark County Clerk as required by Nevada Revised Statutes. Between April 15 and the third Thursday in May, the public has the opportunity to review the tentative budget document and submit any comments for inclusion on the agenda. A public hearing provides the public an opportunity to submit additional comments on the proposed budget to the Board of Directors.

The final budget is fully integrated on July 1 with the LVCVA's accounting system. The statutory level of budgetary control is at the function level; 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, 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.

Budgetary performance is measured by line item budget variance reports issued to operating sections on a weekly basis. Budget variance reports are distributed to the Board of Directors on a monthly basis.

Adjustments to the 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. This formal resolution procedure adheres to the process prescribed by Nevada Revised Statutes.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the LVCVA for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2007. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to the program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The LVCVA has received the Certificate of Achievement for the last 24 consecutive years (fiscal years ended 1984-2007). We believe that our current CAFR continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

We express our appreciation to all of the Finance Department staff who assisted in and contributed to the preparation of this report.

Sincerely,

Rossi Ralenkotter
President/CEO

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Las Vegas Convention
& Visitors Authority, Nevada

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Oliver S. Cox

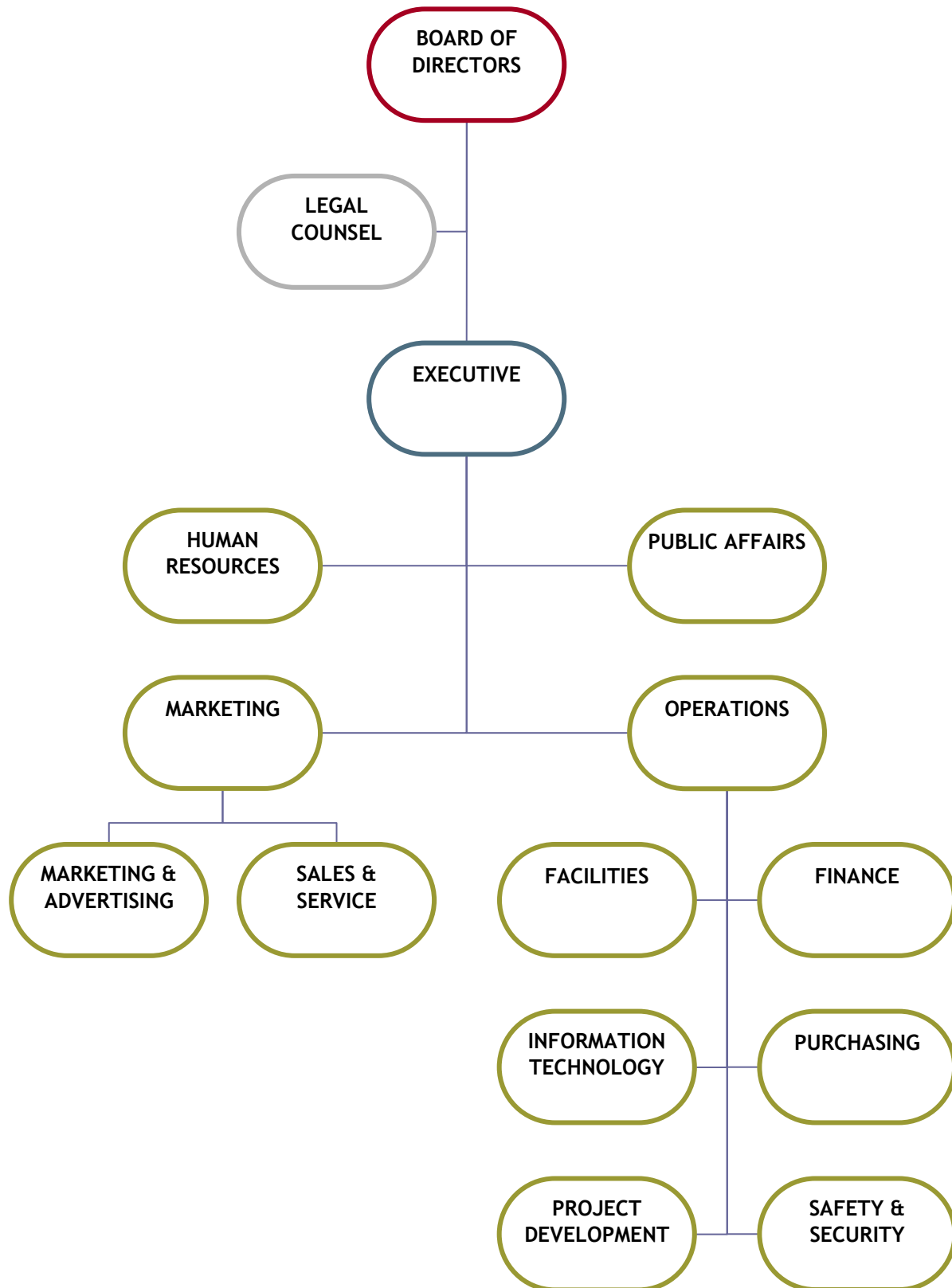
President

Jeffrey R. Emery

Executive Director

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

ORGANIZATIONAL CHART



LAS VEGAS CONVENTION AND VISITORS AUTHORITY BOARD OF DIRECTORS

The Las Vegas Convention and Visitors Authority is governed by a Board of Directors consisting of fourteen members. Eight members are elected officials of either the County or one of the incorporated cities therein. The Las Vegas Chamber of Commerce (CC) and Nevada Resort Association (NRA) nominate three each of the remaining six members. Members of the Board as of June 30, 2008 are:



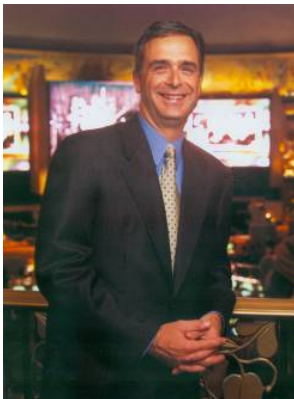
Mr. Keith Smith
Vice-Chair
Resort Hotel Industry, NRA



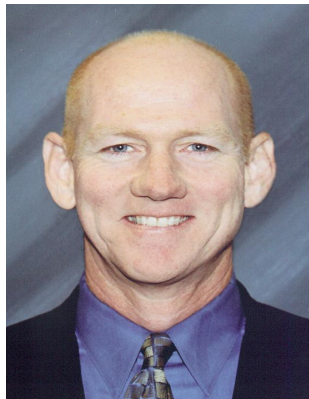
Mayor Oscar B. Goodman
Chair
City of Las Vegas



Mayor James Gibson
Secretary/Treasurer
City of Henderson



Mr. Chuck Bowling
Central Business District
NRA



Councilman
Larry Brown
City of Las Vegas



Commissioner
Tom Collins
Clark County

LAS VEGAS CONVENTION AND VISITORS AUTHORITY PRINCIPAL OFFICIALS



Mayor
Susan Holecheck
City of Mesquite



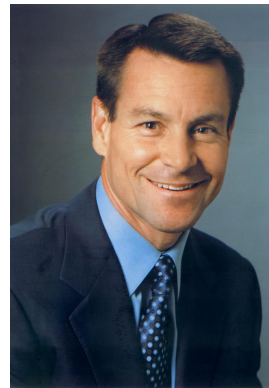
Mr. Tom Jenkin
Resort hotel business
CC



Ms. Kara Kelley
Other Commercial Interests
CC



Mayor
Michael Montandon
City of North Las Vegas



Mr. Scott Nielson
Resort hotel industry,
NRA



Councilman
Mike Pacini
City of Boulder City



Mr. Andrew Pascal
Representing Tourism
CC



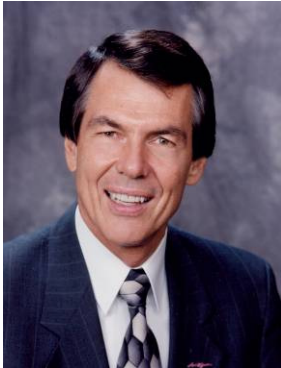
Commissioner
Rory Reid
Clark County

The terms of appointment for the eight elected officials is coterminous with their terms of office. The six remaining members serve one 2-year term but can be re-appointed to one additional 2-year term.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

EXECUTIVE STAFF

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



Mr. E. James Gans
Sr. Vice President,
Operations



Mr. Rossi T. Ralenkotter
President/CEO



Mr. Terry Jicinsky
Sr. Vice President,
Marketing

Mr. Vince Alberta	Vice President, Public Affairs
Mr. John Bischoff	Vice President, International Brand Strategy
Mr. Mark Haley	Vice President, Facilities
Mr. Chris Meyer	Vice President, Convention Center Sales
Mr. Mark Olson	Vice President, Human Resources
Mr. Luke Pushnig	Vice President, Legal Counsel
Ms. Brenda Siddall	Vice President, Finance
Ms. Cathy Tull	Vice President, Strategic Planning

Management's Discussion and Analysis

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL
STATEMENTS AND SUPPLEMENTARY INFORMATION**

Board of Directors
Las Vegas Convention and Visitors Authority
Las Vegas, Nevada

We have audited the accompanying financial statements of the governmental activities and each major fund of the Las Vegas Convention and Visitors Authority (the LVCVA) as of and for the year ended June 30, 2008, which collectively comprise the LVCVA's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the LVCVA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the LVCVA, as of June 30, 2008, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2008, on our consideration of the LVCVA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 2 through 11 and 39 through 40 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information, and therefore, express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the LVCVA's basic financial statements. The introductory section, individual fund schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Piercy Bowler Taylor & Kern
November 4, 2008

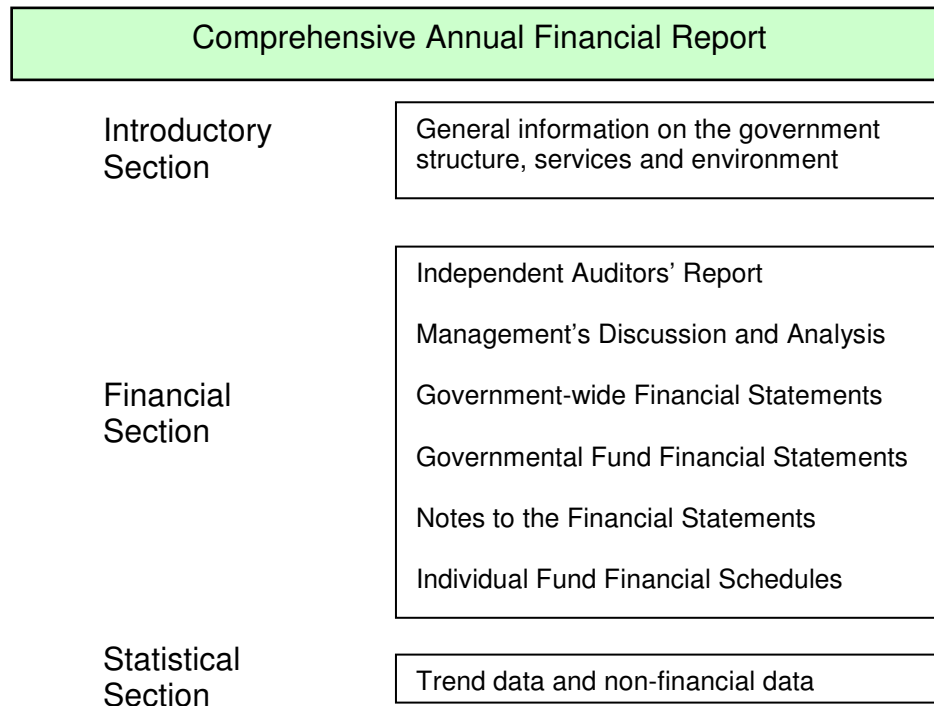
**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

As management of the LVCVA, we offer readers of the LVCVA's financial statements this narrative overview and analysis of the LVCVA's financial performance for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the letter of transmittal, which can be found on pages i to viii of this report.

The LVCVA's basic financial statements are presented in three components:

- (1) Government-wide financial statements
- (2) Fund financial statements
- (3) Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements.



GOVERNMENT-WIDE FINANCIAL STATEMENTS

The first two financial statements presented are highly condensed and are based (somewhat) on the accounting model used by private sector businesses.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Statement of Net Assets

The Statement of Net Assets is, in substance, the balance sheet. It includes not just current assets and liabilities, but also capital assets and long-term debt. All funds are included in this statement.

Statement of Activities

The Statement of Activities is the operating statement for the government as a whole. It is based on full accrual accounting rather than the traditional modified accrual. Depreciation of capital assets is recognized as an expense, as are interest payments on bonds. The format of the statement has an unfamiliar appearance. The format focuses on the net cost of a government's individual functions and is intended to answer the typical question "How much did it cost and how is it being paid for?"

FUND FINANCIAL STATEMENTS

Following the government-wide statements is a section containing the fund financial statements. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. A *fund* is a grouping of related accounts that is used to maintain control over specific activities. The LVCVA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Balance Sheet and

Statement of Revenues, Expenditures, and Changes in Fund Balance

These statements present all three of the LVCVA's funds (all of which are considered major funds) each in its own column: the general fund, capital projects fund, and debt service fund. The fund statements are prepared using the traditional government model of modified accrual basis, which measures cash and all other financial assets that can be readily converted to cash. These statements provide a detailed *short-term* view of the LVCVA's operations.

Reconciliation from Government-wide to Fund Statements

Because the numbers on these statements do not agree to the numbers on the government-wide statements, reconciliation schedules are presented.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

CONDENSED COMPARATIVE DATA

ASSETS, LIABILITIES AND NET ASSETS

The LVCVA's net assets, on the government-wide basis, increased \$44 million from the previous year. The increase was the result of revenues growing at a greater pace than expenses.

Changes in Net Assets		
	FY 2007	FY 2008
Net assets - beginning	\$ 245,189,412	\$ 286,617,281
Revenues	273,793,935	287,603,068
Expenses	232,366,066	243,585,881
Increase in net assets	41,427,869	44,017,187
Net assets - ending	\$ 286,617,281	330,634,468

Net assets were \$330.6 million at June 30, 2008. The largest portion of net assets (41%) reflects the LVCVA's investment in capital assets, less debt that was used to acquire those assets. Another 41% of net assets are restricted. Restricted net assets are reported separately to show legal constraints from debt covenants or other restrictions that limit the LVCVA's ability to use those assets for day-to-day operations.

Net Assets		
	June 30, 2007	June 30, 2008
Current and other assets	\$ 193,397,107	\$ 261,701,392
Capital assets	406,198,540	506,350,507
Total assets	599,595,647	768,051,899
Current and other liabilities	55,672,966	76,094,366
Long-term liabilities	257,305,400	361,323,065
Total liabilities	312,978,366	437,417,431
Net assets		
Invested in capital assets, net of related debt	136,713,336	136,347,026
Restricted	101,289,351	135,558,904
Unrestricted	48,614,594	58,728,538
Total net assets	\$ 286,617,281	\$ 330,634,468

The \$58.7 million in unrestricted net assets represents the accumulated results of all past years' operations. It means if we had to pay off all of our bills *today*, including all of our non-capital liabilities (compensated absences, for example), we would have \$58.7 million of unrestricted assets left.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

REVENUES

Total revenues for FY 2008 amounted to \$287 million, a 5% increase from FY 2007.

	June 30, 2007	June 30, 2008
General revenues		
Room and gaming taxes	\$ 216,893,233	\$ 221,744,306
Interest and investment earnings	5,776,566	6,599,151
Other	52,692	(7,320)
Total general revenue	222,722,491	228,336,137
Program revenues		
Use of facilities	48,400,265	55,781,116
Marketing	2,671,179	3,485,815
Total program revenue	51,071,444	59,266,931
Total revenues	\$ 273,793,935	\$ 287,603,068

Revenues are classified as either *general* or *program*.

Program revenues are those directly generated by a function or activity of the government. For example, the cost of operating and maintaining the Las Vegas Convention Center and Cashman Center is reported in the Operations function. Revenues are generated as a direct result of the operation of those facilities in the form of building rental charges, concession sales, parking fees and other charges to users of the facilities.

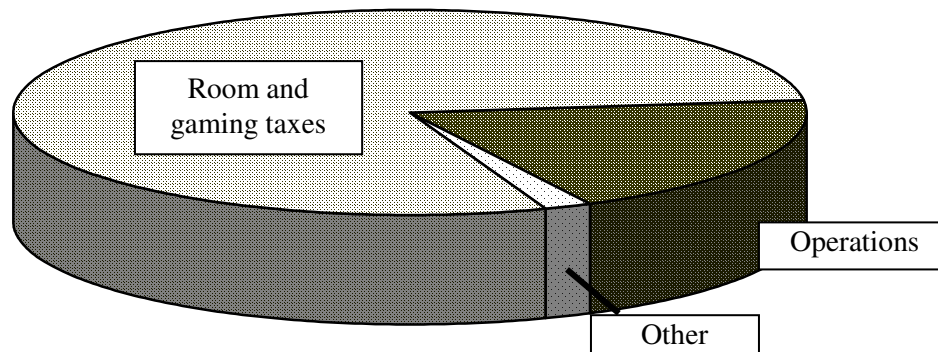
Operation of the facilities cost \$58.2 million in FY 2008, including depreciation. At the same time, building rental charges and user fees generated revenues totaling \$55.8 million.

		FACILITY OPERATIONS	
		FY 2007	FY 2008
Revenues	\$	48,400,265	\$ 55,781,116
Expense		54,072,067	58,248,304
Net expense	\$	5,671,802	\$ 2,467,188

The 15% increase in facilities revenues is a factor of the mix of trade shows and events leasing the building during the year and cyclical nature of large tradeshows (*i.e.* ConAgg) being held at the Las Vegas Convention Center (LVCC). The increase in facilities expense is the result of increases in utility costs, depreciation expense and recognition of postemployment benefits other than pensions (OPEB) for the first time.

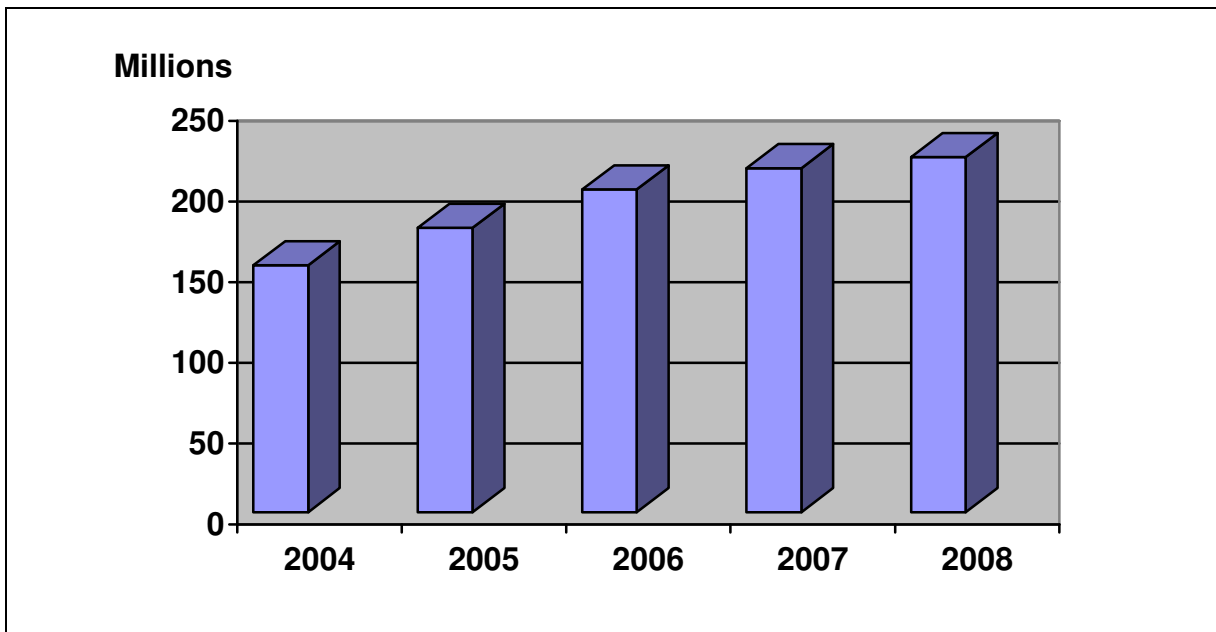
**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

The *general revenue* classification includes all taxes and investment income because they are not related to charges to program customers. The LVCVA's primary source of revenue is from room and gaming taxes, which are classified as general revenue.



Room and gaming taxes provided \$222 million during FY 2008, an increase of 2% from the previous fiscal year's total of \$217 million. Although total room inventory and average daily rates increased from the beginning of the fiscal year, occupancy rates decreased from 90.4% to 88.1%.

Room Tax Revenue



**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Clark County (the County) and the incorporated cities within the County levy the room tax on all transient lodging establishments. The rate of tax levied varies from 9% to 11% for resort hotels and from 7% to 9% on other lodging facilities. In general, the tax is distributed as follows:

4% - 5%	LVCVA
1 5/8%	Clark County School District
1% - 2%	Collecting government – general fund
1%	Clark County transportation
3/8%	State of Nevada – promotion of tourism

The majority of room tax is collected within Clark County, amounting to \$201 million, or 91% of the LVCVA's total \$222 million. The City of Las Vegas is the second largest collector of room taxes, at \$12 million. The other incorporated cities of North Las Vegas, Henderson, Boulder City and Mesquite combined provide the remaining 4%.

The LVCVA investment portfolio provided income of \$6.6 million during FY 2008, an increase of 14% over FY 2007. This rise in interest income was primarily due to debt proceeds available for investing during FY 2008 as well as an increased focus on the management of the investment portfolio.

EXPENSES

Total government-wide expenses by function were as follows:

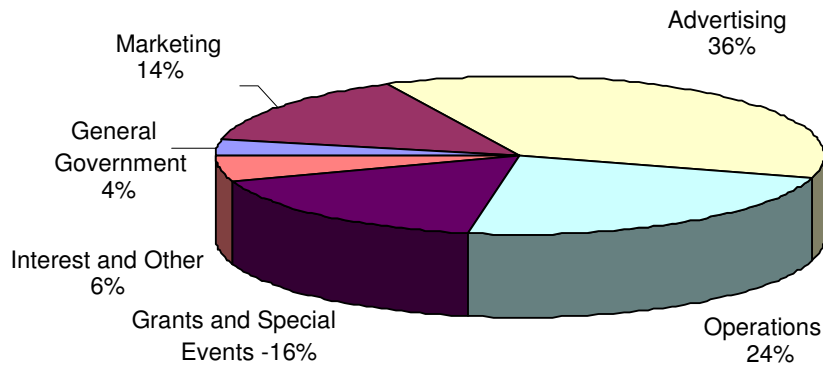
	<u>FY 2007</u>	<u>FY 2008</u>
General government	\$ 7,797,901	\$ 9,772,660
Marketing	33,061,204	34,616,917
Advertising	84,713,300	88,074,185
Operations	54,072,067	58,248,304
Grants and special events	40,169,890	38,556,525
Interest and other	12,551,696	14,317,290
	<u>\$ 232,366,058</u>	<u>\$ 243,585,881</u>

The Marketing, Advertising and Operations functions increased only slightly by 5%, 4% and 8%, respectively. The slight increases in Marketing and Advertising expenditures were offsetting by (1) the expenses incurred in FY 2007, but not in FY 2008 from activities related to the NBA All Star Game, and (2) the increased expenditures relating the development of a new International Department and advertising in foreign countries. The Operations division had an 8% increase in expenses due to increased utility costs, insurance premiums, and fully staffing new positions created in FY 2008.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

The largest year-over-year increase in expenses was in General Government, which increased 25% over FY 2007. This growth was due to increased legal fees and professional services fees.

Grants and special events correlates to the growth in room taxes. A fee is returned to the collecting government entities equaling 10% of the total collected.



This chart shows the relative "slices" each of the operational functions takes from the pie.

OVERALL FINANCIAL POSITION

The overall financial position of the LVCVA improved 15% during FY 2008. Revenues increased slightly primarily due to having the world's largest construction show, ConAgg/ConExpo, at the Las Vegas Convention Center. Expenses grew at a much lower rate, as a result of cost controls mandated in the last quarter of FY 2008.

FUND ANALYSIS

The fund balances in the General Fund and the Capital Projects Fund both increased during FY 2008 over the prior year.

	General Fund	Capital Projects Fund
Fund balance - beginning	\$ 37,140,544	\$ 84,605,012
Fund balance - ending	45,727,619	115,135,551
Increase in fund balance	\$ 8,587,075	\$ 30,530,539
Percent Increase	23%	36%

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

The fund balance in the general fund increased 23%. Fund balance on June 30, 2007 was budgeted to provide resources for FY 2008 expenditures. During the first six months of FY 2008, room taxes had mixed results. Half of the months exceeded budget, while the other half came in below budget. Beginning in January 2008, room revenue did not meet budget expectation for two consecutive months.

A capital reserve account in the Capital Projects Fund has grown over several years to provide a pay-as-you-go source of funding for the master plan in addition to incurrence of debt. Funds of \$27 million were transferred to the capital reserve in FY 2008, with an additional \$116 million of proceeds coming from the issuance of bonds and commercial paper for a total of \$143 million of other funding sources into the fund. With only \$112 million in capital expenditures, the resulting growth in the fund balance was over \$30 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

In the fall of 2007, appropriations for advertising were increased by approximately \$1 million. During the first six months of FY 2008, room taxes had mixed results. Half of the months exceeded budget, while the other half came in below budget. Beginning in January 2008, revenues did not meet budget expectations for two consecutive months. The March room tax decline deepened, coming in 9% lower than March 2007 and 15% below budget. In April, budgeted room and gaming tax revenues were reduced by \$8 million.

During the year, inter-departmental transfers were made to provide additional funding for salaries and employee benefits. The tables summarize the changes in both revenues and expenditures.

GENERAL FUND CHANGES IN BUDGETED REVENUES

	<u>Original Budget</u>	<u>Revisions</u>	<u>Final Budget</u>
Room and gaming taxes	\$ 228,925,000	\$ (8,000,000)	\$ 220,925,000
Charges for service	52,284,800		52,284,800
Interest	2,400,000		2,400,00
Other	7,500		7,500
Transfers in	1,545,000		1,545,000
Proceeds from the sale of assets	25,000		25,000
Total revenues and transfers in	\$ 285,187,300	\$ (8,000,000)	\$ 277,187,300

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GENERAL FUND CHANGES IN BUDGETED REVENUES

	Original Budget	Augmentations	Revisions	Transfers	Final Budget
General Government	\$ 8,880,600	\$ 286,780		\$ 416,800	\$ 9,584,180
Marketing	36,241,500	23,535		(711,701)	35,553,334
Advertising	86,718,700	1,000,000		634,500	88,353,200
Operations	43,544,300	51,771		2,645,200	46,241,271
Grants and Special Events	40,088,632			704,800	40,793,432
Other	3,840,000			(2,563,800)	1,276,200
Transfers out	60,224,353	12,677,410	\$ (8,000,000)	(1,125,799)	63,775,964
Total expenditures and transfers out	\$ 279,538,085	\$ 14,039,496	\$ (8,000,000)	\$ -	\$ 285,577,581

Actual general fund revenues and transfers in totaled \$286 million, \$1 million higher than the original budget. Total actual general fund expenditures and transfers out amounted to \$278 million, \$8 million less than the final revised budget. Most of those variances were in the operations and grants and special events operating budgets.

CAPITAL ASSETS

The LVCVA's investment in capital assets as of June 30, 2008 amounts to \$506 million (net of accumulated depreciation), which is an increase of 25%. Depreciation expense for the year was approximately \$12 million. During the year, the LVCVA purchased one parcel of land (1.95 acres) adjacent to the Las Vegas Convention Center for \$50 million. More detailed information on capital assets can be found in notes 1 and 5 on pages 20, 21 and 26 in the notes to the financial statements.

LVCVA Capital Assets (net of depreciation)		
	June 30, 2007	June 30, 2008
Land	\$ 113,856,835	\$ 163,741,185
Construction in progress	25,975,171	82,841,568
Buildings	259,777,813	250,760,957
Improvements	2,284,982	4,414,007
Equipment	4,303,739	4,592,790
	\$ 406,198,540	\$ 506,350,507

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

LONG-TERM DEBT ACTIVITY

During the year, the LVCVA sold \$50 million of revenue bonds with an interest rate between 4 and 6% for the purpose of acquiring property adjacent to the Las Vegas Convention Center. In addition to the revenue bonds, the LVCVA continued its Master Plan Enhancement Program and issued an additional \$65 million of commercial paper.

You can find more detailed information on long-term debt in notes 1 and 8 on pages 22 and 28 through 32 in the notes to the financial statements.

	In thousands			
	General Obligation Bonds	Revenue Bonds	Commercial Paper	Total
Principal balance - beginning	\$ 85,135	\$ 149,180	\$31,000	\$ 265,315
Principal payments	(11,360)	(245)		(11,605)
New issuances		50,000	65,000	115,000
Principal balance - ending	\$ 73,775	\$ 198,935	\$ 96,000	\$ 368,710

ADDITIONAL FINANCIAL INFORMATION

The notes to the financial statements, located on pages 17 through 38, are a source of additional information about the LVCVA and its financial operations.

The LVCVA's financial statements are designed to present users (citizens, taxpayers, customers, and investors) with a general overview of the LVCVA's finances and to demonstrate accountability. If you have any questions or comments about the report, please contact the LVCVA's Vice-President of Finance at 3150 Paradise Road, Las Vegas, NV 89109.

BASIC FINANCIAL STATEMENTS

Government-Wide

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LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Statement of Net Assets - Governmental Activities
June 30, 2008

Assets:

Cash and investments	\$ 210,581,358
Receivables:	
Room taxes	37,576,579
Accounts	8,695,271
Interest	715,004
Prepaid items	1,056,085
Inventory	442,589
Deferred charges - issuance costs	2,634,506
Capital assets:	
Land and construction in progress	246,582,753
Other capital assets (net of accumulated depreciation)	259,767,754
Total assets	<u>768,051,899</u>

Liabilities:

Accounts payable	38,870,363
Accrued payroll and related items	2,287,066
Due to other governments	7,970,811
Customer deposits	424,848
Unearned revenue	2,737,202
Interest payable	7,302,514
Noncurrent liabilities:	
Due within one year	
Bonds payable	13,340,000
Compensated absences payable	3,161,562
Due in more than one year	
Bonds and commercial paper payable	355,370,000
Unamortized bond premiums and deferred charges on refunding	1,293,481
Compensated absences payable	2,551,118
Liability for postemployment benefits other than pensions	2,108,466
Total liabilities	<u>437,417,431</u>

Net assets:

Invested in capital assets, net of related debt	136,347,026
Restricted for:	
Capital projects	115,135,551
Debt service	20,423,353
Unrestricted	58,728,538
Total net assets	<u>\$ 330,634,468</u>

The notes to the financial statements are an integral part of this statement.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Statement of Activities - Governmental Activities
For the Year Ended June 30, 2008

Function/Program	Expenses	Program Revenues Charges for Service	Net (Expenses) Revenues and Changes in Net Assets Governmental Activities
Primary government:			
Governmental activities			
General government	\$ 9,772,660		\$ (9,772,660)
Marketing	34,616,917	\$ 3,485,815	(31,131,102)
Advertising	88,074,185		(88,074,185)
Operations	58,248,304	55,781,116	(2,467,188)
Grants and special events	38,556,525		(38,556,525)
Interest on long-term debt	14,317,290		(14,317,290)
Total governmental activities	\$ 243,585,881	\$ 59,266,931	(184,318,950)
General revenues:			
			221,744,306
			6,599,151
			(7,320)
			228,336,137
			44,017,187
			286,617,281
			\$ 330,634,468

The notes to the financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Government-Funds

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Balance Sheet

Governmental Funds

June 30, 2008

	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:				
Cash and investments	\$ 40,194,064	\$ 137,685,951	\$ 32,701,343	\$ 210,581,358
Receivables:				
Room and gaming	37,576,579			37,576,579
Accounts	8,121,458	573,813		8,695,271
Interest	68,104	580,090	66,810	715,004
Due from other funds	11,621,924	608,277		12,230,201
Inventory	442,589			442,589
Prepaid items	1,056,085			1,056,085
	\$ 99,080,803	\$ 139,448,131	\$ 32,768,153	\$ 271,297,087
Liabilities and fund balances:				
Liabilities:				
Accounts payable	\$ 24,298,118	\$ 14,527,276	\$ 44,969	\$ 38,870,363
Accrued payroll and related items	2,287,066			2,287,066
Due to other governments	6,301,152			6,301,152
Due to other funds	608,277	9,211,494	2,410,430	12,230,201
Deferred revenue	19,433,723	573,810		20,007,533
Customer deposits	424,848			424,848
	53,353,184	24,312,580	2,455,399	80,121,163
Fund balances:				
Reserved for:				
Prepaid items	1,056,085			1,056,085
Capital projects		115,135,551		115,135,551
Debt service			20,423,353	20,423,353
Unreserved	44,671,534		9,889,401	54,560,935
	45,727,619	115,135,551	30,312,754	191,175,924
Total fund balances	\$ 99,080,803	\$ 139,448,131	\$ 32,768,153	\$ 271,297,087

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds. (See note 2)	506,350,507
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Room and gaming taxes - earned but unavailable	16,696,586
Other revenue - earned but unavailable	573,745
Deferred charges - issuance costs	2,634,506
Grants and special events	(1,669,659)
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds	(7,821,146)
Long-term liabilities, including bonds payable, and accrued interest are not due and payable in the current period and therefore are not reported in the funds. (See note 2)	(377,305,995)
	\$ 330,634,468

The notes to the financial statements are an integral part of this statement.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2008

	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues:				
Room and gaming taxes	\$ 222,584,976			\$ 222,584,976
Charges for service	57,689,079			57,689,079
Interest and investment earnings	1,639,755	\$ 4,134,425	\$ 824,971	6,599,151
Miscellaneous	5,133	998,907		1,004,040
Total revenues	<u>281,918,943</u>	<u>5,133,332</u>	<u>824,971</u>	<u>287,877,246</u>
Expenditures:				
Current:				
General government	9,192,348			9,192,348
Marketing	33,908,754			33,908,754
Advertising	88,074,185			88,074,185
Operations	43,940,271			43,940,271
Grants and special events	38,640,536			38,640,536
Other	245,660	1,043,215	10,000	1,298,875
Capital outlay:				
Capitalized assets		112,556,132		112,556,132
Non-capitalized assets		905,638		905,638
Debt service:				
Principal			11,605,000	11,605,000
Interest			12,384,129	12,384,129
Total expenditures	<u>214,001,754</u>	<u>114,504,985</u>	<u>23,999,129</u>	<u>352,505,868</u>
Excess (deficiency) of revenues over (under) expenditures	<u>67,917,189</u>	<u>(109,371,653)</u>	<u>(23,174,158)</u>	<u>(64,628,622)</u>
Other financing sources (uses):				
Transfers in	4,208,321	27,374,200	36,178,363	67,760,884
Transfers out	(63,552,563)	(3,383,350)	(824,971)	(67,760,884)
Proceeds from the sale of assets	14,128			14,128
Bond premium		911,342		911,342
Debt proceeds		115,000,000		115,000,000
Total other financing sources (uses)	<u>(59,330,114)</u>	<u>139,902,192</u>	<u>35,353,392</u>	<u>115,925,470</u>

The notes to the financial statements are an integral part of this statement.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Government Funds to the Statement of Activities
For the Year Ended June 30, 2008

Net change in fund balances-total governmental funds \$ 51,296,848

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost that meets LVCVA's capitalization threshold are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Capital outlays exceeded depreciation in the current period by this amount.

Capital outlays	\$ 112,556,132	
Loss on disposal of capital assets	(7,320)	
Proceeds from sale of capital assets	(14,128)	
Depreciation expense	<u>(12,382,718)</u>	100,151,966

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (266,857)

The issuance of long-term debt (*i.e.*, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Debt proceeds	(115,000,000)	
Bond premium	(911,342)	
Amortization of bond premiums	1,392,315	
Amortization of deferred charges - issuance costs	(446,475)	
Amortization of deferred charges on refunding	(806,926)	
Accrued interest expense	(2,023,603)	
Repayment of bond principal	11,605,000	
Bond issuance costs	<u>1,004,744</u>	(105,186,287)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures.

Compensated absences, OBEB liability	(2,062,494)	
Events and grants - collection allocation	<u>84,011</u>	<u>(1,978,483)</u>

Change in net assets of governmental activities \$ 44,017,187

The notes to the financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Notes to the Financial Statements

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Las Vegas Convention and Visitors Authority (the LVCVA) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the primary source of governmental accounting and financial reporting principles. The LVCVA's significant accounting policies are summarized below, along with a discussion of some of the practices that are unique to governments.

REPORTING ENTITY

The LVCVA was created in 1955 under the provisions of Nevada Revised Statute 244A as the Clark County Fair and Recreation Board. This statute governs the powers and duties of the Board of Directors (the Board), including the number, selection, and term of its members. The LVCVA is subject to all state laws governing local governments, including the Local Government Budget and Finance Act. The Board is responsible for establishing policy for overall operations. The President serves as chief executive officer. The LVCVA does not include any component units in its financial statements and is not included as a component unit in any other entity's financial statements.

The LVCVA is mandated to establish, acquire and improve recreation and convention facilities and to advertise and promote the recreation facilities located within the county. In addition, the LVCVA may solicit and promote conventions and tourism to enhance the general economy of the area.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide financial statements display information about the reporting government as a whole. In order to present an accurate financial picture, the effects of interfund activity have been eliminated.

The purpose of the statement of activities is to allow financial statement users to determine operating results of the LVCVA in its entirety over a period of time. It demonstrates the degree to which the direct expenses are offset by program revenues.

Direct expenses are those that are clearly identifiable with a specific function. *Program revenues* include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. The LVCVA's program revenues include, but are not limited to, charges to customers for facility rentals, commissions from concession stand sales, parking revenue, and commissions from electrical, plumbing and telephone services.

Room taxes, gaming taxes and other items not included among program revenues are reported instead as *general revenues*.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

The statement of net assets is intended to present a snapshot of the financial position of the LVCVA as a whole as of year end. It displays the difference between assets and liabilities as net assets.

Governmental fund financial statements are separate financial statements for governmental funds. Each major governmental fund is reported individually as a separate column in the fund financial statements.

Governmental fund financial statements are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Governmental fund types are used to account for the general governmental activities. The operating fund of the LVCVA is the general fund. The capital projects fund is used to account for the acquisition of capital assets, the construction of new facilities, and extraordinary repair, maintenance and improvements. Servicing of general long-term debt obligations is recorded in the debt service fund.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of measurement focus.

Government-wide financial statements are presented on a *full accrual basis* of accounting with an *economic resource measurement focus*. An economic resource measurement focus concentrates on net assets. All transactions and events that affect the total economic resources (net assets) during the period are reported. Under the full accrual basis of accounting, revenues are recorded when earned and liabilities are recorded at the time the obligations are incurred, regardless of the timing of related cash inflows and outflows.

Governmental fund financial statements are presented using a *modified accrual basis* and the *current financial resources measurement focus*. Earned revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Liabilities are generally recorded when an obligation is incurred, as under accrual accounting. However, debt service expenditures and certain other long-term obligation expenditures are recorded only when payment is due.

Since the fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, reconciliations are necessary to explain the adjustments needed to transform the fund based financial statements into the government-wide presentation.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued):

The financial transactions of the LVCVA are recorded in individual funds. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues and expenditures.

The GASB Statement No. 34 model sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category or the government combined) for the determination of major funds for financial reporting purposes. This statement also gives governments the discretion to include as major funds those having particular importance.

The LVCVA reports the following major governmental funds:

General Fund

- Used as the LVCVA's primary operating fund, it accounts for resources traditionally associated with governments that are not required to be accounted for in another fund. The most significant sources of revenue are room and gaming taxes, which are assessed on hotels and motels in Clark County. Facility rentals, concession commissions, and contractor commissions also provide a large amount of general fund revenue. The primary expenditures are for advertising, marketing and operation of the facilities.

Capital Projects Fund

- Accounts for capital expenditures for furnishings, equipment, and improvements or additions to land, and buildings financed by general government resources.
- Accounts for the extraordinary repair, maintenance or improvements of capital assets as required by Nevada Revised Statutes.
- Accounts for expenditures from the Master Plan Enhancement Program
- Accounts for expenditures from the Blue Harbor Land Acquisition Fund

Debt Service Fund

- Used by the LVCVA to accumulate monies for the payments of principal and interest on the following long-term debt:

1996 Refunding Bonds	1998A Refunding Bonds
11/99 Revenue Bonds	5/03 Refunding Bonds
04/05 Revenue Bonds	05/07 Refunding Bonds
12/07 Revenue Bonds	MPEP Commercial Paper

When both restricted and unrestricted resources are available for use, it is the policy of the LVCVA to use restricted resources first, then unrestricted resources as they are needed.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued):

ASSETS, LIABILITIES AND EQUITY

DEPOSITS AND INVESTMENTS

The LVCVA's investment policy authorizes investments in obligations of the U.S. Treasury, U.S. Agencies, commercial paper, banker's acceptances, money market funds, repurchase agreements and the Nevada State Treasurer's investment pool. The holding period of the LVCVA's investments does not exceed five years. The LVCVA's policy also governs the limitations as to the percentage of each type of investment held, its term to maturity, and allocation of investments in the two to five year maturities.

The LVCVA's investments are generally reported at fair value, as determined by quoted market price. However, the LVCVA reports investments at cost if they have a remaining maturity at the time of purchase of one year or less. The LVCVA includes in investment income the change in fair value along with any realized gains or losses.

RECEIVABLES AND PAYABLES

Transactions between funds that are outstanding at year end are reported as "due to/from other funds" within the fund financials statements. For government-wide financial statements, receivables and related revenues are recognized as soon as they are earned, whereas for governmental fund financial statement purposes, receivables and related revenues are recognized only when they are both measurable and available. Room taxes receivable, the LVCVA's major revenue source, are considered measurable and available when they can be collected within 30 days after year-end.

Receivables are reported at gross value and, if appropriate, are reduced by any significant amounts expected to be uncollectible.

PREPAID ITEMS AND INVENTORY

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. A fund balance reserve indicates that the amount is not available for appropriation. Inventory is primarily comprised of promotional items, which are recorded at the lower of cost or market.

CAPITAL ASSETS

Capital assets, which include property, plant and equipment, are accounted for in the government-wide financial statements. All purchased capital assets are valued at historical cost. Donated assets are valued at their estimated fair value on the date of gift. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the value of an asset are capitalized.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued):

Costs incurred for normal repairs and maintenance that do not add to the value of assets or materially extend asset lives are expensed as incurred.

As a policy, LVCVA classifies an item as a capital asset that has an estimated useful life of at least one year and meets the cost thresholds in the following table:

ASSET TYPE	DESCRIPTION	THRESHOLD
High Risk	An item meeting two or more of the following criteria: easily convertible to personal use or cash; easily removed from LVCVA property without detection; or not assigned to any individual. Examples: computers, tools, and cameras.	\$500
Low Risk	An item meeting two or more of the following criteria: specialized equipment not easily convertible to personal use or cash; not easily removed from LVCVA property without detection; or under departmental inventory control. Examples: trucks, carts, permanent sound equipment.	\$3,000
No Risk	Those assets that are not moveable. No risk assets would include buildings and land.	\$20,000
Bulk Inventory Assets	Exceptions to the capitalization threshold are made for bulk purchases. Typical bulk purchases include tables, chairs, podiums and trash receptacles. While individually these items may cost less than \$500, these items are combined and capitalized as a group of assets.	None

Depreciation on exhaustible assets is recorded in the statement of activities, while accumulated depreciation is reflected in the statement of net assets. Depreciation is computed on a straight-line basis over the following estimated useful lives.

ASSET DESCRIPTION	YEARS
Buildings (Half-year convention method used)	40
Major land improvements, leasehold improvements and building improvements. (Half-year convention method used)	5-25
Furniture/fixtures, and the following equipment items: baseball equipment, carts, communication equipment (mobile), forklifts, heavy equipment, set-up equipment, power tools, risers, tables, telephones, test equipment, turf equipment, typewriters, vacuums, and word processing equipment	10
Equipment items in the following categories: camera equipment, cleaning equipment, copiers, fax machines, MATV equipment, mowers, refuse equipment, mobile sound equipment, tools, turnstiles, vehicles, and other equipment	5-15
Computers, printers, and software	3

Gains or losses from sales or retirements of capital assets are included in the statement of activities.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued):

COMPENSATED ABSENCES

Personal time off (PTO) is a benefit that provides employees greater flexibility in the use of time off with pay. Employees who do not complete the introductory period of two months forfeit all accrued PTO and are not entitled for pay-out on accrued PTO. Upon separation from the LVCVA, regular employees having less than three years of service are entitled to receive 60% of the unused PTO balance. Employees having in excess of three years of service are entitled to payment of a maximum of 300 hours (500 hours for non-bargaining/non-management employees) at 100% with the remaining balance at an increasing percentage based on years of service to the LVCVA. Management and executive employees having less than two years of service are entitled to payment for unused PTO balance at a rate of 60% and are entitled to 100% for more than two years of service.

OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Effective July 1, 2007, the LVCVA implemented the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. In accordance with the transition rules of that statement, the LVCVA has elected to apply its measurement and recognition requirements on a prospective basis and has set its beginning net OPEB obligation at zero for the year ended June 30, 2008. The annual OPEB cost reported in the accompanying financial statements is equal to the annual required contributions (ARC) of the LVCVA, calculated using an actuarial valuation based upon the same methods and assumptions applied in determining the plan's funding requirements. The OPEB obligation at June 30, 2008, is determined by adding the annual OPEB cost to the OPEB obligation at the beginning of the year and deducting any contributions to the plan during the year.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bond issuance costs are reported as deferred charges on the statement of net assets and are amortized over the term of the related debt.

For governmental fund types, bond premiums and discounts, as well as issuance costs are recognized during the current period. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 2 . RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “capital assets used in the governmental activities are not financial resources; and therefore, are not reported in the funds.” The details of this \$506,350,507 difference are as follows:

Depreciable capital assets	\$	409,041,262
Accumulated depreciation		(149,273,508)
Depreciable capital assets, net		259,767,754
Non-depreciable capital assets		246,582,753
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	\$	506,350,507

Another element of that reconciliation explains that “long-term liabilities, including bonds payable and accrued interest, are not due and payable in the current period; and therefore, are not reported in the funds.” The details of this \$377,305,995 difference are as follows:

Bonds and commercial paper payable, due in more than one year	\$	355,370,000
Bonds payable, due within one year		13,340,000
Unamortized bond premium		10,913,814
Interest payable		7,302,514
Deferred charges on refunding		(9,620,333)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	\$	377,305,995

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with GAAP for all of the LVCVA's governmental funds. Requests for current year revisions and following year appropriations are submitted by divisions and sections for review and consolidation. The Board holds public hearings on the budgets prior to adoption. Board action occurs on or before April 15 for the current year budget revisions and prior to June 1 for the proposed budget. The approved budget is fully integrated on July 1 with LVCVA's accounting system. All appropriations lapse at the end of the fiscal year.

Nevada State Statutes prohibits expenditures in excess of appropriations at the function level, which is the legal level of budgetary control. Statutes permit adjustments of appropriations between line items within a fund upon approval by the President. Transfers between funds require prior approval by the Board.

Augmentations (increasing total appropriations) are accomplished by formal Board action. During the year, augmentations provided additional appropriations to honor encumbrances that lapsed at June 30, 2007, and to re-appropriate funds for previously approved incomplete capital projects. All amendments made to the original budget were as prescribed by law.

NOTE 4. CASH AND INVESTMENTS:

The LVCVA maintains a cash and investment pool that is available for use by all funds. At June 30, 2008, this pool is displayed in the statement of net assets and governmental funds balance sheet as "cash and investments". The LVCVA accounts for its debt issuance proceeds portfolio separately in the capital projects funds. At year end, the LVCVA's cash and investment balances consisted of the following:

Petty cash	\$	15,781
Cash on deposit		92,363
Investments		210,473,214
	\$	<u>210,581,358</u>

At year end, the LVCVA's carrying amount of deposits was \$92,363, and the bank balance was \$1,060,426. The Federal Depository Insurance Corporation (FDIC) covered \$100,000 of the bank balance at fiscal year end and this coverage was subsequently increased to \$250,000. The LVCVA often carries cash and cash equivalents on deposit with financial institutions in excess of federally-insured limits, and the risk of losses related to such concentrations may be increasing as a result of recent economic developments.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 4. CASH AND INVESTMENTS (continued):

As of June 30, 2008 the LVCVA had the following investments:

	Original Cost	Fair Value	Investments by Maturities		Accrued Interest	Total Value
			Less than 1 Year	1 - 5 Years		
U.S. Agencies	\$ 72,456,865	\$ 72,296,925	\$ 30,956,965	\$ 41,499,900	\$ 511,660	\$ 72,968,525
Repurchase agreements	8,705,441	8,705,441	8,705,441			8,705,441
Money market mutual fund	52,425,777	52,425,777	52,425,777		56,152	52,481,929
Nevada State Investment Pool	77,045,071	77,045,071	77,045,071		147,192	77,192,263
Total	\$ 210,633,154	\$ 210,473,214	\$ 169,133,254	\$ 41,499,900	\$ 715,004	\$ 211,348,158

INTEREST RATE RISK

The LVCVA has an investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from interest rate risk. Nevada State Statutes and the LVCVA's policy impose certain restrictions by investment instrument. These include limiting maturities on U.S. Treasuries and Agencies to no more than two years, limiting maturities on banker's acceptances to 180 days, limiting maturities on commercial paper to 270 days and limiting maturities on repurchase agreements to 7 days. U.S. Agencies as reported above consist of securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Association, Federal Home Loan Bank, and the Federal Farm Credit Bank. Nevada State Statutes allow the LVCVA to invest in the State of Nevada Investment Pool. Since investments in these agencies are, in several cases, backed by assets such as mortgages, they are subject to prepayment risk. Also, approximately, \$65 million of the U.S. Agencies investments reported above have a call option, which, should interest rates change, could shorten the maturity of these investments.

CREDIT RISK

Nevada State Statutes and the LVCVA's investment policy limit investment instruments by the credit risk. All of the LVCVA's investments in commercial paper have to be rated P-1 by Moody's Investor Service and A-1 by Standard and Poor's. The LVCVA's money market investments are invested in those funds rated by a nationally recognized rating service as AAA or its equivalent and that invest only in securities issued by the Federal Government, U.S. Agencies, or repurchase agreements fully collateralized by such securities. The State of Nevada Investment Pool does not have a credit rating.

CONCENTRATION OF CREDIT RISK

To limit exposure to concentrations of credit risk, the LVCVA's investment policy limits investment in U.S. Agencies to 80%, repurchase agreements to 20%, money market mutual funds to 30% and State of Nevada Investment Pool to 40%, of the entire portfolio on the day of purchase. As of June 30, 2008, more than 33% of the LVCVA's investments are in securities issued by the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the Federal Farm Credit Bank. These investments are 15%, 11%, 4% and less than 4%, respectively, of the LVCVA's total investments. Repurchase agreements, money market mutual funds, and investments in the State of Nevada Investment Pool were 4%, 25% and 37%, respectively, of the LVCVA's total investments at June 30, 2008.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 5. CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2008 was as follows:

Description	Balance at June 30, 2007	Increases	Decreases	Balance at June 30, 2008
Capital assets not being depreciated:				
Land	\$ 113,856,835	\$ 49,884,350		\$ 163,741,185
Construction in progress	<u>25,975,171</u>	<u>56,866,397</u>		<u>82,841,568</u>
Total capital assets not being depreciated	<u>139,832,006</u>	<u>106,750,747</u>		<u>246,582,753</u>
Capital assets being depreciated:				
Buildings	378,870,448	1,705,570		380,576,018
Improvements other than buildings	9,189,482	2,563,134		11,752,616
Furniture and equipment	<u>15,893,735</u>	<u>1,536,682</u>	\$ (717,789)	<u>16,712,628</u>
Total capital assets being depreciated	<u>403,953,665</u>	<u>5,805,386</u>	<u>(717,789)</u>	<u>409,041,262</u>
Accumulated depreciation:				
Buildings	(119,092,635)	(10,722,426)		(129,815,061)
Improvements other than buildings	(6,904,500)	(434,109)		(7,338,609)
Furniture and equipment	<u>(11,589,996)</u>	<u>(1,226,183)</u>	<u>696,341</u>	<u>(12,119,838)</u>
Total accumulated depreciation	<u>(137,587,131)</u>	<u>(12,382,718)</u>	<u>696,341</u>	<u>(149,273,508)</u>
Total capital assets being depreciated, net	<u>266,366,534</u>	<u>(6,577,332)</u>	<u>(21,448)</u>	<u>259,767,754</u>
Governmental activities capital assets, net	<u>\$ 406,198,540</u>	<u>\$ 100,173,415</u>	<u>\$ (21,448)</u>	<u>\$ 506,350,507</u>

Depreciation expense for governmental activities was charged to functions as follows:

General Government	\$ 8,039
Marketing	74,424
Operations	<u>12,300,255</u>
	<u>\$ 12,382,718</u>

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 6. INTERFUND TRANSACTIONS:

The following schedule details the amounts due from/to other funds at June 30, 2008:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Project Fund	\$ 9,211,494
General Fund	Debt Service Fund	2,410,430
Capital Project Fund	General Fund	<u>608,277</u>
		<u>\$ 12,230,201</u>

The outstanding balances between funds result mainly from the delayed time period between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) interest on investments in the capital and debt funds has not been transferred back to the general fund.

Fund transfers are legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. Transfers between funds, principally to fund capital projects and make debt service payments, for the year ended June 30, 2008, were as follows:

	Transfers <u>In</u>	<u>Transfers Out</u>		
		<u>General Fund</u>	<u>Capital Projects</u>	<u>Debt Service Fund</u>
General Fund	\$ 4,208,321		\$ 3,383,350	\$ 824,971
Capital Projects Fund	27,374,200	\$ 27,374,200		
Debt Service Fund	36,178,363	36,178,363		
	<u>\$ 67,760,884</u>	<u>\$ 63,552,563</u>	<u>\$ 3,383,350</u>	<u>\$ 824,971</u>

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 7. LEASES:

OPERATING LEASES

The LVCVA has non-cancelable operating leases for office space, parking spaces, computers, copiers and other office equipment. Total rental costs for such leases were \$426,554 for the year ended June 30, 2008. Future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>		
2009	\$	369,949
2010		263,487
2011		137,354
2012		73,959
2013		72,765
2014-2016		<u>159,397</u>
Total	\$	<u><u>1,076,911</u></u>

NOTE 8. LONG-TERM DEBT

GENERAL OBLIGATION BONDS

The LVCVA issues general obligation bonds and commercial paper to provide funds for the improvement, acquisition or construction of major capital assets.

Four of the LVCVA's outstanding bonds are general obligation bonds of Clark County, Nevada, acting by and through the LVCVA. They are primarily secured by *ad valorem* taxes and are additionally secured by net pledged revenues of the LVCVA primarily room taxes on hotels and motels in Clark County, Nevada.

It has been the practice of the LVCVA never to resort to the use of property taxes for debt service, but rather to use 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 in the future.

During the year, the LVCVA issued \$50,000,000 revenue bonds for the purpose of acquiring land adjacent to the Las Vegas Convention Center.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 8. LONG-TERM DEBT (continued):

The following is a summary of general obligation bonds payable at June 30, 2008:

\$36,200,000 – 1998A Refunding Bonds due in annual installments through FY 2027. Semi-annual interest from 4.7- 5.1%.	\$	35,575,000
\$38,200,000 – 5/07 Refunding Bonds due in annual installments through FY 2022. Semi-annual interest from 4-5%.		38,200,000
Total	\$	73,775,000

Annual debt service requirements to maturity for general obligation bonds, principal and interest are as follows:

Year ending June 30,	Principal	Interest
2009	\$ 12,420,000	\$ 3,269,744
2010	2,130,000	2,925,294
2011	2,230,000	2,834,675
2012	2,340,000	2,737,000
2013	2,460,000	2,634,419
2014-2018	14,275,000	11,172,919
2019-2023	18,500,000	7,250,063
2024-2027	19,420,000	2,039,853
Total	\$ 73,775,000	\$ 34,863,967

REVENUE BONDS

In 1999, the State of Nevada passed legislation that allowed the LVCVA to issue revenue bonds. The legislation allowed the bonds to be secured by and payable from room and gaming taxes, in addition to revenues from the operation of the facility.

The following is a summary of revenue bonds payable at June 30, 2008:

\$150,000,000 – 11/99 Revenue Bonds due in annual installments through FY 2012. Semi-annual interest from 4.8 – 6.0%.	\$	31,825,000
\$118,745,000 – 4/05 Revenue Bonds due in annual installments through FY 2020. Semi-annual interest from 3-5%.		117,110,000
\$50,000,000 – 11/07 Revenue Bonds due in annual installments through FY 2037. Semi-annual interest from 4.25-6%.		50,000,000
	\$	198,935,000

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 8. LONG-TERM DEBT (continued):

Annual debt service requirements to maturity for the revenue bonds, principal and interest are as follows:

Year ending June 30	Principal	Interest
2009	\$ 920,000	\$ 10,392,792
2010	11,010,000	9,886,929
2011	11,620,000	9,263,523
2012	12,285,000	8,576,616
2013	13,025,000	7,869,241
2014-2018	76,210,000	28,178,619
2019-2023	40,565,000	10,759,806
2024-2028	8,525,000	7,294,238
2029-2033	10,845,000	4,892,375
2034-2038	13,930,000	1,810,500
Total	\$ 198,935,000	\$ 98,924,639

COMMERCIAL PAPER

In February 2006, the Board approved a resolution authorizing the sale of commercial paper for the purpose of financing the cost of improvements related to the Master Plan Enhancement Program. As of June 30, 2008, the total amount of commercial paper approved for sale is \$822 million. This amount is to be divided into two separate issues, Series A and Series B. Series A is authorized for \$340 million in total commercial paper issued, with the balance to be issued from Series B.

The following is a summary of commercial paper payable at June 30, 2008:

\$96,000,000 – Commercial Paper Series A. Periodic interest is based on market rates. \$ 96,000,000

The commercial paper is ordinarily due in various periodic installments of not more than 9 months from date of issue; however, because the commercial paper is subject to an irrevocable letter of credit the obligation is classified as long-term debt in the statement of net asset.

The LVCVA complies with all federal arbitrage regulations, applicable to its debt issues.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 8. LONG-TERM DEBT (continued):

The changes in long-term liabilities for the fiscal year are as follows:

	Interest Paid During the Year	Beginning Balance July 1, 2007	Additions	Reductions	Ending Balance June 30, 2008
<u>BONDS AND COMMERCIAL PAPER</u>					
General Obligation/Pledged Revenue Bonds					
9/1/96 Refunding/Building Bonds	\$ 50,355	\$ 1,865,000		\$ (1,865,000)	
1998A Refunding Bonds	1,793,606	35,660,000		(85,000)	\$ 35,575,000
5/03 Refunding Bonds	235,250	9,410,000		(9,410,000)	
5/07 Refunding Bonds	1,043,139	38,200,000			38,200,000
Revenue Bonds:					
11/99 Revenue Bonds	1,808,538	31,925,000		(100,000)	31,825,000
4/05 Revenue Bonds	5,978,468	117,255,000		(145,000)	117,110,000
11/07 Revenue Bonds			\$ 50,000,000		50,000,000
Commercial paper	1,474,778	31,000,000	65,000,000		96,000,000
Premium on bonds		11,394,787	911,342	(1,392,317)	10,913,812
Less: Deferred charges on refunding		(10,427,258)		806,926	(9,620,332)
<u>OTHER LIABILITIES</u>					
Compensated absences		5,758,652	3,566,233	(3,612,205)	5,712,680
Liability for postemployment benefits other than pensions			2,108,466		2,108,466
Total	\$ 12,384,134	\$ 272,041,181	\$ 121,586,041	\$ (15,802,596)	\$ 377,824,626

The portion of each long-term liability that is due in FY 2009 is shown below:

	<u>Principal</u>	<u>Interest</u>
<u>BONDS</u>		
General Obligation/Pledged Revenue Bonds		
1998A Refunding Bonds	\$ 10,620,000	\$ 1,525,981
5/07 Refunding Bonds	1,800,000	1,743,763
Revenue		
11/99 Revenue Bonds	100,000	1,803,375
4/05 Revenue Bonds	150,000	5,973,850
11/07 Revenue Bonds	670,000	2,615,567
Total Bonds	<u>13,340,000</u>	<u>13,662,536</u>
<u>OTHER LIABILITIES</u>		
Compensated absences	3,161,562	
Total	\$ <u>16,501,562</u>	\$ <u>13,662,536</u>

The general fund has been used in prior years to liquidate compensated absences and other long-term liabilities other than debt.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 9. PRIOR-YEAR DEFEASANCE OF DEBT:

Certain outstanding general obligation/pledged revenue bonds have been defeased in prior years by placing the proceeds of new general obligation bonds in irrevocable trusts to provide for all future debt service payments on the defeased bonds. As of June 30, 2008, \$181,070,000 of outstanding bonds is considered defeased. Accordingly, these bonds are not included in the LVCVA's financial statements.

NOTE 10. RISK MANAGEMENT:

The LVCVA is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The LVCVA has third-party coverage for all lines of insurance, covering property, commercial liability, and employees. For worker's compensation, the LVCVA is self-insured at a relatively low threshold. For claims over the threshold, third-party coverage would take effect. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

NOTE 11. EMPLOYEE RETIREMENT PLAN:

PLAN DESCRIPTION

All of the LVCVA's regular, full-time employees participate in a statewide, cost-sharing, multiple-employer defined benefit pension plan for governmental employees administered by the Public Employees Retirement System of Nevada (PERS). PERS was established in 1948 by the Nevada State Legislature and is governed by the Public Employees Retirement Board whose seven members are appointed by the Governor. The LVCVA exercises no control over PERS and is not liable for any obligations of the system.

Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 11. EMPLOYEE RETIREMENT PLAN (continued):

PERS provides pension, survivor, death and disability benefits. Various payment options for these benefits are available. Regular members of the system receive full benefits upon retirement at:

- Age 65 with at least 5 years of service
- Age 60 with 10 or more years of service
- Any age with 30 years or more service

Retirement benefits, payable monthly for life, are equal to 2.5% of a member's average compensation per service year completed prior to July 1, 2001 and 2.67% for each year completed on or after July 1, 2001. Average compensation is the average of the 36 consecutive months of the highest compensation. Benefits are fully vested upon reaching 5 years of service up to a maximum of 90% for those entering the system prior to July 1985 and 75% for those entering after that date. Vested employees who have not attained the required age may retire at any age with reduced benefits.

Contribution rates are established by Nevada State Statutes and may only be amended through legislation. The contribution structure provides for yearly increases of up to 1% until such time as the actuarially determined unfunded liability of PERS is reduced to zero. The LVCVA currently makes all required contributions.

The required contributions for fiscal years 2006-2008 were as follows:

Ended June 30,	Covered Payroll	Annual Required Contriubtion Rate	Contribution Paid By LVCVA
2006	\$ 26,678,950	19.75%	\$ 5,282,288
2007	28,786,012	19.75%	5,684,347
2008	30,633,222	20.50%	6,257,069

PERS issues a stand-alone comprehensive annual financial report that includes financial statements and required supplementary information for the plan. Those reports may be obtained by contacting them at the following address:

Public Employees Retirement System of Nevada
693 W. Nye Lane
Carson City, NV 89703-1599
(775) 687-4200

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 12. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):

From the accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the costs occurs, rather than in the future years when it will be paid. In adopting the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, for the year ended June 30, 2008, the LVCVA recognizes the cost of postemployment healthcare in the year when the employee services are received by reporting the accumulated liability from the prior years, and providing useful information in assessing potential demands on the LVCVA's future cash flows.

PLAN DESCRIPTION

The LVCVA provides continuation of medical insurance coverage to employees under the State of Nevada Public Employees Benefits Program (PEBP) a cost-sharing multiple-employer defined benefit plan. For participants who enrolled in the PEBP prior to September 1, 2008, the LVCVA is responsible for payment of a monthly subsidy, based on the years of service with a local government in the Nevada PERS system for the life of the retiree. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. The PEBP report may be obtained by writing or calling the Public Employee Benefit Plan, 901 South Stewart Street, Suite 1001, Carson City, Nevada 89701, (800) 326-5496.

FUNDING POLICY

The LVCVA currently pays for postemployment healthcare benefits on a pay-as-you-go basis. Although no trust fund has been established by the LVCVA, the possibility of participating in another local governments' trust fund exists.

The District is required to pay the PEBP an explicit subsidy, based on years of service, for retirees who enroll in this plan. The subsidy is set by the Nevada State Legislature.

Annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the LVCVA's annual OPEB cost for the year, the amount contributed to the plan, and the changes in the LVCVA's net OPEB obligation.

Annual required contribution (ARC)	\$ 2,108,466
Interest on net OPEB obligation	---
Adjustment to the ARC	---
Annual OPEB cost (expense)	<u>2,108,466</u>
Contributions made	---
Increase in net OPEB obligations	<u>2,108,466</u>
Net OPEB obligation – beginning of the year	--
Net OPEB obligation – end of the year	<u><u>\$ 2,108,466</u></u>

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 12. OTHER POST EMPLOYMENT BENEFITS (continued):

SCHEDULE OF FUNDING PROGRESS

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/2006	--	\$ 21,949,343	\$ 21,949,343	0%	\$28,678,950	77%

The required schedule of funding progress to be presented, in future years, as required supplementary information will provide multi-year trend information that will show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan participants) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the LVCVA and the plan members. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

	<u>State of Nevada Public Employees Benefits Program</u>
Actuarial valuation date	June 30, 2006
Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	30 years
Asset valuation	N/A, no assets in trust
Actuarial assumptions:	
Investment rate of return	4%
Projected salary increases	N/A
Cost of living adjustments	N/A
Healthcare inflation rates	8% - 2006 7% - 2007 6% - 2008 5% - 2009 and later

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 13. FUND BALANCE RESERVED:

Portions of the fund balances are reserved to indicate that the amounts are either legally segregated for a specific future use or are not available for future appropriation or expenditure. The LVCVA's reserved fund balances at June 30, 2008, are as follows:

RESERVED FOR:	General Fund	Capital Projects Fund	Debt Service Fund
Prepaid items	\$ 1,056,085		
Capital projects		\$ 115,135,551	
Debt service			\$ 20,423,353
Total fund balances reserved	<u>\$ 1,056,085</u>	<u>\$ 115,135,551</u>	<u>\$ 20,423,353</u>

The reserves in the Capital Projects Fund are restricted for facility construction, land acquisition and extraordinary repairs and improvements.

The reserves in the Debt Service Fund are legally restricted to the payment of general long-term debt principal and interest maturing in future years.

NOTE 14. COMMITMENTS AND CONTINGENCIES:

The United States is experiencing a widespread decline in residential real estate sales, mortgage lending and related construction activity, accompanied by inflationary trends and emerging weakness in the commercial and investment banking systems, and is engaged in a war, all of which are likely to have far-reaching effects on the economic activity in the country for an indeterminate period. The near- and long-term impact of these factors on the Nevada economy and the LVCVA's operations cannot be predicted at this time but may be substantial.

CONTRACTS AND COMMITMENTS

VISITORS' CENTERS

The LVCVA has entered into cooperative agreements with the State of Nevada to staff, operate, and maintain three visitor information centers owned by the State of Nevada in Boulder City, Mesquite, and Primm, Nevada. The centers provide information on recreational opportunities in Clark County. The agreements for Boulder City and Mesquite expire in October 2008. The Primm agreement expires in July 2028. All agreements contain a five-year renewal option.

FREMONT STREET EXPERIENCE

In December 2002, the LVCVA Board approved a request from the City of Las Vegas to provide \$7,000,000 (payable over a 7-year period in equal installments of \$1 million) for the improvement of the light show at the Fremont Street Experience. The final payment will be made in fiscal year 2009.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 14. COMMITMENTS AND CONTINGENCIES (continued):

NATIONAL FINALS RODEO

In November 2005, the LVCVA entered into an agreement with PRCAP to provide annual payments of \$1,000,000 as a sponsorship fee for the National Finals Rodeo. The final payment will be made in fiscal year 2009.

CITY OF HENDERSON RECREATIONAL FACILITY CAPITAL GRANT

In July 2004, the LVCVA entered into an agreement to provide the City of Henderson with \$8,000,000 (payable over an 8-year period in equal installments of \$1 million) to make capital improvements to the public recreational facilities to the Plaza at the Henderson City Hall. The final payment will be made in fiscal year 2012.

NEVADA DEPARTMENT OF TRANSPORTATION (NDOT) FUNDING

In June 2007, the Nevada State Legislature passed Assembly Bill 595 which will provide close to \$1 billion in funding for critically needed transportation projects. To fund this bill, future tax revenues are to be diverted from several entities, including the LVCVA. The LVCVA's total commitment to the transportation funding bill is \$300 million. Per the tenets of the bill, this debt service can be payable over 30 years and is not to exceed \$20 million per year.

MASTER PLAN ENHANCEMENT PROGRAM - SALE OF COMMERCIAL PAPER

As part of the LVCVA's Vision Plan, the Board approved the Master Plan Enhancement Program (MPEP). The MPEP provides a comprehensive plan of renovations and enhancements to the Las Vegas Convention Center. The MPEP is to be funded with proceeds from the sale of \$822 million in debt securities, with additional funding of \$68 million to come from the LVCVA's capital reserve funds. The LVCVA is using a commercial paper program to provide short-term capital needs for the MPEP. As of June 30, 2008, the LVCVA has issued \$96 million in commercial paper to fund the MPEP.

CONSTRUCTION CONTRACTS AND COMMITMENTS

The LVCVA is a party to several contracts and commitments relating to construction projects and services. At June 30, 2008, such contracts totaled approximately \$103,057,100 with an estimated outstanding balance of \$31,575,030.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 14. COMMITMENTS AND CONTINGENCIES (continued):

LEGAL MATTERS

The LVCVA is the defendant in various legal actions. It is the opinion of the LVCVA and legal counsel that they will not result in any material liabilities to the LVCVA.

The LVCVA does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when the services are rendered.

There may be possible expenses (unknown at this time) related to alleged ground water contamination in a parking area at the Las Vegas Convention Center. No order or request has been made regarding the scope of clean up of such contamination nor is one expected to be made in the near future.

NOTE 15. ROOM TAX REVENUE:

Revenue for the LVCVA is primarily provided by a 9% room tax imposed on lodging establishments in Clark County, Nevada. The division of this tax is presented below:

	<u>Total</u>	<u>LVCVA</u>	<u>Clark County School District</u>	<u>Clark County Transportation</u>	<u>Taxing Entity</u>	<u>State of Nevada</u>
Resort hotels	9%	5%	1 5/8%	1 %	1%	3/8%
Other hotel and motels	9%	4%	1 5/8%	1%	2%	3/8%

NOTE 16. SUBSEQUENT EVENTS:

NDOT REVENUE BONDS

In August 2008, the LVCVA issued \$26,455,000 in general obligation bonds to pay for the NDOT commitment as mentioned in Note 14. LVCVA will be responsible for the debt service associated with this new bond issue. The interest rate on these bonds range from 4 - 5% and matures July 1, 2038.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

Governmental Funds

General Fund

This fund is used to account for resources associated with governments that are not required to be accounted for in another fund.

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LAS VEGAS CONVENTION AND VISITORS AUTHORITY

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Room and gaming taxes	\$ 228,925,000	\$ 220,925,000	\$ 222,584,976	\$ 1,659,976
Charges for service	52,284,800	52,284,800	57,689,079	5,404,279
Interest and investment earnings	2,400,000	2,400,000	1,639,755	(760,245)
Miscellaneous	7,500	7,500	5,133	(2,367)
Total revenues	<u>283,617,300</u>	<u>275,617,300</u>	<u>281,918,943</u>	<u>6,301,643</u>
Expenditures:				
General government	8,880,600	9,584,180	9,192,348	391,832
Marketing	36,241,500	35,553,334	33,908,754	1,644,580
Advertising	86,718,700	88,353,200	88,074,185	279,015
Operations	43,544,300	46,241,271	43,940,271	2,301,000
Grants and special events	40,088,632	40,793,432	38,640,536	2,152,896
Other	3,840,000	1,276,200	245,660	1,030,540
Total expenditures	<u>219,313,732</u>	<u>221,801,617</u>	<u>214,001,754</u>	<u>7,799,863</u>
Excess of revenues over expenditures	<u>64,303,568</u>	<u>53,815,683</u>	<u>67,917,189</u>	<u>14,101,506</u>
Other financing sources (uses):				
Transfers in	1,545,000	1,545,000	4,208,321	2,663,321
Transfers out	(60,224,353)	(63,775,964)	(63,552,563)	223,401
Proceeds from the sale of assets	25,000	25,000	14,128	(10,872)
Total other financing sources (uses):	<u>(58,654,353)</u>	<u>(62,205,964)</u>	<u>(59,330,114)</u>	<u>2,875,850</u>
Net change in fund balances	5,649,215	(8,390,281)	8,587,075	16,977,356
Fund balances - beginning	<u>37,140,544</u>	<u>37,140,544</u>	<u>37,140,544</u>	
Fund balances - ending	<u>\$ 42,789,759</u>	<u>\$ 28,750,263</u>	<u>\$ 45,727,619</u>	<u>\$ 16,977,356</u>

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1. BASIS OF PRESENTATION:

The accompanying required supplementary schedule of revenues, expenditures and changes in fund balance presents the original adopted budget, the final amended budget, and actual general fund data. The original budget was adopted on a basis consistent with the LVCVA's financial accounting policies and with accounting principles generally accepted in the United States of America. All amendments made to the original budget were as prescribed by law and similarly consistent.

Additional budgetary information can be found in Note 3 to the LVCVA's basic financial statements on page 24 of this report.

INDIVIDUAL FUND INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

Governmental Funds

Capital Projects Fund

This fund is used to account for the acquisition of capital assets and the construction of new facilities or improvements.

Debt Service Fund

This fund accounts for the accumulation of resources for and principal and interest payments on the LVCVA's long-term debt.

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LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Interest and investment earnings	\$ 3,780,000	\$ 3,780,000	\$ 4,134,425	\$ 354,425
Miscellaneous	1,000	1,000	998,907	997,907
Total revenues	<u>3,781,000</u>	<u>3,781,000</u>	<u>5,133,332</u>	<u>1,352,332</u>
Expenditures:				
Capital outlay:				
Land			49,884,350	(49,884,350)
Land improvements	2,212,000	2,077,043	2,563,133	(486,090)
Building	2,980,800	2,748,698	1,705,570	1,043,128
Furniture and equipment	2,509,000	3,215,964	1,536,682	1,679,282
Construction in progress	142,000,000	214,143,863	56,866,397	157,277,466
Noncapitalized assets			905,638	(905,638)
Other			1,043,215	(1,043,215)
Total expenditures	<u>149,701,800</u>	<u>222,185,568</u>	<u>114,504,985</u>	<u>107,680,583</u>
Deficiency of revenues under expenditures	<u>(145,920,800)</u>	<u>(218,404,568)</u>	<u>(109,371,653)</u>	<u>109,032,915</u>
Other financing sources (uses):				
Transfers in	24,000,000	27,374,200	27,374,200	
Transfers out	(750,000)	(750,000)	(3,383,350)	(2,633,350)
Bond premium			911,342	911,342
Debt proceeds	119,000,000	119,000,000	115,000,000	(4,000,000)
Total other financing sources (uses):	<u>142,250,000</u>	<u>145,624,200</u>	<u>139,902,192</u>	<u>(5,722,008)</u>
Net change in fund balances	<u>(3,670,800)</u>	<u>(72,780,368)</u>	<u>30,530,539</u>	<u>103,310,907</u>
Fund balances - beginning	<u>84,605,012</u>	<u>84,605,012</u>	<u>84,605,012</u>	
Fund balances - ending	<u>\$ 80,934,212</u>	<u>\$ 11,824,644</u>	<u>\$ 115,135,551</u>	<u>\$ 103,310,907</u>

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Interest and investment earnings	\$ 795,000	\$ 795,000	\$ 824,971	\$ 29,971
Expenditures:				
9/1/96 Bond				
Principal	1,865,000	1,865,000	1,865,000	
Interest	1,940,965	50,355	50,355	
1998A Bond				
Principal	85,000	85,000	85,000	
Interest	1,793,606	1,793,606	1,793,606	
11/99 Bond				
Principal	100,000	100,000	100,000	
Interest	1,808,538	1,808,538	1,808,538	
5/03 Bond				
Principal	9,410,000	9,410,000	9,410,000	
Interest	235,250	235,250	235,250	
3/05 Bond				
Principal	145,000	145,000	145,000	
Interest	5,978,463	5,978,463	5,978,463	
2007 Bond				
Interest		1,043,139	1,043,139	
MPEP commercial paper				
Interest	3,759,000	3,759,000	1,474,778	2,284,222
Other			10,000	(10,000)
Total expenditures	<u>27,120,822</u>	<u>26,273,351</u>	<u>23,999,129</u>	<u>2,274,222</u>
Deficiency of revenues under expenditures	<u>(26,325,822)</u>	<u>(25,478,351)</u>	<u>(23,174,158)</u>	<u>2,304,193</u>
Other financing sources (uses):				
Transfers in	36,224,354	36,401,764	36,178,363	(223,401)
Transfers out	<u>(795,000)</u>	<u>(795,000)</u>	<u>(824,971)</u>	<u>(29,971)</u>
Total other financing sources (uses):	<u>35,429,354</u>	<u>35,606,764</u>	<u>35,353,392</u>	<u>(253,372)</u>
Net change in fund balances	9,103,532	10,128,413	12,179,234	2,050,821
Fund balances - beginning	<u>18,133,520</u>	<u>18,133,520</u>	<u>18,133,520</u>	
Fund balances - ending	<u><u>\$ 27,237,052</u></u>	<u><u>\$ 28,261,933</u></u>	<u><u>\$ 30,312,754</u></u>	<u><u>\$ 2,050,821</u></u>

Statistical Section

Statistical schedules differ from financial statements because they usually cover several fiscal years and may present non-accounting data. The statistical tables presented in this section reflect social and economic data along with financial trends of the LVCVA. Certain tables recommended by the Governmental Accounting Standards Board are not included because they are not applicable to the LVCVA, such as those for property taxes as this is not a source of revenue.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NET ASSETS BY COMPONENT ^{(1) (2)}
LAST SIX FISCAL YEARS
(amounts expressed in thousands)
(unaudited)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u> ⁽³⁾
Primary government							
Invested in capital assets, net of related debt	\$ 99,874	\$ 105,501	\$ 113,002	\$ 97,216	\$ 143,282	\$ 136,713	\$ 136,347
Restricted	34,037	44,649	49,227	61,518	68,832	101,289	133,842
Unrestricted	46,990	34,407	41,913	52,075	33,075	48,615	60,446
Total primary government net assets	<u>\$ 180,901</u>	<u>\$ 184,557</u>	<u>\$ 204,143</u>	<u>\$ 210,809</u>	<u>\$ 245,189</u>	<u>\$ 286,617</u>	<u>\$ 330,635</u>

(1) The schedule includes assets net of related debt.

(2) This schedule uses the accrual basis of accounting.

(3) The LVCVA implemented GASB 34, the new reporting standard, in fiscal year 2002; therefore, ten years of data is not available but will be accumulated over time.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
FUND BALANCES OF GOVERNMENTAL FUNDS ⁽¹⁾
LAST TEN FISCAL YEARS
(amounts expressed in millions)
(unaudited)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u> ⁽²⁾	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund										
Reserved	\$ 3.6	\$ 2.7	\$ 1.5	\$ 1.1	\$ 1.1	\$ 1.6	\$ 1.1	\$ 2.8	\$ 4.0	\$ 1.0
Unreserved	45.4	54.4	58.7	47.7	32.3	40.8	46.0	26.8	33.2	44.7
Total general fund	<u>49.1</u>	<u>57.1</u>	<u>60.2</u>	<u>48.9</u>	<u>33.4</u>	<u>42.4</u>	<u>47.0</u>	<u>29.6</u>	<u>37.1</u>	<u>45.7</u>
All other governmental funds										
Reserved	44.9	183.3	65.2	34.0	44.6	49.2	61.5	68.8	101.3	133.8
Unreserved, reported in:										
Capital Fund	2.4	5.9	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	0.1	0.1	1.4	11.6
Special Revenue Fund	0.0	0.0	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>47.3</u>	<u>189.2</u>	<u>65.2</u>	<u>34.0</u>	<u>44.6</u>	<u>49.2</u>	<u>61.6</u>	<u>68.9</u>	<u>102.7</u>	<u>145.4</u>
Total governmental funds	<u>\$ 96.4</u>	<u>\$ 246.3</u>	<u>\$ 125.4</u>	<u>\$ 82.9</u>	<u>\$ 78.0</u>	<u>\$ 91.6</u>	<u>\$ 108.6</u>	<u>\$ 98.5</u>	<u>\$ 139.9</u>	<u>\$ 191.2</u>

(1) This schedule uses the modified accrual basis of accounting.

(2) The LVCVA implemented GASB 34, the new reporting standard, in fiscal year 2002.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 CHANGES IN NET ASSETS ⁽¹⁾
 LAST SIX FISCAL YEARS
 (amounts expressed in thousands)
 (unaudited)

Program Revenues	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008⁽⁴⁾</u>
General government							
Marketing	\$ 2,178	\$ 1,838	\$ 1,906	\$ 2,065	\$ 2,843	\$ 2,671	\$ 3,486
Advertising							
Operations	30,298	32,788	35,749	43,004	45,576	48,400	55,781
Administration ⁽²⁾	16	25	-	-	-	-	-
Grants and special events							
Interest on long-term debt							
Total governmental activities program revenues	<u>32,493</u>	<u>34,651</u>	<u>37,656</u>	<u>45,069</u>	<u>48,418</u>	<u>51,071</u>	<u>59,267</u>
Expenses							
General government ⁽²⁾	3,426	3,891	4,461	4,063	7,527	7,798	9,773
Marketing	25,407	23,410	25,176	30,374	32,198	33,061	34,617
Advertising	60,213	59,224	65,003	78,213	82,923	84,713	88,074
Operations	36,195	36,841	41,924	45,890	50,554	54,072	58,248
Administration ⁽³⁾	4,981	5,655	-	-	-	-	-
Grants and special events	20,639	21,656	24,489	28,973	33,888	40,170	38,557
Other	-	-	-	323	-	-	-
Interest on long-term debt	16,030	14,788	14,440	11,688	12,826	12,551	14,317
Total governmental activities expenses	<u>166,889</u>	<u>165,466</u>	<u>175,493</u>	<u>199,524</u>	<u>219,916</u>	<u>232,366</u>	<u>243,586</u>
Net Expenses	(134,396)	(130,815)	(137,838)	(154,456)	(171,498)	(181,295)	(184,319)
General Revenues and Other Changes in Net Assets							
Room and gaming tax	125,130	133,030	156,435	181,805	202,051	216,893	221,744
Interest and investment earnings	2,925	1,437	997	2,048	3,801	5,777	6,599
Gain/loss on the sale of fixed assets	(19)	4	(10)	17	28	53	(7)
Total general revenues	<u>128,036</u>	<u>134,471</u>	<u>157,423</u>	<u>183,870</u>	<u>205,879</u>	<u>222,722</u>	<u>228,336</u>
<i>Special item - Miscellaneous</i>	5,749	-	-	-	-	-	-
Total general revenues and special items	<u>133,785</u>	<u>134,471</u>	<u>157,423</u>	<u>183,870</u>	<u>205,879</u>	<u>222,722</u>	<u>228,336</u>
Change in net assets	(611)	3,656	19,585	29,414	34,381	41,427	44,017
Net assets - beginning	181,512	180,901	184,557	204,143	210,809	245,189	286,617
Prior period adjustment	-	-	-	(22,748)	-	-	-
Net assets - beginning (as restated)	<u>181,512</u>	<u>180,901</u>	<u>184,557</u>	<u>181,395</u>	<u>210,809</u>	<u>245,189</u>	<u>286,617</u>
Net assets - ending	<u>\$ 180,901</u>	<u>\$ 184,557</u>	<u>\$ 204,143</u>	<u>\$ 210,809</u>	<u>\$ 245,189</u>	<u>\$ 286,617</u>	<u>\$ 330,634</u>

(1) This schedule uses the accrual basis of accounting.

(2) In FY 2005, Safety section was transferred from General Government to Operations. In FY 2006, Public Affairs section transferred from Marketing to General Government.

(3) Beginning in FY 2004, the Administration Division and Operations Division were merged.

(4) The LVCVA implemented GASB 34, the new reporting standard, in fiscal year 2002; therefore, ten years of data is not available but will be accumulated over time.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS ⁽¹⁾
LAST SIX FISCAL YEARS
(amounts expressed in thousands)
(unaudited)

Revenues	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008⁽⁴⁾</u>
Room and gaming taxes	\$ 126,173	\$ 132,631	\$ 155,034	\$ 178,201	\$ 202,050	\$ 215,205	\$ 222,585
Charges for service	32,484	34,645	37,354	45,056	48,360	50,916	57,689
Earnings on investments	2,925	1,437	997	2,048	3,801	5,777	6,599
Miscellaneous	5,758	6	302	12	59	155	1,004
Total revenues	167,340	168,718	193,687	225,318	254,269	272,053	287,877
Expenses							
General government ⁽²⁾	3,347	3,728	4,438	4,061	7,430	7,799	9,192
Marketing	25,121	23,283	25,181	30,225	31,991	33,079	33,909
Advertising	60,213	59,224	65,003	78,213	82,923	84,713	88,074
Operations	26,782	27,626	32,854	34,824	36,890	41,270	43,940
Administration ⁽³⁾	4,645	5,377	-	-	-	-	-
Grants and special events	20,807	21,512	24,389	28,753	34,248	38,416	38,641
Other	26	113	-	-	4	1	246
Capital outlay:							
Capitalized assets	60,262	5,307	2,714	5,574	46,794	29,801	112,556
Non-capitalized assets	630	500	281	572	918	992	906
Debt service:							
Principal	9,865	10,350	10,865	9,950	11,725	11,050	11,605
Interest	16,270	15,779	14,372	14,528	11,498	13,341	12,384
Bond issuance costs	-	194	-	1,816	2	722	1,053
Total expenditures	227,967	172,993	180,097	208,515	264,424	261,184	352,506
Excess (deficiency of revenues over (under) expenditures)	(60,627)	(4,274)	13,591	16,803	(10,155)	10,869	(64,629)
Other financing sources (uses)							
Transfers in	32,058	43,821	32,684	46,852	79,275	62,393	67,761
Transfers out	(32,058)	(43,821)	(32,684)	(46,852)	(79,275)	(62,393)	(67,761)
Bond proceeds	-	35,075	-	-	-	31,000	115,000
Refunding bonds issued	-	-	-	118,745	-	38,200	-
Bond premium	-	2,749	-	10,359	-	2,051	911
Payment of refunded bond escrow agent	-	(38,423)	-	(128,953)	-	(40,797)	-
Proceeds from the sale of capital assets	32	5	7	33	30	70	14
Total other financing sources (uses)	32	(594)	7	185	30	30,525	115,925
Net change in fund balances	(60,594)	(4,868)	13,598	16,987	(10,125)	41,394	51,296
Fund balance - beginning	143,487	82,893	78,025	91,623	108,610	98,485	139,879
Fund balance - ending	\$ 82,893	\$ 78,025	\$ 91,623	\$ 108,610	\$ 98,485	\$ 139,879	\$ 191,175
Debt service as a percentage of noncapital expenditures	15.6%	15.6%	14.2%	12.1%	10.7%	10.5%	10.0%

(1) This schedule uses the modified accrual basis of accounting.

(2) In FY 2005, Safety section was transferred from General Government to Operations. In FY 2006, Public Affairs section transferred from Marketing to General Government.

(3) Beginning in FY 2004, the Administration Division and Operations Division were merged.

(4) The LCVVA implemented GASB 34, the new reporting standard, in fiscal year 2002; therefore, ten years of data is not available but will be accumulated over time.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION ⁽¹⁾
FOR ALL GOVERNMENTAL FUND TYPES
LAST TEN FISCAL YEARS
(unaudited)

The schedule below includes expenditures recorded in the general, debt service, capital improvement and replacement funds excluding nonrecurring expenditures. Nonrecurring expenditures include miscellaneous expenditures from the general fund, expenditures from the special revenue fund, which was only in existence for fiscal years 1998-2001, and expenditures from the capital expansion funds.

Fiscal Year	Total Expenditures	General Government		Marketing		Advertising ⁽²⁾		Administration ⁽³⁾	
1999	\$ 126,136,698	\$ 2,501,993	2%	\$ 48,707,657	39%	n/a		\$ 3,729,602	3%
2000	134,007,191	3,351,549	3%	56,583,728	42%	n/a		3,810,214	3%
2001	164,007,342	3,338,192	2%	74,052,024	45%	n/a		4,394,558	3%
2002	174,376,073	3,346,846	2%	25,121,114	14%	\$ 60,212,568	35%	4,645,125	3%
2003	211,302,185	3,727,811	2%	23,282,693	11%	59,224,247	28%	5,377,499	3%
2004	180,096,563	4,437,711	2%	25,180,916	14%	65,002,609	36%	n/a	
2005	206,699,491	4,060,571	2%	30,226,424	15%	78,211,815	38%	n/a	
2006	263,501,864	7,429,634	3%	31,990,835	12%	82,923,473	31%	n/a	
2007	240,173,824	7,799,028	3%	33,079,358	14%	84,713,300	35%	n/a	
2008	257,964,995	9,192,348	4%	33,908,754	13%	88,074,185	34%	n/a	

Fiscal Year	Operations		Grants and Special Events		Capital Outlay		Debt Service	
1999	\$ 20,966,425	17%	\$ 27,572,800	22%	\$ 5,563,442	4%	\$ 17,094,779	14%
2000	21,350,350	16%	26,694,290	20%	3,517,847	3%	18,699,213	14%
2001	23,776,552	14%	27,376,226	17%	2,703,897	2%	28,365,893	17%
2002	26,781,519	15%	20,807,260	12%	7,326,996	4%	26,134,645	15%
2003	27,625,785	13%	21,511,863	10%	5,806,115	3%	64,746,172	30%
2004	32,854,219	18%	24,388,640	14%	2,995,162	2%	25,237,306	14%
2005	34,824,210	17%	28,753,093	14%	6,145,825	3%	24,477,554	12%
2006	36,890,102	14%	34,248,194	13%	46,794,116	18%	23,225,511	9%
2007	41,269,630	17%	38,416,172	16%	10,505,252	4%	24,391,084	10%
2008	43,940,271	17%	38,640,535	15%	20,209,772	8%	23,999,130	9%

(1) This schedule uses the accrual basis of accounting.

(2) Beginning in FY 2002, the Advertising function is presented separately from Marketing.

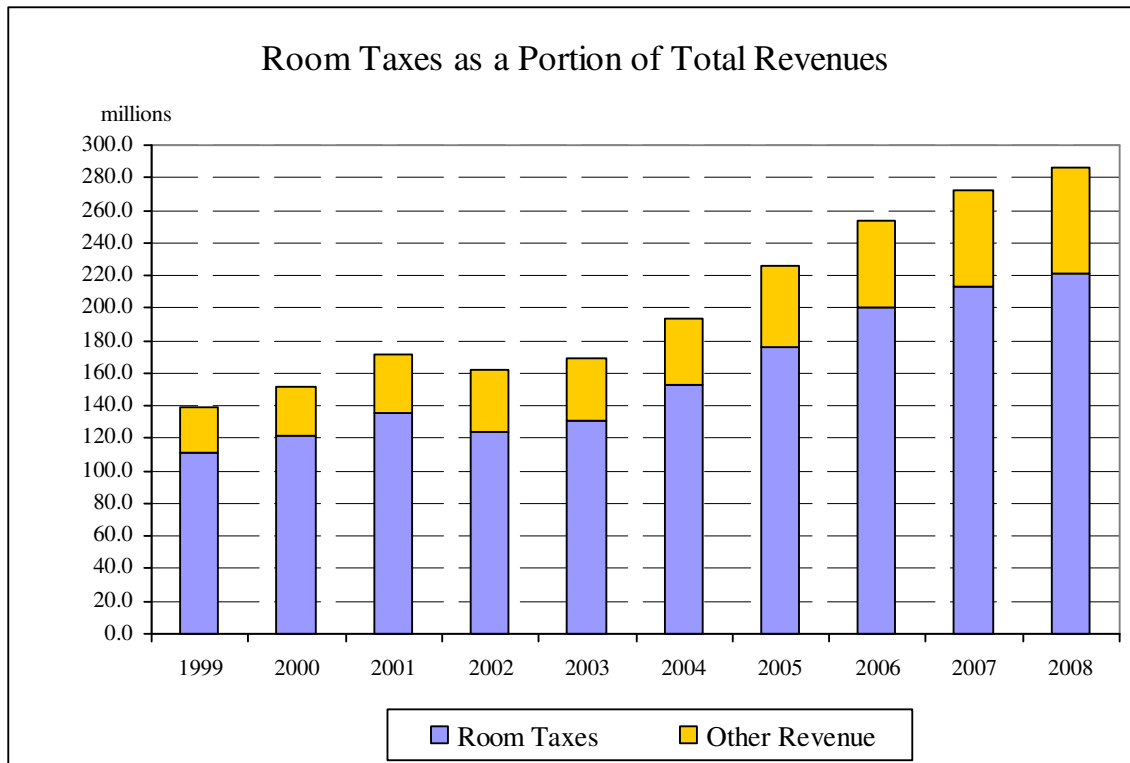
(3) Beginning in FY 2004, the Administration Division and Operations Division were merged.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 GENERAL GOVERNMENTAL REVENUES BY SOURCE ⁽¹⁾
 LAST TEN FISCAL YEARS
 (unaudited)

The schedule below includes revenues recorded in the general, debt service, and capital improvement and replacement funds, with the exception of nonrecurring items. Nonrecurring revenues include miscellaneous revenues from the general fund, revenues from the special revenue fund, which was only in existence for fiscal years 1998-2001, and any revenues from the capital expansion funds. Prior to fiscal year 2000, 5/8 of 1% of the room tax was restricted to the promotion of tourism and special events in Nevada. As of July 1999, it was diverted to the Clark County School District.

Fiscal Year	Total Revenues	Room Tax		Charges for Services		Gaming Tax		Interest	
1999	\$ 138,534,562	\$ 110,650,133	80%	\$ 22,226,496	16%	\$ 1,722,086	1%	\$ 3,935,847	3%
2000	152,249,817	121,601,298	80%	23,598,086	15%	1,775,145	1%	5,275,288	3%
2001	171,426,391	135,841,371	79%	27,698,278	16%	2,085,169	1%	5,801,573	3%
2002	161,774,369	124,171,822	77%	32,483,745	20%	2,001,338	1%	3,117,464	2%
2003	168,712,193	130,749,469	77%	34,644,610	21%	1,881,540	1%	1,436,574	<1%
2004	193,385,339	153,119,152	79%	37,353,826	20%	1,914,919	1%	997,443	<1%
2005	225,305,805	176,339,258	78%	45,056,357	20%	1,861,748	<1%	2,048,441	<1%
2006	254,210,786	200,086,827	79%	48,359,640	19%	1,963,608	<1%	3,800,710	1%
2007	271,663,033	213,256,076	79%	50,916,320	19%	1,949,332	<1%	5,541,305	2%
2008	286,098,907	220,733,128	77%	57,689,079	20%	1,851,848	<1%	5,824,852	2%

(1) This schedule uses the modified accrual basis of accounting.



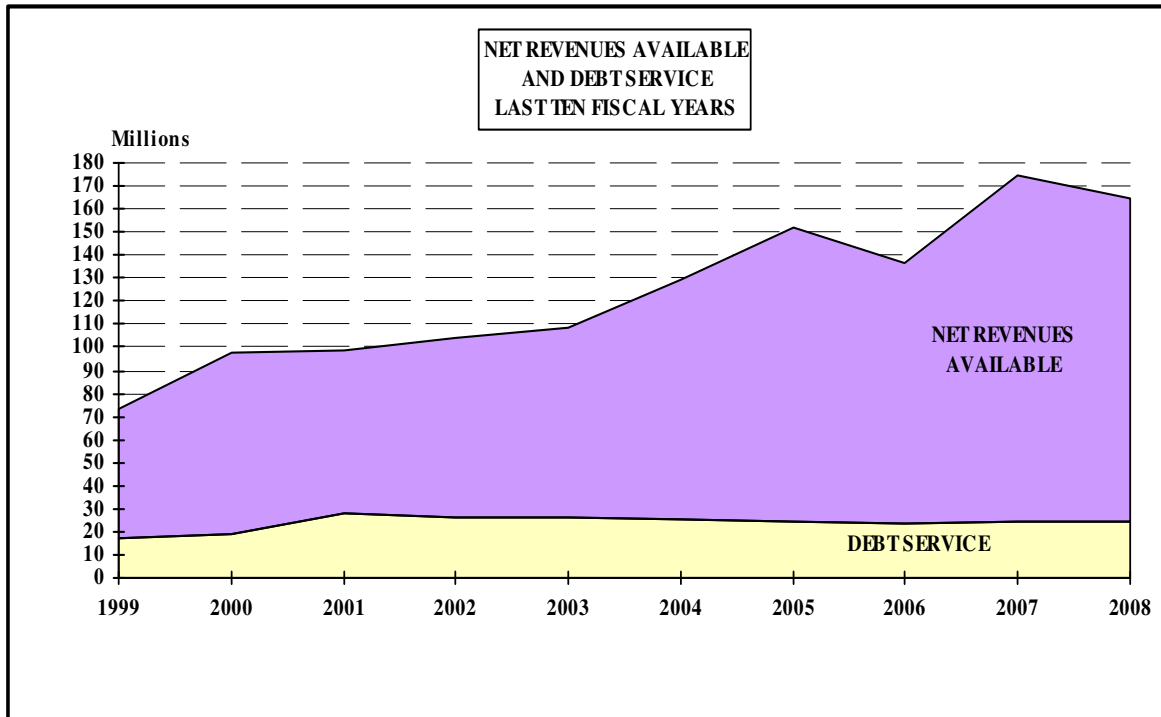
LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 BOND COVERAGE
 LAST TEN FISCAL YEARS
 (unaudited)

Four of the LVCVA's six outstanding bonds are general obligation bonds of Clark County, acting by and through the LVCVA. 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 valerom property tax revenues are allocated to the LVCVA for any purpose. No change in this practice is contemplated. The remaining bond issues are LVCVA revenue bonds.

Although the LVCVA's operations are not considered to be a business-type activity, its bond issues and related debt service have characteristics similar to traditional revenue bonds, making this schedule relevant.

Revenues and expenditures from the general, capital projects and debt service funds are included here, with the exception of unusual nonrecurring items. Expenditures for marketing, advertising, debt service, and construction in progress are excluded from operating and maintenance expenditures.

<u>FISCAL YEAR</u>	<u>GROSS REVENUES</u>	<u>MAINTENANCE EXPENDITURES</u>	<u>AVAILABLE FOR DEBT SERVICE</u>	<u>PRINCIPAL AND INTEREST</u>	<u>SERVICE COVERAGE</u>
1999	\$ 138,541,972	\$ 65,443,599	\$ 73,098,373	\$ 17,094,779	4.3
2000	158,784,023	61,314,356	97,469,667	18,699,213	5.2
2001	176,833,594	78,132,110	98,701,484	28,365,893	3.5
2002	167,340,114	63,138,895	104,201,219	26,134,645	4.0
2003	168,696,763	60,059,472	108,637,291	26,129,200	4.2
2004	193,671,805	64,675,732	128,996,073	25,237,306	5.1
2005	225,287,833	73,533,699	151,754,134	24,477,554	6.2
2006	254,208,246	118,001,958	136,206,288	23,225,511	5.9
2007	272,053,418	97,567,358	174,486,060	24,391,084	7.2
2008	287,877,426	99,064,007	188,813,419	23,999,130	7.9



LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 COMPUTATION OF LEGAL DEBT MARGIN
 JUNE 30, 2008
 (unaudited)

	Las Vegas Convention & Visitor's Authority	Clark County
Approximate assessed valuation ⁽¹⁾	\$ 108,649,925,840	\$ 108,649,925,840
Bonded debt limit ⁽²⁾	5%	10%
Statutory debt limitation	5,432,496,292	10,864,992,584
Less:		
Amount of debt applicable to debt limit	73,775,000 ⁽³⁾	1,132,450,000 ⁽⁴⁾
Debt margin	\$ 5,358,721,292	\$ 9,732,542,584

- (1) This is the net total assessed value for the secured and estimated unsecured property for Clark County, Nevada for FY 2007. 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 indebtedness includes general obligation bonds, and medium-term obligations.
- (4) County's Outstanding General Obligation Indebtedness includes general obligation bonds, general obligation revenue bonds, notes, and medium-term obligations.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 CLARK COUNTY, NEVADA
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2008
 (unaudited)

	<u>GROSS DEBT</u>	<u>MONIES AVAILABLE</u>	<u>NET OUTSTANDING DEBT</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVER- LAPPING DEBT</u>
<u>Direct Debt:</u>					
Las Vegas Convention and Visitors Authority (1)	\$ 272,710,000	\$ 27,453,347	\$ 245,256,653	100%	\$ 245,256,653
<u>Overlapping Debt:</u>					
General County	589,035,000	147,504,544 (2)	441,530,456	100%	441,530,456
Total	<u>\$ 861,745,000</u>	<u>\$ 174,957,891</u>	<u>\$ 686,787,109</u>		<u>\$ 686,787,109</u>

- (1) Ad valorem taxes are not used to repay these debts.
 (2) These monies are held in the Clark County debt service funds.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
DEMOGRAPHIC STATISTICS
CLARK COUNTY, NEVADA
(unaudited)**

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

The median age of the adult population is 50.1, with 23.9% of the population under the age of 18. The Clark County School District is the fifth largest in the nation with 341 schools. The median household income is \$53,704 and 68.6% of the residents are homeowners.

Per the 2000 U.S. Census, Clark County is the nation's 16th most populous county in the United States. This is evident in that over almost 55.1% of the population has lived here for over ten years, and over 50 newcomers arrive each day. The population in 2007 increased by 4.2% over 2006.



Source: www.co.clark.nv.us/ceit/gismo/gismo

Entity	Incorporation Date	2007 Population	Square Miles (approx.)
Clark County	1909	858,715	8,260
Las Vegas	1911	590,321	110
North Las Vegas	1946	210,472	80
Henderson	1953	260,161	96
Boulder City	1958	15,863	200
Mesquite	1984	18,787	15

Sources: Nevada State Demographer Website

AS OF JUNE 30,	POPULATION (A)	PER CAPITA INCOME (B)	LABOR FORCE (C)	UN-EMPLOYMENT RATE (C)
1999	1,321,319	28,570	704,870	4.60%
2000	1,428,690	29,597	724,110	4.70%
2001	1,498,279	29,641	757,910	5.30%
2002	1,578,332	29,805	775,500	6.10%
2003	1,641,529	30,861	799,410	5.80%
2004	1,747,025	33,049	827,270	4.80%
2005	1,815,700	34,980	866,190	4.20%
2006	1,912,654	37,024	905,790	4.30%
2007	1,996,542	39,187	958,400	4.70%
2008	2,079,800	N/A	995,990	6.50%

AS OF DEC 31,	MEDIAN HOUSE-HOLD INCOME	MEDIAN AGE	SCHOOL ENROLLMENT (D)
1998	\$40,958	47.5	214,458
1999	41,875	46.6	228,742
2000	41,657	48.5	242,992
2001	43,787	46.3	257,754
2002	45,607	47.8	269,382
2003	44,307	48.4	283,885
2004	47,097	47.5	297,771
2005	47,320	47.9	308,876
2006	53,111	47.5	321,923
2007	53,704	50.1	323,037

Sources:

- (A) June 30 population estimates provided by Clark County Department of Comprehensive Planning. 2000 population is actual U.S. Census count.
 - (B) U.S. Bureau of Economic Analysis, CA1-3 per capita personal income, Clark County, Nevada. 2008 figures unavailable at the time of printing.
 - (C) June 30 labor force statistics and unemployment rate provided by Nevada Department of Employment, Training & Rehabilitation – Information Development & Processing Division – Research & Analysis Bureau.
 - (D) Total public and private school provided by Nevada Department of Education – Research Bulletins.
- All other statistics are as of December 31 and are from the *Las Vegas Perspective*.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 ASSESSED PROPERTY VALUE AND CONSTRUCTION
 CLARK COUNTY, NEVADA
 (unaudited)**

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (IN THOUSANDS)
 LAST TEN FISCAL YEARS**

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL	
	NET ASSESSED VALUE	ESTIMATED ACTUAL VALUE	NET ASSESSED VALUE	ESTIMATED ACTUAL VALUE	NET ASSESSED VALUE	ESTIMATED ACTUAL VALUE
	1999	22,608,381	\$ 64,595,373	\$ 3,666,727	\$ 10,476,365	\$ 26,275,108
2000	26,357,090	75,305,971	3,952,031	11,291,518	30,309,121	86,597,489
2001	29,164,283	83,326,523	4,143,630	11,838,942	33,307,913	95,165,465
2002	32,205,772	92,016,490	4,284,553	12,241,581	36,490,325	104,258,071
2003	36,258,580	103,595,943	4,355,373	12,443,922	40,613,953	116,039,865
2004	39,852,174	113,863,354	4,774,487	13,641,392	44,626,661	127,504,746
2005	45,391,834	126,690,955	5,029,248	14,369,280	50,421,082	141,060,235
2006	61,060,916	174,459,759	5,787,270	16,535,058	66,848,186	190,994,817
2007	87,405,016	249,728,618	5,954,163	17,011,894	93,359,179	266,740,512
2008	102,349,025	292,425,787	6,300,900	18,002,573	108,649,925	310,428,360

The total net assessed value over the last ten years has consistently represented 35% of the total estimated actual value.

**NEW CONSTRUCTION (IN THOUSANDS)
 LAST TEN CALENDAR YEARS**

CAL- ENDAR YEAR	HOTEL/MOTEL CONSTRUCTION		COMMERCIAL/PUBLIC CONSTRUCTION		RESIDENTIAL CONSTRUCTION		TOTAL NEW CONSTRUCTION (000)
	NUMBER OF PERMITS	VALUE (000)	NUMBER OF PERMITS	VALUE (000)	NUMBER OF PERMITS	VALUE (000)	
1998	58	\$ 586,770	1,071	\$ 926,585	21,128	\$ 2,194,974	\$ 3,708,329
1999	34	287,552	855	756,016	20,693	1,824,925	2,868,493
2000	47	281,912	802	805,159	22,042	2,570,542	3,657,613
2001	27	144,349	978	904,727	22,855	2,704,706	3,753,782
2002	44	771,441	734	775,440	22,925	3,080,649	4,627,530
2003	36	486,457	880	994,652	28,461	3,731,828	5,212,937
2004	74	924,101	1,007	1,031,196	32,685	4,043,096	5,998,393
2005	27	610,299	1,223	1,358,803	31,041	4,726,394	6,695,496
2006	39	616,411	1,120	2,569,673	21,898	4,278,204	7,464,288
2007	69	2,286,411	1,054	2,345,686	13,831	3,902,161	8,534,258

Residential Construction includes only single family and multi-family units not additions, upgrades, guest homes or mobile homes.

Note: New construction information is only available on a calendar year basis.

SOURCES:

Assessed and Estimated Actual Property Values – Clark County Assessor’s Office.
 New Construction – *Las Vegas Perspective*.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
VISITOR ANALYSIS
LAST TEN CALENDAR YEARS
(unaudited)**

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 hotel/gaming industry, which employs 28.8% of the labor force. The health of hotel/gaming industry is directly related to the volume of visitors, presented below.

CALENDAR YEAR	CONVENTION DELEGATES	% OF TOTAL VISITORS	TOURISTS	% OF TOTAL VISITORS	TOTAL VISITORS	INCREASE
1998	3,301,705	10.8%	27,303,423	89.2%	30,605,128	0.5%
1999	3,772,726	11.2%	30,036,408	88.8%	33,809,134	10.5%
2000	3,853,363	10.7%	31,996,328	89.3%	35,849,691	6.0%
2001	5,014,240 *	14.3%	30,003,077	85.7%	35,017,317	-2.3%
2002	5,105,450	14.6%	29,966,054	85.4%	35,071,504	0.2%
2003	5,657,796	15.9%	29,882,330	84.1%	35,540,126	1.3%
2004	5,724,864	15.3%	31,663,917	84.7%	37,388,781	5.2%
2005	6,166,194	16.0%	32,400,523	84.0%	38,566,717	3.2%
2006	6,307,961	16.2%	32,606,928	83.8%	38,914,889	0.9%
2007	6,209,253	15.8%	32,987,508	84.2%	39,196,761	0.7%

Source: Las Vegas Convention and Visitors Authority Marketing Division - Research Department

*Beginning in 2002 convention delegate counts are based on an updated methodology that reflects significant growth in the small meetings market. 2001 counts were revised retroactively.

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. Visitors to Las Vegas in 2007 contributed nearly \$41.6 billion to the economy of the area. Indicators of the economic impact include total gaming revenues in Clark County and room taxes collected on behalf of the LVCVA.

CALENDAR YEAR	NON-GAMING CONVENTION REVENUE \$ (000)	INCREASE	GAMING REVENUES \$ (000)	INCREASE	ROOM TAXES (Fiscal Year)	INCREASE
1998	\$ 4,278,385	-3.5%	\$ 6,346,958	3.2%	\$ 86,249,080	1.9%
1999	4,117,599	-3.8%	7,209,032	13.6%	97,872,354	13.5%
2000	4,289,390	4.2%	7,671,252	6.4%	120,536,301	23.2%
2001	5,814,790 *	35.6%	7,636,547	-0.5%	135,841,371	12.7%
2002	5,962,850	2.5%	7,630,562	-0.1%	124,171,822	-8.6%
2003	6,546,776	9.8%	7,831,464	2.6%	130,749,469	5.3%
2004	6,860,512	4.8%	8,710,976	11.2%	153,119,152	17.1%
2005	7,608,151	10.9%	9,709,408	11.5%	176,339,258	15.2%
2006	8,182,818	7.6%	10,643,206	9.6%	200,086,827	13.5%
2007	8,388,240	2.5%	10,868,029	2.1%	213,256,076	6.6%

Source: Las Vegas Convention and Visitors Authority; Nevada State Gaming Control Board

*Beginning in 2002 convention delegate counts are based on an updated methodology that reflects significant growth in the small meetings market. 2001 counts were revised retroactively.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 USE OF FACILITIES
 LAST TEN FISCAL YEARS
 (unaudited)

CONVENTION CENTER BUILDING UTILIZATION

FY	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
1999	50	17	106	173	\$14,135,912
2000	68	18	84	170	14,848,193
2001	68	4	96	168	18,818,224
2002 ⁽¹⁾	63	8	17	88	23,841,647
2003	79	3	23	105	25,599,432
2004	80	4	24	108	26,877,290
2005	74	12	10	96	33,244,601
2006	84	12	10	106	35,825,314
2007	78	15	3	96	35,961,983
2008	66	12	5	83	42,587,445

Source: Las Vegas Convention and Visitors Authority

CASHMAN CENTER BUILDING UTILIZATION

FY	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
1999	3	166	315	484	\$1,524,804
2000	4	177	266	447	1,846,319
2001	10	224	261	495	1,837,459
2002	8	218	225	451	1,532,790
2003	6	241	232	479	1,904,130
2004 ⁽¹⁾	4	136	77	217	1,971,544
2005	6	135	62	203	1,884,378
2006	4	137	99	240	1,966,014
2007	4	158	95	257	2,157,445
2008	2	163	112	277	2,069,376

Source: Las Vegas Convention and Visitors Authority

(1) In 2002 and 2004, the Authority changed the methodology for reporting meetings held at the Convention Center and Cashman Center, respectively. Prior to the respective methodology changes, all meetings (including internally scheduled meetings) were counted. Pursuant to the methodology change, the Authority began counting only meetings held by external customers.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
SUMMARY OF AUTHORIZED POSITIONS
LAST TEN FISCAL
YEARS(unaudited)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<u>GENERAL GOVERNMENT</u>										
Executive	20	21	22	22	17	15	15	17	17	17
Human Resources	--	--	--	--	7	7	7	8	10	10
Public Affairs	--	--	--	--	--	--	--	12	14	18
	20	21	22	22	24	22	22	37	41	45
<u>MARKETING</u>										
Advertising	1	1	1	2	2	2	2	2	2	2
Internet Marketing & Research	--	--	5	9	7	6	5	6	6	7
Sports Series	6	6	6	3	2	2	2	2	2	4
Sales	24	30	32	36	35	38	44	--	--	--
Convention Center Sales	--	--	--	--	--	--	--	12	12	12
Diversity Marketing	--	--	--	--	--	--	--	2	4	4
Hotel & Meeting Sales	--	--	--	--	--	--	--	30	30	28
Tourism	18	19	21	21	19	17	19	--	--	--
Leisure Sales	--	--	--	--	--	--	--	17	19	15
International Sales	--	--	--	--	--	--	--	2	2	8
Destination Services	8	9	9	6	7	11	10	10	10	10
Registration Services	4	4	4	4	4	4	4	4	4	4
Call Center	18	29	29	31	31	30	26	26	26	24
Visitor Information	24	18	18	19	19	19	18	18	18	18
Convention Services	--	--	--	--	--	15	15	15	15	16
Public Affairs	14	16	12	13	11	11	12	--	--	--
Transportation	2	2	2	3	--	--	--	--	--	--
	119	134	139	147	137	155	157	146	150	152
<u>OPERATIONS</u>										
Facilities	25	19	19	20	20	2	2	--	--	--
Client Services	96	96	98	127	119	115	113	112	116	126
Engineering	--	--	--	--	--	--	--	--	--	111
Engineering Systems	32	32	37	63	61	55	49	50	50	--
Engineering Maintenance	25	25	25	47	41	48	49	49	50	--
Communications	12	12	12	--	--	--	--	--	--	--
Grounds	15	15	15	--	--	--	--	--	--	--
Fleet	5	6	6	--	--	--	--	--	--	--
Security	45	45	45	45	50	46	47	49	50	39
Traffic Operations	2	3	3	3	3	5	5	11	15	17
Physical Security	3	3	4	5	5	6	6	5	5	17
Finance	18	17	18	19	19	19	20	19	21	22
Purchasing & Contracts	7	6	6	7	8	8	9	9	10	11
Materials Management	10	10	10	9	8	8	9	9	9	10
Information Technology	9	9	12	12	11	11	12	12	12	15
Transportation	--	--	--	--	3	3	--	--	--	--
Project Development	--	--	--	--	--	--	3	5	6	7
Customer Experience	--	--	--	--	--	--	--	--	2	2
	304	298	310	357	348	326	324	330	346	377
<u>TOTAL LVCVA</u>	443	453	471	526	509	503	503	513	537	574

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
ACTIVITY MEASURES
LAST FIVE FISCAL YEARS ⁽¹⁾
(unaudited)

	2004	2005	2006	2007	2008
<i><u>GENERAL GOVERNMENT</u></i>					
Human Resources					
Recognition Program cards issued	n/a	885	972	853	278
Employees processed	n/a	n/a	509	406	578
Applicants processed	n/a	n/a	1,496	1,912	259
Public Affairs					
Media inquiries received	n/a	626	944	1,000	1,095
Press releases distributed	25	48	52	60	93
Press kits distributed	n/a	1,361	1,599	366	419
<i><u>MARKETING</u></i>					
Internet Marketing & Research					
Statistical Reports & Publications produced	15	16	30	26	31
Web site visits - combined LVCVA sites	7.4M	7.3M	8.8M	7.0M	7.1M
Sports Series					
Event bookings	91	83	82	102	97
Grant requests executed	n/a	n/a	11	11	22
Sales					
Travel industry events attended	n/a	n/a	153	219	318
Travel industry trade shows exhibited	n/a	n/a	27	28	52
Registration Services					
Meetings and conventions supported	300	325	343	316	283
Call Center					
Total calls managed	315,120	329,384	281,666	224,778	201,384
Visitor Information					
Total visitor volume	244,736	357,713	394,222	414,241	347,884
<i><u>OPERATIONS</u></i>					
Client Services					
Show support (man-hours)	14,658	16,226	12,899	16,803	17,986
Set/strike meeting rooms/halls (man-hours)	23,854	28,025	21,442	32,551	33,612
Work orders complete	n/a	n/a	277	769	1,334
Facilities					
Work orders complete	n/a	n/a	20,641	20,641	30,483
Cable drops and podium sets	n/a	1,362	1,496	1,518	1,543
Security					
Floor plans reviewed	955	1,053	2,000	1,612	384
Fire/safety violation notices	5,000	5,383	4,733	3,020	899
Incident reports	1,404	1,745	n/a	970	1,042
Finance					
Payroll checks/deposit advises issued	19,252	19,282	19,862	21,314	22,271
Accounts Payable disbursements	6,180	6,859	6,905	7,051	7,060
Purchasing & Contracts					
Contracts administered	515	441	580	706	436
Diversity participation (% of dollars spent)	n/a	18%	27%	17%	29%
Central Services					
Outgoing mail	210,000	260,000	296,000	280,000	281,585
Outbound packages	10,500	12,500	12,625	10,387	10,673
Copies produced	1.2M	1.3M	1.3M	1.5M	1.5M
Information Technology					
Computer training hours	2,854	1,440	1,896	2,104	2,053
Call resolution time (average hours)	3.0	3.5	3.5	3.5	4.0

(1) Ten years of data is not available but will be accumulated over time.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 CLARK COUNTY'S TEN LARGEST EMPLOYERS ⁽¹⁾
 CURRENT YEAR and PERIOD NINE YEARS PRIOR
 (unaudited)

Employers	Employees ⁽²⁾	Percentage of County Employment
CLARK COUNTY SCHOOL DISTRICT	32,320	3.47%
CLARK COUNTY	10,240	1.10%
BELLAGIO LLC	9,220	0.99%
WYNN LAS VEGAS LLC	8,940	0.96%
MGM GRAND HOTEL/CASINO	8,850	0.95%
MANDALAY BAY RESORT AND CASINO	7,360	0.79%
CAESARS PALACE	6,050	0.65%
VENETIAN CASINO RESORTS LLC	5,770	0.62%
MIRAGE CASINO-HOTEL, THE	5,590	0.60%
UNIVERSITY OF NV-LV	5,490	0.59%
LAS VEGAS METROPOLITAN POLICE	5,490	0.59%
Total for Principal Employers	105,320	11.31%
Clark County Employment as of June 30, 2008	931,350	

Employers	Employees ⁽²⁾	Percentage of County Employment
CLARK COUNTY SCHOOL DISTRICT	20,130	2.99%
BELLAGIO CASINO HOTEL	9,160	1.36%
MGM GRAND HOTEL, INC	8,620	1.28%
CLARK COUNTY	7,740	1.15%
MIRAGE CASINO-HOTEL, THE	6,930	1.03%
BALLY'S & PARIS CASINO HOTELS	6,870	1.02%
MANDALAY BAY RESORT AND CASINO	5,320	0.79%
RIO SUITE HOTEL & CASINO	5,050	0.75%
CAESARS PALACE	4,850	0.72%
STATE OF NEVADA	4,710	0.70%
TREASURE ISLAND AT THE MIRAGE	4,580	0.68%
Total for Principal Employers	83,960	12.47%
Clark County Employment as of June 30, 1999	673,220	

(1) June 30th labor/employer statistics provided by Nevada Department of Employment
 (2) Number of employees is rounded based on percentage of total county labor force

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
 PRINCIPAL ROOM TAXPAYERS
 JUNE 30, 2008
 (unaudited)

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 generate the greatest volume of room taxes for the LVCVA.

	Rooms at June 30	% of total rooms
MGM Grand	5,034	3.4%
Luxor	4,408	2.9%
Venetian	4,027	2.7%
Excalibur	3,991	2.7%
Bellagio	3,933	2.6%
Circus Circus	3,767	2.5%
Flamingo Hilton	3,565	2.4%
Caesars Palace	3,348	2.2%
Mandalay Bay	3,211	2.1%
Palazzo	3,066	2.0%
	<u>38,350</u>	<u>25.6%</u>
Other Hotels/Motels	<u>94,779</u>	<u>63.2%</u>
Total Las Vegas metropolitan area	133,129	88.8%
Total Laughlin	10,657	7.1%
Total Mesquite	2,706	1.8%
Total Jean/Primm	<u>3,454</u>	<u>2.3%</u>
Total Inventory of Rooms	<u><u>149,946</u></u>	<u><u>100.0%</u></u>

Note: Other Hotels/Motels does not include timeshare properties.

In spite of the increasing availability of rooms, the occupancy rate for Las Vegas metropolitan area continues to grow, exceeding the national average by over 40% for the past six calendar years.

<u>Calendar Year</u>	<u>Rooms Available*</u>	<u>Occupancy Percentage</u>	<u>National Occupancy Percentage</u>	
1998	109,365	85.8	63.8	34.48%
1999	120,294	88.0	63.3	39.02%
2000	124,945	89.1	63.5	40.31%
2001	126,610	84.7	60.1	40.93%
2002	126,787	84.0	59.1	42.13%
2003	130,482	85.0	59.2	43.58%
2004	131,503	88.6	61.3	44.54%
2005	133,186	89.2	63.1	41.36%
2006	132,605	89.7	63.4	41.48%
2007	146,372	90.4	63.2	43.04%

Source: Las Vegas Convention and Visitors Authority, Marketing Division – Research Department

* Total Las Vegas metropolitan area and Jean/Primm properties.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 2008
(unaudited)

	NAME OF INSURER	POLICY NUMBER	LIMIT	EXPIRATION DATE
Commercial Umbrella	Nat'l Union Fire Ins. Co.	BE9834451	\$25,000,000	8/1/2009
Excess over \$25 million	American Guarantee & Liability Ins Co.	AEC937571605	\$25,000,000	8/1/2009
Excess over \$50 million	Great American Insurance Co. of New York	EXC2195127	\$25,000,000	8/1/2009
Excess over \$75 million	Federal Insurance Co. (Chubb)	7973-64-87	\$25,000,000	8/1/2009
Public Officials & Employees Liab.	Ace American Insurance Co.	G21656586005	\$10,000,000	8/1/2009
Property/Boiler	Allianz Global Risks US Insurance Co.	CLP3009707	\$400,000,000	8/1/2009
Workers' Compensation - WA/IL	Hartford	53WECRQ2921	\$1,000,000	8/1/2009
Excess Workers' Compensation	Safety National Casualty Corp.	AGC-2L76-NV	\$1,000,000	8/1/2009
General Liability Automobile	National Surety Corporation	MXC80440567	\$1,000,000/ \$2,000,000/ \$1,000,000	8/1/2009
Crime	Great American Insurance Co.	SAA3792714	Various	8/1/2009

**Additional Report of
the Independent Auditors'**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Las Vegas Convention and Visitors Authority
Las Vegas, Nevada

We have audited the financial statements of the Las Vegas Convention and Visitors Authority (the LVCVA) as of and for the year ended June 30, 2008, and have issued our report thereon dated November 4, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting. In planning and performing our audit, we considered the LVCVA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LVCVA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the LVCVA's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the LVCVA's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States such that there is more than a remote likelihood that a misstatement of the LVCVA's basic financial statements that is more than inconsequential will not be prevented or detected by the LVCVA's internal control.

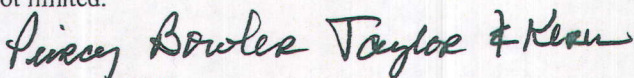
A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the basic financial statements will not be prevented or detected by the LVCVA's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and other matters. As part of obtaining reasonable assurance about whether the LVCVA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts including whether the funds established by the LVCVA, as listed in Nevada Revised Statutes (NRS) 354.624 Sec. 4 (c)(1 through 5) and NRS 354.6105 complied with the express purposes required by NRS 354.6241 Sec. 1 (a)(b)(c)(d)(e)(f) and NRS 354.6105 Sec. 4 (a) and (b), respectively. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the LVCVA in a separate letter dated November 4, 2008.

This report is intended solely for the information and use of LVCVA management and members of the Board of Directors and Audit Committee. However, this report is a matter of public record, and its distribution is not limited.


November 4, 2008

Statistical Section

Statistical schedules differ from financial statements because they usually cover several fiscal years and may present non-accounting data. The statistical tables presented in this section reflect social and economic data along with financial trends of the LVCVA. Certain tables recommended by the Governmental Accounting Standards Board are not included because they are not applicable to the LVCVA, such as those for property taxes as this is not a source of revenue.

Contents	Page
Financial Trends Information These schedules contain trend information to help the reader understand how the LVCVA's financial performance and well-being have changed over time.	43
Revenue Capacity These schedules contain information to help the reader assess the LVCVA's most significant revenue source.	46
Debt Capacity These schedules present information to help the reader assess the affordability of the LVCVA's current levels of outstanding debt and the LVCVA's ability to issue additional debt in the future.	48
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the LVCVA's financial activities takes place.	51
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the LVCVA's financial report relates to the services the LVCVA provides and the activities it performs.	55

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Report for the relevant year.