

FISCAL YEAR  
2015 | 2016

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

# ADOPTED ANNUAL BUDGET

LAS VEGAS, CLARK COUNTY, NEVADA





Adopted Annual Budget  
Fiscal Year 2015/2016

Prepared by the Finance Department  
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**May 21, 2015**

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

It is with great pleasure that I respectfully submit the fiscal year (FY) 2016 budget for your review and consideration. The annual budget represents the expected revenues and planned expenditures for the fiscal year beginning July 1, 2015 and ending June 30, 2016. The FY 2016 budget reflects Board and organizational priorities, and follows the fundamentals of our financial management policies. This budget is the product of many months of work on the part of all the members of this organization. It has been prepared in conformance with the requirements of state law, Board policies and governmental budgeting “best practices”.

***The mission of the Las Vegas Convention and Visitors Authority:***

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

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

**PREFACE**

The FY 2016 budget was prepared during our fifth consecutive period of year-over-year revenue growth following the most recent recession. Tourism, which is the backbone of the Las Vegas economy, was one of the first industries to begin recovery. Las Vegas is an international destination with approximately 19% of visitors from international markets in 2014. Due to the strength of the tourism industry and the destination as a whole, total room tax forecast in FY 2016 is expected to exceed the previous year record high. The increases are driven by growth in visitation, average daily room rate and occupancy. Recent reinvestments in the destination from resort partners and other local businesses also provide support for continued moderate growth in the long-term.

LVCVA will continue to remain alert and assess economic factors and other key visitation statistics while leading by example and reinvesting in the future growth of the tourism market for Las Vegas and Southern Nevada. The organization has unveiled its long-range plan for the LVCC expansion and renovation project.

The transformational project is designed to launch Las Vegas decades ahead of competing cities and further develop Las Vegas as an international business destination.

As the tourism industry navigates through economic ebbs and flows, the LVCVA will continue to assess its position with a commitment to remain flexible, responsive and timely. The FY 2016 budget resource allocations align with the objectives of the LVCVA's core mission.

### **FY 2016 BUDGET ENVIRONMENT**

The FY 2016 budget development comes at a time when we have seen consistent growth and the formation of a new normal in Southern Nevada. Room tax growth has been positive each year since the recession and reflects a cumulative increase of 44.6% since FY 2010. Current fiscal results for FY 2015 are on pace to exceed the revised budget forecast of a 3% increase over the previous year. The forecast for FY 2016 indicates improvement as consumer confidence stimulates discretionary spending on business and leisure travel. Projections also indicate visitor volume in Las Vegas will reach 41.6 million in 2015. This represents a 1% increase from 2014 and would be the highest visitation in Las Vegas history. Due to these factors, recovery in revenues allowed the FY 2016 budget to be developed without any recessionary impacts. FY 2016 room tax revenues project growth of 4.6% over the FY 2015 budget.

The LVCVA continually monitors numerous key visitation statistics to ensure appropriate budgeting of our primary revenue source. For the 2014 calendar year average daily auto traffic was up 0.6%, deplaned passengers at McCarran International Airport were up 2.4% and convention and meeting attendance was up 1.2% in 2014. All of these factors point toward continued recovery for the destination. The LVCVA also reviews tourism data at a more macro-level which indicates growth in leisure and business travel. The Department of Commerce reported that a record 75 million international visitors traveled to the United States in 2014, up 7% over 2013 and that real spending on travel and tourism increased 4.5% in the fourth quarter of 2014. In November 2014, the US Travel Association published information indicating that in the next 10 years, air travel is forecast to grow from 826 million to almost 950 million enplanements per year globally. In the U.S., travel growth has the potential to add billions in travel spending and support more than a million new American jobs. Although these are good signs for the local economy, the LVCVA is keenly aware of national and global economic conditions as well as legislative actions that could affect future revenue. Conservative budgeting techniques are used to combat these potential risks as well as monitoring the environment. Long-term plans for LVCVA expansion and renovation, as described below, are phased to align with revenue streams.

Significant private investor optimism is also taking place in Southern Nevada. Long-term private investor confidence in Las Vegas is evident with \$9 billion worth of projects announced or under construction over the next several years. In addition, the destination will welcome the openings of many much anticipated projects this year, maintaining Las Vegas's reputation as a premier travel destination.

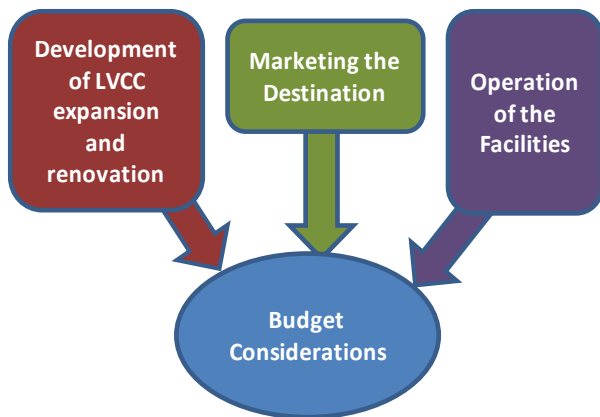
For instance, MGM Resorts International and Rock in Rio are partnering with Cirque du Soleil to construct the Vegas City of Rock, a 33-acre open air concert venue with a capacity of 85,000, and five stages. The venue is scheduled to open in May 2015 with the American debut of the Rock in Rio USA music festival. In addition, MGM Resorts Mandalay Bay is expanding its award-winning convention center. The \$66 million investment will add more than 350,000 square feet of exhibit space as well as underground parking and ballroom space, and allow Mandalay Bay to grow shows, pursue new partners and achieve greater utilization of the facility. The new exhibit space is expected to be completed by August 2015, elevating its exhibit space ranking from No. 11 to No 5. in North America. Bally's Las Vegas recently opened a portion of the Grand Bazaar Shops, a 55,000

square-foot outdoor shopping experience with more than 150 shops. MGM Resorts International and AEG have started construction of a 20,000 seat arena to be located west of the Las Vegas Strip between New York-New York and Monte Carlo resorts. The \$375 million arena is expected to open in spring 2016.

Looking ahead, more bright spots on the horizon include the Malaysia-based Genting Group's \$4 billion dollar Asian-themed resort complex on the Las Vegas Strip. Resorts World Las Vegas will include over 3,000 rooms, luxury dining and shopping and an elaborate garden attraction on the 87-acre site. It is expected to open in 2018. Las Vegas is known for continually reinventing itself to deliver on the brand promise of being the premier destination in the world. These multi-million dollar projects continue to show that Las Vegas does not stand still and continues to provide new experiences and reasons to visit.

The LVCVA remained fiscally sound during the recession because of a conservative fiscal management strategy. As is always its practice, the LVCVA builds flexibility into every facet of the planning process, allowing for continuous adjustments in reaction to changes in the market place. The LVCVA maintains the efficiencies learned during the recession to ensure the destination's long-term success. Continued growth in the revenue base since the recession allowed the LVCVA to allocate resources to capital projects to sustain our operational excellence. In order to properly align with this long-term prospective, capital funding from the General Fund for FY 2016 budget is reduced from FY 15 revised budget levels. This is strategic in nature as future capital funding will be targeted to complement and align with the LVCC expansion project and renovation program.

### Major Planning Objectives When Preparing Long-Range Financial Plans



Expansion and renovation are necessary to remain the No. 1 tradeshow destination in North America. The LVCC expansion and renovation project will position the organization for continued long-term success and expand the reach and impact of the Las Vegas brand. There are three major conceptual phases in the overall master plan. The first is major expansion of the LVCC. This will add additional indoor and outdoor exhibit space, meeting rooms, additional parking, new food and beverage outlets and support and service spaces. Programming, design and budget development related to this phase will continue in FY 2016.

Phase Two consists of renovation and additions to the current facility. This includes upgrades to the exhibit halls, meeting rooms, restrooms and entrances with upgraded technology, lights and design. This phase will also provide upgraded restrooms and new food and beverage outlets as well as an enclosed connector between the current halls. Structuring the project in this manner provides space for our trade shows while existing facilities are closed for renovation in Phase Two. Phase One and Two's estimated budget is \$1.6 billion dollars.

Phase Three calls for development of a transportation center on campus to improve connectivity through a centralized hub. This will help our visitors move around the resort corridor and improve overall customer experience. This phase also includes improvements to the convention center to increase the overall capacity of the space. Conceptual components include a campus media center, administrative offices for trade show

partners and a plaza. Phase Three's schedule and funding will be based upon the completion of the previous phases and although the transportation hub is projected to be located on the LVCVA campus, its component of the program will be funded by the entities that would use the space through their own financing mechanisms.

LVCVA entered into a credit agreement with JPMorgan in December 2014 to provide short term financing for the ability to act quickly when presented with opportunities to acquire land related to the first phase of this project. During 2015, as part of phase one of the LVCC expansion and renovation project, the LVCVA acquired the Riviera Hotel and Casino. The property will be cleared in anticipation of an expansion of the Las Vegas Convention Center. This expansion will allow the LVCVA to attract approximately 20 new large tradeshow as well as allow our current largest tradeshow to grow in both square footage and attendance. This 26 acre site is seen as a the catalyst for the future as it provides the LVCVA property on Las Vegas Boulevard "the Strip" and is able to connect to the current LVCC campus.

The LVCVA has also budgeted \$75 million from bond proceeds generated by the credit agreement with JP Morgan in FY16 for phase one of the LVCC expansion and renovation project. Phased flexible financing will be utilized while ensuring adequate debt coverage ratios and reserves are maintained. It is also currently anticipated that LVCVA will issue up to \$158.2 million of refunding debt over the next two years to fix out amounts used from the JPMorgan credit agreement that have a variable interest rate and become due in December 2016. This will balance the use of current debt capacity while avoiding diversion of resources from our primary operating activities.

The LVCVA is also currently pursuing new financial sources that require stakeholders support during the 2015 legislative session. The scope of the construction will be aligned with any funding approvals received from the legislature. This long-term plan is critical to the organization and will establish a foundation for the success of the organizations long-term objectives. Completion of the entire scope of the proposed LVCC expansion and renovation project is dependent on identifying sufficient revenue streams to support the anticipated debt requirements.

The FY 2016 budget reflects the LVCVA's commitment to our core mission of marketing Southern Nevada as a leisure and business destination worldwide and operating the LVCC and Cashman Center. The LVCVA continually conducts research to assist us in creating effective messaging for consumers. Advertising in the current year will continue to be aggressive using unique, innovative ways to make the Las Vegas message stand out and drive awareness and favorability for the destination. Business marketing initiatives will continue to emphasize that serious business gets done in Las Vegas while highlighting the tremendous value available compared to other major business destinations.

Significant advertising, marketing and public relations programs include:

- Grow domestic leisure audience by implementing a "near" and "far" market strategy approach, which extends specific messaging based on audience type and location, ensuring the brand is reaching the right people with the right message.
- On an international level, continue major out-of-market brand activations, evaluate opportunities for smaller scale activations, consider markets based on airline development opportunities and leverage relationships with Brand USA to extend advertising funding.
- Maximize strategic brand partnerships and sponsorships, in order to leverage the power of partner brands as a mechanism to extend reach, reach new customers and drive awareness, interest and visitation to Southern Nevada.



- Leverage PR and Social Media reach, to promote destination messaging, events and culturally-relevant events taking place around the world.
- Create eye-catching advertising campaigns that stand out to meeting planners, trade show executives and C-Level executives, reinforcing why Vegas is a serious place to do business; utilize testimonials through advertorials and video series with reputable partners; update digital tools and assets to support LVCVA sales efforts to the meeting planner audience.
- Optimize the LasVegas.com website through upper and middle funnel initiatives and maximize direct response advertising and mobile booking capabilities.
- Work in partnership with McCarran International Airport to increase domestic and international air lift to Las Vegas while supporting new air service routes and markets with co-operative advertising campaigns.
- Promote Extended Destinations through advertising, sales efforts and PR initiatives with plans for new photo and video assets for Laughlin, event video assets for Mesquite and refreshed creative for Boulder City
- Create additional ways to leverage GeoVegas, reaching additional consumers in varied segments (such as B2B and diversity groups).
- Strategize effective ways to target visitors attending large conventions and special events. Tap into Host Committee relationships and utilize signage donations.
- Amplify multicultural outreach efforts, through sponsorship of Latin Grammy's, Soul Train Awards, BET Awards (tentative) and Human Rights Campaign (HRC).
- Conduct diversity-based research initiative, in order to develop critical insights into diversity targets regarding the way they perceive, visit and utilize Las Vegas.
- Continue research programs outlined in order to maintain the pulse of current and prospective consumers and developing insights to generate incremental visitation.

Las Vegas' "***What Happens Here, Stays Here***" slogan is one of the more famous taglines in modern tourism marketing and one of the most quoted, talked about, and recognized ad campaigns in any industry. The LVCVA will continue to capitalize on the global equity of the Las Vegas brand in FY16.

### **FY 2016 BUDGET HIGHLIGHTS**

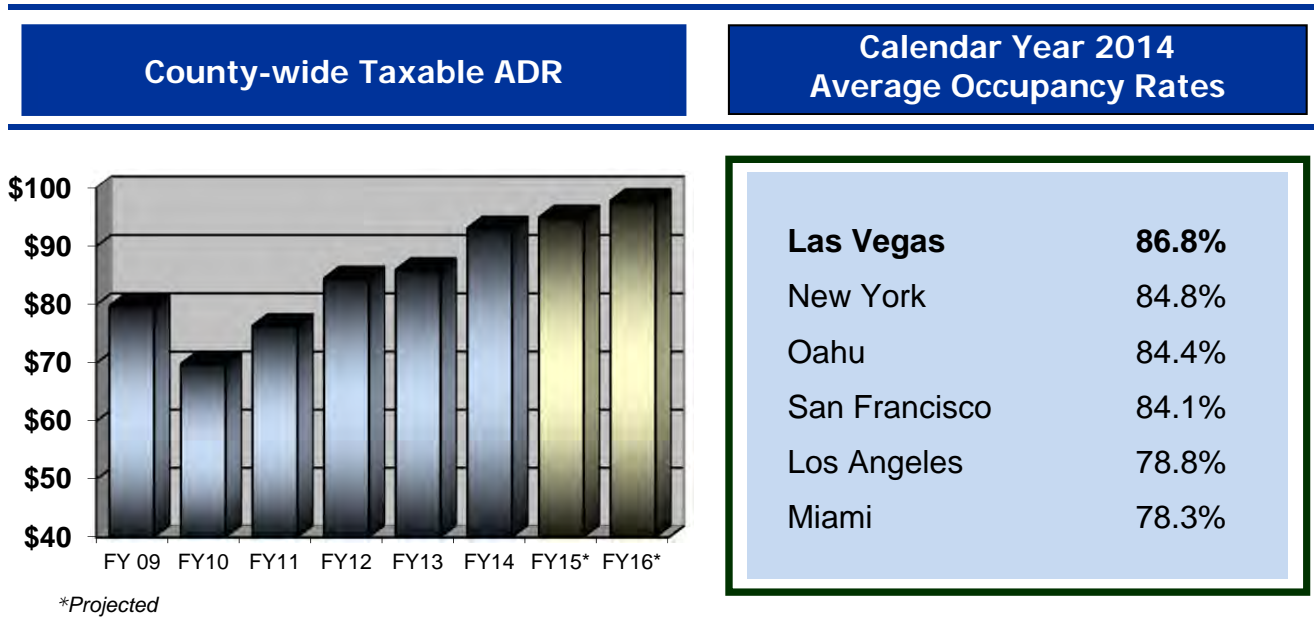
The total FY 2016 General Fund budgeted revenues are \$294.6 million, an increase of 4.3% over the revised FY 2015 budget. FY 2016 General Fund expenditures and uses are \$295.6 million. This reflects an increase of 8.2% over the original FY 2015 operating budget. Operating expenditures account for \$228.1 million, while reserves and operating transfers for other funds total \$67.5 million.

### **REVENUE**

Room tax, the LVCVA's primary source of revenue, is budgeted to increase in FY 2016 for the sixth consecutive year. After significant declines during the recession room tax has shown recovery. Overall, substantial gains of 44.6% have been achieved since FY 2010, with room tax revenue achieving its highest total to date in FY 2014. Due to higher than expected year to date results the FY 2015 room tax budget was revised to \$229.6 million dollars. FY 2016 budget reflects \$240.2 million in room tax revenue. This 5% growth over the FY 2015 revised budget would result in the highest room tax thus far.

Room tax is projected to provide 81.5% of total revenues and is based on the number of lodging rooms available, occupancy rate and the average daily taxable room rental rate (ADR). In 2014, Las Vegas ranked as the No. 1 city in the United States for hotel/motel room inventory. Room inventory in Clark County for 2015 is expected to remain stable with approximately 164,000 rooms of which 150,500 rooms are in the metropolitan Las Vegas area. Las Vegas is continually investing in its future by engaging the visitor with new amenities and experiences. This is coming to fruition through reinvestment in facilities and properties by renovating rooms, expanding dining and nightlife options and a variety of other activities to captivate and increase visitation. These investments do not provide significant increases in the number of rooms, and major grand openings for new resort properties will take multiple years to complete.

The county-wide average occupancy rate was 85.1% in FY 2014 and FY 2015 year-to-date has shown a slight increase. The increase in occupancy is attributable to an increase in visitor volume as the market only experienced a slight increase in room inventory. The greater Las Vegas area occupancy rate exceeded the national average by 22.4 percentage points in 2014. On any given night, Las Vegas has an average of 132,000 hotel rooms occupied, which is more than any other destination in the United States. The most volatile factor in calculating room taxes is the average daily room rate (ADR). With hotel rooms being booked over the internet, price fluctuations are common with hotels having the ability to respond quickly to occupancy trends. ADR has shown consistent improvement over the last four fiscal years and is projected to increase an additional 3% in FY 2016.



During FY 2016, approximately \$606.8 million is projected to be collected in Clark County for room tax. The Nevada Supplementary School Fund and Clark County School District will receive \$234.9 million for schools, while local jurisdictions will receive \$157.8 million for roads, parks, and other general government needs. Nevada tourism will receive \$19.1 million to promote Nevada. The LVCVA expects a net room tax benefit of \$195 million after returning \$24 million to the other government entities in the form of collection allocation and transferring approximately \$21.2 million to debt service for transportation bonds.

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

The facility use revenue forecast for FY 2016 includes effects of the seasonal rotation of several major tradeshows. The budget of \$47.5 million forecasts the third highest level of facility use revenues in history, an increase of 5% as compared to the original FY 2015 budget and a 3% increase from the revised FY15 budget. This is anticipated and consistent with historical impact of the seasonal rotation of tradeshows.

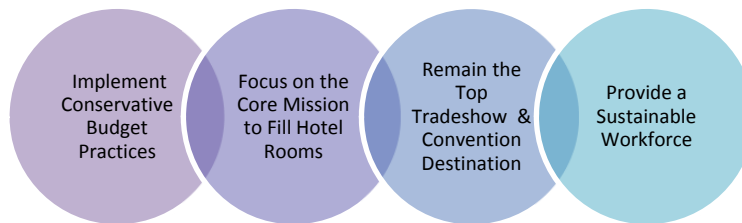
Other revenues include gaming fees, Cashman Center rental, interest earnings, operating transfers in and revenue agreements for marketing events. These combined revenue streams are projected to slightly increase in FY 2016, which is mainly due to anticipated use of Cashman Center.

REVENUE SUMMARY <i>(In millions)</i>	FY 2015 Adopted Budget	FY 2015 Revised Budget	FY 2016 Budget	Change from FY 2015 Revised
Room Tax	\$ 221.6	\$ 229.6	\$ 240.2	4.6%
LVCC Revenue*	45.0	46.0	47.5	3.2%
Other Revenue**	6.8	6.8	6.9	1.8%
<b>Total Revenues</b>	<b>\$ 273.4</b>	<b>\$ 282.4</b>	<b>\$ 294.6</b>	<b>4.3%</b>
* Revenue related to the rental of the Las Vegas Convention Center.				
** Comprised of gaming fees, use of facilities at Cashman Center, other fees and charges, interest and transfers from other funds.				

## **EXPENDITURES**

FY 2016 total General Fund expenditures and uses of funds are budgeted at \$295.6 million, with \$228.6 million dedicated to operating expenditures and reserve for contingency and \$67 million budgeted to transfer to other funds. The LVCVA creates the expenditure budget by focusing on our budget priorities.

### Expenditure Budget Priorities



Approximately 48% of the total General Fund budget is allocated to marketing and advertising the destination through the Marketing division, while 29% supports the General Government and Operations divisions as well as Community Support. The remaining 23% is transferred to other funds and contingency, including Capital, Debt Service and an internal service fund for Other Post-Employment Benefits (OPEB).

*General Government* includes the activities of the Board of Directors, Executive, Legal, Human Resources, Public Affairs and Finance departments. The *Operations Division* encompasses all of the maintenance and support functions to operate the LVCC and Cashman Center. The *Marketing Division* includes the activities Domestic and International Leisure Sales, Global Business Sales, Industry Relations and Brand Strategy as well as Customer Experience.

The *Advertising* budget, which is part of the Marketing Division, supports the promotion of Las Vegas and Southern Nevada through a variety of mediums. Advertising programs are instrumental to staying ahead of travel trends. Industry imperatives are targeted to stimulate visitation to the destination and to reinforce that Las Vegas is an appropriate setting to conduct business. Advertising is critical to our mission and therefore

remains a priority in FY 2016. The Advertising budget is \$93.5 million in FY 2016. It is estimated that the LVCVA accounts for 33% of all advertising and promotional expenditures for the Southern Nevada tourism industry. This advertising impacts 5.8% of all visitation and results in benefit-cost ratio of \$28 to \$1.

The FY 2016 Marketing budget also includes \$10 million in funding for Las Vegas Events (LVE), a non-profit corporation dedicated to securing and sponsoring events that encourage visitation to the area. This is an increase of \$2.5 million which is primarily attributed to additional funding for the Las Vegas National Final Rodeo who recently signed a new contract to remain in Las Vegas for an additional 10 years.

<b>OPERATING EXPENDITURES</b> <small>(In millions)</small>	FY 2015 Adopted Budget	FY 2015 Revised Budget	FY 2016 Budget	Change from FY 2015 Revised Budget
General Government	\$ 15.0	\$ 17.4	\$ 17.8	2.0%
Marketing	37.8	44.9	49.8	10.9%
Advertising	91.0	94.1	93.5	-0.6%
Operations	45.4	41.2	42.8	3.9%
Community Support*	22.3	23.2	24.2	4.5%
<b>Total Operating Expenditures</b>	<b>\$211.5</b>	<b>\$220.8</b>	<b>\$228.1</b>	<b>3.3%</b>
<small>FY 2015 Revised Budget reflects increases to the original adopted budget as a result of higher than projected fund balance.</small>				
<small>*Community Support represents Collection Allocation (10% of Room Tax and Gaming Fees) returned to the local entities.</small>				

## **OPERATING TRANSFERS**

Operating transfers from the General Fund are budgeted at \$67 million which is up 8.6% from the FY 2015 adopted budget.

Scheduled transfers include \$2.8 million from the General Fund to the Capital Fund for FY 2016 for funding capital requirements. These transfers will be utilized for routine capital repair and maintenance to ensure the facility's safety and enhance customer experience, but will be reduced as compared to the past few years. The LVCVA maintains capital sub-funds that are used for diverse purposes. Any capital improvement or asset costing \$10,000 or more is budgeted in the Capital Fund, including furniture and equipment. The Capital Improvement Program (CIP) is a multi-year plan that includes major projects that cost over \$1 million or that require multi-year planning to fit them into the building schedule.

Transfers to Debt Service Funds total \$60.2 million. Debt service on current outstanding bond issues related to LVCVA capital programs total \$39 million. Debt service transfers on outstanding bond issues to fund NDOT transportation projects, as approved by the 2007 Nevada legislature, total \$21.2 million.

The LVCVA has budgeted \$4 million in fund transfers from the general fund to the internal service fund for other post-employment benefit (OPEB) costs in FY 2016. Eligible retirees self-pay 100% of post-employment health care premiums based on blended rates with active employees. This results in the LVCVA providing an implicit subsidy of the retiree's health insurance costs. Liabilities for the actuarial calculated future costs have been accumulating on the balance sheet since FY 2008 when the accounting standards required the recognition of these future expenses. This transfer represents the fourth year of a 10-year plan to fully fund the total estimated liability. Funding is expected to assist in maintaining the LVCVA's high credit ratings.

## **FUND BALANCE**

Ending General Fund balance on June 30, 2016 is budgeted at \$12.6 million. State law provides guidance for an ending fund balance of between 4% and 8% of budgeted expenditures. The LVCVA has targeted ending fund balance between the statutory minimum of 4% be increased up to 16% in future years to prepare for future volatile economic conditions without detriment to operations. The FY 2016 ratio is approximately 5.5%, which meets statutory guidance and internal policy.

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## **SUMMARY**

Las Vegas is one of the most popular domestic and international travel destinations and was recognized for the 21<sup>st</sup> consecutive year as the No. 1 destination for the Trade Show News Network's (TSNN) Top 250 Trade Shows in the United States. Las Vegas hosted over 22,100 events and 5.2 million convention delegates in 2014. This is a 1.2% increase over the prior year and a six year high. This is an accomplishment and a testimony to the efforts of the LVCVA and our resort partners. The travel and tourism industry generates almost 3% of national GDP and supports nearly 15 million jobs. It is Southern Nevada's No. 1 economic driver, generating over \$50 billion for the local economy and supporting approximately 366,400 jobs. Serving on the Travel and Tourism Advisory Board for the Department of Commerce gives me the opportunity to reinforce this message on Capitol Hill and ensures Las Vegas has a seat at the table for public policy discussions that effect travel.

Las Vegas' appeal has remained strong even throughout difficult times and continued competition from other destinations around the world. The LVCVA's mission remains steadfast. We have redoubled our efforts to promote Southern Nevada as the world's most desirable destination for leisure and business travel. A total of 12 new and rotating conventions and trade shows consisting of more than 10,000 delegates are scheduled in 2015. Combined, the shows will draw an estimated 242,000 attendees generating nearly \$315 million in local non-gaming economic impact. Nine of these shows will be held at the LVCC. As we invest in the future of Southern Nevada through our marketing efforts and operational activities, we ensure the long-term success of the destination. The LVCC expansion and renovation project not only ensures the facility's future competitiveness, but the destinations current number one ranking for many years to come.

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

In closing, I want to thank the entire LVCVA workforce for their continued commitment and dedication. I would also like to thank the Board of Directors for their support and input during the budget process. Lastly, I would like to thank the members of the Finance Department for their commitment to monitoring the budget and ensuring the financial integrity of the organization is protected. I also congratulate the Finance Department for receiving the Government Finance Officers Association's Distinguished Budget Presentation Award for the 26<sup>th</sup> consecutive year.

Sincerely,



Rossi Ralenkotter  
President / CEO

## DISTINGUISHED BUDGET PRESENTATION AWARD

For the 26<sup>th</sup> consecutive year the Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Las Vegas Convention and Visitors Authority for its annual budget for the fiscal year beginning July 1, 2014.

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

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Las Vegas Convention and Visitors Authority**

**Nevada**

For the Fiscal Year Beginning

**July 1, 2014**

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

Executive Director



## BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The Las Vegas Convention and Visitors Authority (LVCVA) is governed by a Board of Directors consisting of fourteen members. Eight members are elected officials from either Clark County or one of the incorporated cities therein. The Las Vegas Chamber of Commerce (CC) and the Nevada Resort Association (NRA) nominate three each of the remaining six members. The terms of appointment for the eight elected officials are coterminous with their terms of office. The six remaining members serve a 2-year term but can be reappointed to additional 2-year terms.



**LAWRENCE WEEKLY**  
*Chairman*  
Commissioner  
Representing Clark County  
Term: Jan 2009 – Jan 2017



**CHUCK BOWLING**  
*Vice Chairman*  
Representing resort hotel  
Nominated by NRA  
Term: Jun 2005 – Jun 2015



**TOM JENKIN**  
*Treasurer*  
Representing resort hotel  
Nominated by CC  
Term: Dec 2003 – Jun 2015



**BILL NOONAN**  
*Secretary*  
Representing Central Business Dist  
Nominated by NRA  
Term: Oct 2014 – Jun 2016



**GEORGE MARKANTONIS**  
Representing resort hotel  
Nominated by NRA  
Term: Apr 2015 – Jun 2016



**TOM COLLINS**  
Commissioner  
Representing Clark County  
Term: Jan 2005 – Jan 2017



**CAROLYN G. GOODMAN**  
Mayor  
Representing City of Las Vegas  
Term: Jul 2011 – Jun 2015



**ANDY HAFEN**  
Mayor  
Representing City of Henderson  
Term: Jul 2011 – Jun 2017



**GREGORY LEE**  
Representing tourism  
Nominated by CC  
Term: Jul 2012 – Jun 2016



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



**KRISITIN MCMILLAN**  
Representing other commercial  
Nominated by CC  
Term: May 2011 – Jun 2015



**GEORGE RAPSON**  
Councilman  
Representing City of Mesquite  
Term: Jul 2011 – Jun 2015



**STEVEN D. ROSS**  
Mayor Pro Tem  
Representing City of Las Vegas  
Term: Jul 2011 – Jun 2017



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



# BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

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



Rossi Ralenkotter  
President/CEO



Cathy Tull  
Senior Vice President  
Marketing



Rana Lacer  
Senior Vice President  
Finance



Terry Jicinsky  
Senior Vice President  
Operations



Mark Olson  
Senior Vice President  
Human Resources



Chris Meyer  
Vice President  
Global Business Sales



Michael Goldsmith  
Vice President  
International Sales



Luke Puschnig  
Vice President  
Legal Counsel



Caroline Vidmar  
Vice President  
Brand Strategy



Dawn Christensen  
Vice President  
Public Affairs



Hugh Sinnock  
Vice President  
Customer Experience

Vacant Positions: *Executive Vice President, Senior Vice President, and Vice President*

## HISTORY OF THE LAS VEGAS CONVENTION AND VISITORS AUTHORITY

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

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

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

During FY 2002, the Las Vegas Convention Center completed one of its largest expansions, which included a two-story exhibit hall addition. It now contains more than 3.2 million square feet of total space. The Convention Center contains 16 exhibit halls, 144 meeting rooms, restaurants, a business center, warehouses, administrative offices and parking for over 5,000 cars.



The LVCVA also operates Cashman Center, which opened in 1983. It is a multi-purpose facility built with a 10,000-seat baseball stadium, a 1,922-seat theatre, over 98,000 square feet of exhibit space and 14 meeting rooms. On August 11, 1998, the Board approved a name change from Cashman Field Center to Cashman Center.

In February 2015, the LVCVA Board approved an agenda item authorizing the purchase of the historic Riviera Hotel & Casino. This purchase will provide us with just over 26 acres of additional property, as well as an entrance to the new LVCC expansion and renovation project off the Las Vegas Strip.



During the ensuing years, the function of the LVCVA has evolved into the following mission:

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

## HISTORY OF THE LAS VEGAS CONVENTION AND VISITORS AUTHORITY

The LVCVA's primary source of revenue is provided by a tax imposed on hotels, motels, and other transient lodging establishments in Clark County. The rate levied varies from 12% to 13% for resort hotels and 10% to 12% for non-resort hotels depending on the establishment's jurisdiction (see page 155 for room tax rate breakdown by jurisdiction). The division of room tax, as of July 1, 2015, is presented below:

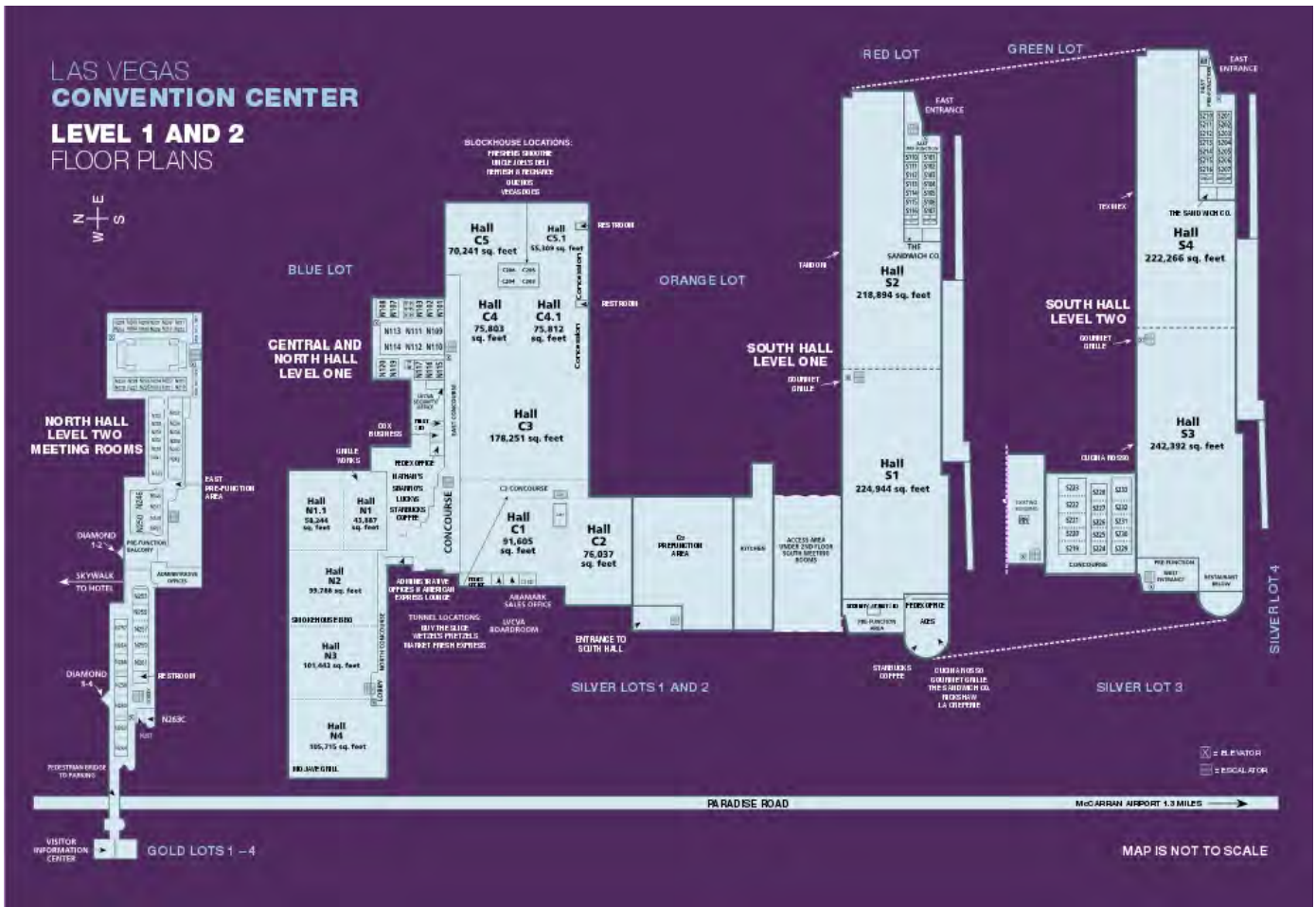
Resort Hotels					Other Hotels / Motels				
LVCVA	Taxing Entity	State of Nevada	County Transportation	Clark County School District	LVCVA	Taxing Entity	State of Nevada	County Transportation	Clark County School District
4-5%	0-2%	2 3/8 - 3 3/8%	1%	1 5/8%	2-4%	0-2%	3 3/8%	1%	1 5/8%

The LVCVA is empowered by the Nevada state legislature to:

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

# FACILITIES OF THE LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## LAS VEGAS CONVENTION CENTER



The Las Vegas Convention Center is one of the most modern and functional facilities in the world - a 3.2 million square foot facility located within a short distance of more than 100,000 guest rooms. In addition to approximately two million square feet of exhibit space, 144 meeting rooms (more than 241,000 square feet) handle seating capacities ranging from 20 to 2,500. A grand lobby and registration area (more than 225,000 square feet) efficiently link original exhibit halls with added exhibit halls and meeting rooms, allowing simultaneous set-up, break-down and exhibiting of multiple events.

# FACILITIES OF THE LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## CASHMAN CENTER



Cashman Center is a multi-use facility encompassing 483,000 square feet on a 55-acre site near downtown Las Vegas. The facility includes approximately 98,100 square feet of exhibit space, 14 meeting rooms, a 1,922 seat state-of-the-art theatre, over 2,500 spaces for parking, and a 10,000 seat baseball stadium which is the home of the Las Vegas 51s, the AAA affiliate of the New York Mets. Each segment of the facility is capable of functioning independently or in any combination for conventions and trade shows, business/group meetings, theatrical presentations, and sporting events.

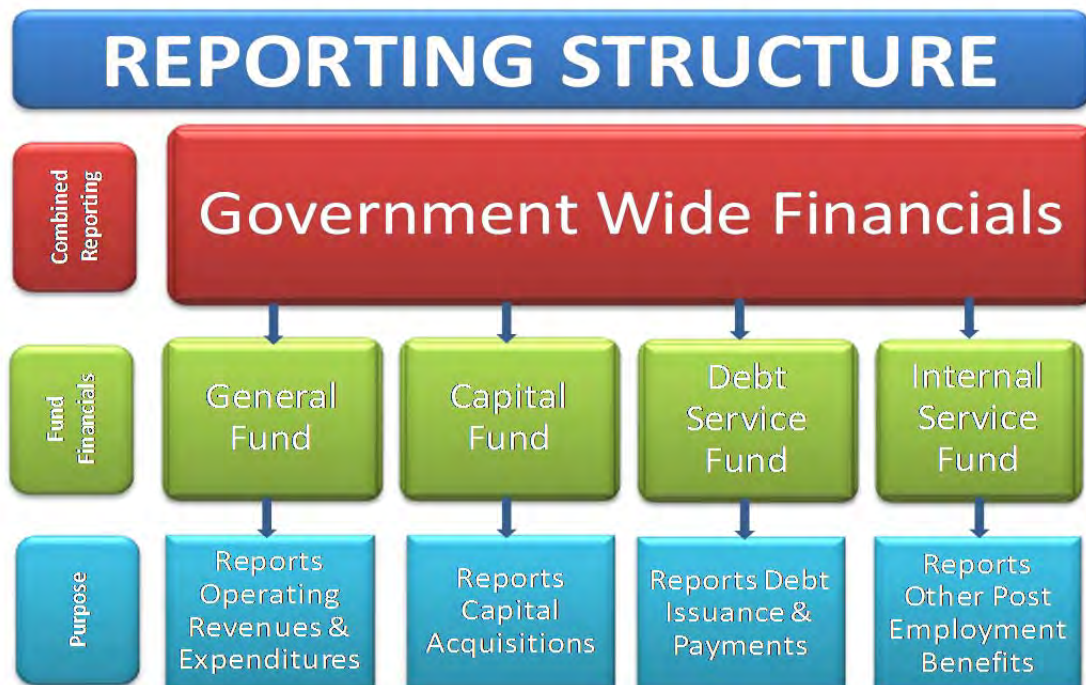
FINANCIAL STRUCTURE

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

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

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

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



STRUCTURE OF THE BUDGET DOCUMENT

The goal of this budget document is to provide not only comprehensive information about estimated revenues and expenditures but also the policies, goals, financial structure, operations, and an organizational framework that show how the LVCVA will work towards its mission for fiscal year 2016. The main objective is to communicate to the readers (i.e. the Board of Directors, management, other organizational units and the public) in a manner that is clear, concise and understandable.

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

BUDGET MESSAGE and BUDGET STRUCTURE and POLICY

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

General Fund

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

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

The organizational chart shown on page 2 is closely related to each unit's financial classification. In general, divisions relate to functions, departments relate to activities, and sections relate to organizational units. The community support section is unrelated to the organizational structure. Functions are the basic unit of the operating budget. Within each function, activities and organizational units are discussed in a narrative format. Also included within this discussion is a more detailed organization chart.

Capital Funds

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

Debt Service Funds

The debt service funds budget on page 123 provide not only a historical perspective concerning the LVCVA's past bond issues, but also a review of current and proposed bond obligations, the bond issuance process and debt limit and capacity.

Internal Service Fund

This fund was established in FY 2013 to accumulate reserves for Other Post-Employment Benefits (OPEB). Additional information can be found starting on page 133.

Personnel Allocation

Information on personnel requests, including justifications, authorized positions by organizational unit, and wage schedules is located in the personnel allocation section, beginning on page 134.

Statistical Data

Statistical data starts on page 142. It contains information on demographics for Clark County, visitor analyses, principal room taxpayers, and a room tax schedule, along with ten-year schedules of facility usage for the Convention Center and Cashman Center and general fund revenues and expenditures.

**NEW POLICIES/SIGNIFICANT EVENTS**

The Board of Directors acted upon the following items during fiscal year 2015.

<b>NEW POLICIES / SIGNIFICANT EVENTS</b>	
Jul-14	Approved 2 new Board member nominees submitted by the Las Vegas Metro Chamber of Commerce and the Nevada Resort Association
Aug-14	Approved a 10 year Sponsorship Agreement between LVCVA and the Professional Rodeo Cowboys Association
Aug-14	Approved the LVCVA to acquire a fee interest in 3 parcels of land totaling more than 8 acres as part of the long term plan for the LVCC expansion project
Nov-14	Approved bank credit agreement for the LVCC expansion and renovation project
Nov-14	Approved 3 year agreement to be negotiated with R&R Partners to serve as the LVCVA's official advertising and marketing communication agency
Feb-15	Approved issuance of general obligation refunding bonds for the LVCC expansion and renovation project
Feb-15	Purchased Riviera Hotel, which will give the LVCVA an additional 26 acres of land



### FINANCIAL MANAGEMENT POLICIES

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

#### OPERATING MANAGEMENT

- ✧ Although long-term projections are highly uncertain, multi-year analysis will periodically be prepared and evaluated by management. Long-term projections rely on numerous assumptions about economic and fiscal factors, and many different assumptions are possible; thus, long term forecasts are not considered a fixed plan for balancing revenues to expenditures in future years.
- ✧ Conservative but realistic revenue projections will be prepared to assess the limits of budget appropriations. If projections are too high, under-realized revenues could cause budget cuts mid-fiscal year.
- ✧ Operating expenditures will be funded with current revenues. For FY 2016, the operating revenue budget, including other financing sources, of \$294.6 million fund operating expenditures of \$228.1 million.
- ✧ The LVCVA is required by law to submit a balanced budget each year to the State of Nevada for approval. This is defined as a budget in which total revenues including other financing sources plus beginning fund balance must equal total expenditures including other financing uses plus proposed ending fund balance.
- ✧ Investments of cash funds will be maintained in accordance with the Board-approved investment policy and state statute. The primary objectives of this policy are to minimize risk, ensure that cash is available when it is needed, and ensure a competitive rate of return while complying with the laws of the State of Nevada – in that order.
- ✧ Interest earnings on investments in the debt service funds will be transferred into the general fund, except for earnings on the proceeds from construction financing (i.e. bonds) which are part of the capital fund.
- ✧ The Board authorizes adjustments to the full-time position roster, currently at 515 positions in FY 2015. All requests for new positions must contain a justification and evaluate total costs including benefits and capital outlay. Temporary employees are used only to augment regular staffing on a temporary or intermittent basis. Staffing is discussed in detail in the personnel allocation section, page 134. There are no new requests for additional personnel in FY 2016.
- ✧ The current collective bargaining agreement with Service Employees International Union Local 1107, along with additional LVCVA personnel policies, direct such items as annual pay increases, personal time off (PTO) accruals, and pension plan contributions. All are taken into account in the preparation of the budget.

#### CAPITAL MANAGEMENT

- ✧ A five-year capital improvement plan is updated annually. It is presented to the Board of Directors with the annual budget and is adopted at the same time.

- ✧ The capital improvement plan must include a list of proposed capital improvements or purchases with cost estimates, methods of financing (i.e. room taxes, use of facilities revenue or debt issue), and any estimated income or cost associated with the constructed facilities. Only projects or purchases costing over \$30,000 in one fiscal year or included in a multi-year equipment replacement program appear in the plan. A five-year capital plan is included in this budget book.
- ✧ A balance of pay-as-you go capital improvements versus financing will be evaluated taking into account the various economic factors.
- ✧ Nevada Administrative Code 354.750 requires that local governments perform a physical inventory, every two years, which was performed during FY 2014. Each item subject to the inventory must be assigned an identifying number and be labeled as belonging to the LVCVA. This same code sets the guidelines for the establishment of capitalization thresholds by resolution.

### DEBT MANAGEMENT

- ✧ The LVCVA will actively seek to maintain, and if possible, improve our current bond ratings in order to minimize borrowing costs resulting in lower interest rates.
- ✧ Debt issuance is governed by Nevada state law. The LVCVA's Board of Directors is empowered to issue general obligation bonds; however, state statute requires that these bonds be issued in the name of the County.
- ✧ Debt Coverage is the ratio of pledged revenues to related debt service for a given year. The LVCVA targets a minimum coverage ratio of 3.0.
- ✧ Although state statute allows the LVCVA to use property taxes for debt service, only net pledged revenues derived from room taxes and use of facilities revenue have ever been used. No ad valorem property tax revenues are allocated to the LVCVA for any purpose and no change in this practice is contemplated.
- ✧ The LVCVA is required to file an indebtedness report, which includes a capital improvement plan, with the Debt Management Commission prior to August 1, whether new debt is being contemplated or not. The specifics of the reports can be found on page 123.

### RESERVE/FUND BALANCE

- ✧ Based on Nevada Administrative Code 354.650-660, a minimum unreserved fund balance of 4.0% of budgeted general fund operating expenditures must be maintained. The LVCVA fiscal practice is to target an ending fund balance between 4.0% - 16.0% to prepare for potential variances in economic conditions without detriment to operations. Our proposed FY 2016 unreserved fund balance is 5.5%.
- ✧ Reserves will be sufficient to pay principal and interest on the outstanding bond issues due on July 1<sup>st</sup>, in addition to any debt reserve amount as required by the bond covenants.
- ✧ A contingency reserve of \$500,000 will be funded for the discretionary use of the Board of Directors. However, use of these funds should be utilized only after the availability of all other budget sources has been examined.
- ✧ The LVCVA is required by an inter-local agreement with Clark County to provide funding for a 13<sup>th</sup> month premium to the Clark County Self-Funded insurance program, in case of more claims being paid-out versus premiums collected.

### FINANCIAL REPORTING

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

### MARKETING POLICIES

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

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

### FACILITY POLICIES

The Las Vegas Convention Center is one of the largest meeting facilities in the nation, with more than 3.2 million square feet. In FY 2014, the Center hosted 63 conventions, public events, and meetings. Over 5.1 million delegates attended trade shows and conventions in Clark County during calendar year 2014. The goal to "have a show in the building, another one moving in and one moving out" is closer to being realized than ever. Reasonable rates and the finest facilities in the country are the secret of our success. Policies that guide us toward this goal include:

- ✧ Maintain a competitive edge in the facility rate structure. The last rate increase was enacted in FY 2010. Most recently, the Board of Directors approved a facility rental rate increase effective July 1, 2016, however the new rate increases will not impact FY 2016.
- ✧ Create an outstanding experience for every visitor via the appearance and the amenities found in the facilities and provide excellent customer service.
- ✧ Prevent deterioration of buildings and equipment through scheduled preventive maintenance programs.
- ✧ Pursue aggressive energy and water conservation programs; thereby reducing operating costs.

### COMMUNITY POLICIES

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

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

### BUDGET PROCESS

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

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

1. Revenue Estimates and Projection Updates - The process begins with the Finance Department evaluating the multi-year analysis and preparing preliminary revenue projections taking into consideration national, state and local economic indicators and analyses of the LVCVA's major revenue sources. Executive management meets to review the information, update strategic plans and determine preliminary budget guidelines.
2. Budget Training Sessions - Budget preparation manuals are distributed by Finance to all departmental budget preparers at budget training sessions. The manual contains instructions for accessing and using the computerized budget system (OLB), preparing narratives, goals and activity measures, requesting new personnel and justifying capital requests.
3. Zero Based Budgeting – The LVCVA uses a modified zero based budget process. Departments build their budgets from the ground up, justifying groups of related expenditures. Consideration is given to any additional budget guidance as given by executive management.
4. Goals, Objectives and Performance Measurements - Departments are required to develop goals, objectives and activity measures to show what services are going to be provided. The goals must complement the organization and divisions' mission statements and goals.
5. Tentative Budget Adoption - As required by Nevada Revised Statutes, the tentative budget document is filed with the Nevada Department of Taxation and the County Clerk, usually on or before April 15<sup>th</sup>.
6. Budget Book Development - Since the financial and narrative information is completed by this point, the Finance Department prepares the budget book which is comprised of the operating, capital, debt service, and internal service fund budgets.
7. Public Hearing and Final Budget Adoption – After April 15 and before the third Thursday in May, the public has the opportunity to review the tentative budget document and submit any comments for inclusion on the agenda of the public hearing. The hearing provides the public an opportunity to comment on the proposed budget to the Board of Directors.

### BUDGETARY CONTROLS

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

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

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

### BUDGET TRANSFERS

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

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

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

### BUDGET AUGMENTATION

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





## SUMMARY OF ALL FUNDS

FY 2016 BUDGET - ALL FUNDS					
	GENERAL FUND	CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	INTERNAL SERVICE FUND	TOTAL ALL FUNDS
<b>REVENUES:</b>					
Room Taxes and Gaming Fees	\$ 241,950,000	-	-	-	\$ 241,950,000
Use of Facilities	52,224,000	-	-	-	52,224,000
Interest	217,500	\$ 137,000	\$ 104,100	\$ 83,200	541,800
Miscellaneous	3,800	-	-	-	3,800
Build America Bond's Subsidy	-	-	2,560,488	-	2,560,488
<b>Total Revenues</b>	<b>294,395,300</b>	<b>137,000</b>	<b>2,664,588</b>	<b>83,200</b>	<b>297,280,088</b>
<b>EXPENDITURES:</b>					
General Government	17,755,500	-	-	-	17,755,500
Marketing	36,787,700	-	-	-	36,787,700
Advertising	93,500,000	-	-	-	93,500,000
Special Events	13,035,600	-	-	-	13,035,600
Operations	42,834,600	-	-	-	42,834,600
Community Support	24,195,000	-	-	-	24,195,000
Capital Outlay	-	156,440,000	-	-	156,440,000
Debt Service:					
Principal	-	-	27,665,000	-	27,665,000
Interest	-	-	35,559,365	-	35,559,365
<b>Total Expenditures</b>	<b>228,108,400</b>	<b>156,440,000</b>	<b>63,224,365</b>	<b>-</b>	<b>447,772,765</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>66,286,900</u>	<u>(156,303,000)</u>	<u>(60,559,777)</u>	<u>83,200</u>	<u>(150,492,677)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In	104,100	2,750,000	60,224,925	4,000,000	67,079,025
Operating Transfers Out	(66,974,925)	-	(104,100)	-	(67,079,025)
Proceeds from Debt Issuance	-	75,000,000	-	-	75,000,000
Proceeds from Sale of Fixed Assets	55,000	-	-	-	55,000
<b>Total Other Financing Source (Uses)</b>	<b>(66,815,825)</b>	<b>77,750,000</b>	<b>60,120,825</b>	<b>4,000,000</b>	<b>75,055,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(528,925)</b>	<b>(78,553,000)</b>	<b>(438,952)</b>	<b>4,083,200</b>	<b>(75,437,677)</b>
RESERVE FOR CONTINGENCY	500,000	-	-	-	500,000
<b>FUND BALANCE, BEGINNING</b>	<b>13,594,309</b>	<b>79,396,066</b>	<b>51,492,903</b>	<b>9,534,305</b>	<b>154,017,583</b>
<b>FUND BALANCE, ENDING</b>	<b><u>\$ 12,565,384</u></b>	<b><u>\$ 843,066</u></b>	<b><u>\$ 51,053,951</u></b>	<b><u>\$ 13,617,505</u></b>	<b><u>\$ 78,079,906</u></b>

## SUMMARY OF ALL FUNDS

COMPARISON TO PRIOR YEARS - TOTAL OF ALL FUNDS					
	ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16
<b>REVENUES:</b>					
Room Taxes and Gaming Fees	\$ 201,406,046	\$ 205,028,018	\$ 224,491,493	\$ 231,550,000	\$ 241,950,000
Use of Facilities	49,168,968	47,846,895	60,786,406	50,503,400	52,224,000
Interest	447,735	305,297	623,521	421,600	541,800
Miscellaneous	1,620,425	1,005,018	796,149	5,700	3,800
BAB's Subsidy	5,120,976	4,898,214	4,752,266	2,560,488	2,560,488
<b>Total Revenues</b>	<b>257,764,150</b>	<b>259,083,441</b>	<b>291,449,835</b>	<b>285,041,188</b>	<b>297,280,088</b>
<b>EXPENDITURES:</b>					
General Government	12,452,224	13,246,144	14,208,721	17,403,700	17,755,500
Marketing	30,289,998	30,301,848	28,242,821	35,897,100	36,787,700
Advertising	83,636,231	90,587,216	92,470,992	94,100,000	93,500,000
Special Events	-	-	8,570,890	9,030,000	13,035,600
Operations	37,131,878	36,690,902	44,936,160	41,219,700	42,834,600
Community Support	21,140,605	20,502,802	22,449,149	23,155,000	24,195,000
Special Events	7,713,777	8,233,771	-	-	-
Other	16,980	6,379	28,837	-	-
Capital Outlay	76,177,103	46,904,477	29,906,436	229,520,823	156,440,000
Debt Service:					
Principal	9,085,000	21,595,000	22,650,000	24,800,000	27,665,000
Interest	33,669,341	32,356,716	31,743,473	35,627,587	35,559,365
Debt Issuance Costs	-	724,062	1,455,215	955,816	-
<b>Total Expenditures</b>	<b>311,313,138</b>	<b>301,149,317</b>	<b>296,662,694</b>	<b>511,709,726</b>	<b>447,772,765</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(53,548,988)</u>	<u>(42,065,876)</u>	<u>(5,212,859)</u>	<u>(226,668,538)</u>	<u>(150,492,677)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating Transfers In	61,132,886	72,848,171	61,597,963	82,255,412	67,079,025
Operating Transfers Out	(61,132,886)	(72,848,171)	(61,597,963)	(82,255,412)	(67,079,025)
Proceeds of Debt Issuance	-	24,990,000	50,000,000	381,805,000	75,000,000
Debt Premium	-	756,043	744,526	16,018,110	-
Debt Discount	-	-	-	-	-
Capital Leases	-	14,942	334,547	-	-
Escrow Payment	-	-	-	(961,041)	-
Refunded Bonds	-	-	-	(196,867,294)	-
Proceeds from Sale of Fixed Assets	222,906	57,083	80,073	30,000	55,000
<b>Total Other Financing Source (Uses)</b>	<b>222,906</b>	<b>25,818,069</b>	<b>51,159,146</b>	<b>200,024,775</b>	<b>75,055,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(53,326,082)</b>	<b>(16,247,807)</b>	<b>45,946,287</b>	<b>(26,643,763)</b>	<b>(75,437,677)</b>
RESERVE FOR CONTINGENCY	-	-	-	500,000	500,000
FUND BALANCE, BEGINNING	204,788,949	151,462,867	135,215,059	181,161,346	154,017,583
<b>FUND BALANCE, ENDING</b>	<b><u>\$ 151,462,867</u></b>	<b><u>\$ 135,215,059</u></b>	<b><u>\$ 181,161,346</u></b>	<b><u>\$ 154,017,583</u></b>	<b><u>\$ 78,079,906</u></b>

## SUMMARY OF ALL FUNDS

### FUND BALANCE ANALYSIS

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

Fund balances will vary by fund. Total FY 2016 ending fund balance for all funds is projected to be \$78.1 million. This is comprised of: \$12.6 million in the General Fund, \$843,067 in the Capital Fund, \$51.1 million in the Debt Service Fund and \$13.6 million in the Internal Service Fund.

General Fund – Beginning fund balance for FY 2016 is projected to be \$13.6 million. Fund balance is the amount of unencumbered cash that ensures services could be provided for a short time if commitments exceeded revenues. Because all room tax received in July is accrued back to June 30, 2015, it is already part of ending fund balance. Most facility rental revenue received in July is earned in June and therefore it, too, is a part of ending fund balance. The first "new" money we receive is in the middle of August. Therefore, the LVCVA operates for four to six weeks off of beginning fund balance. This is used to cover expenditures (i.e. payroll, and supplies and services) for at least two to four weeks.

Capital Fund – Fund balance in the capital fund is used as a supplement to capital projects if necessary. Capital reserves, unless spent, roll each fiscal year through fund balance, which accounts for fluctuations. There are no requirements to maintain a specific excess of assets over liabilities in the capital fund. All new capital funding is expected to be spent in FY 2016.

Debt Service – The obligations of the debt service funds are met by transferring funds adequate to make the principal and interest payments on the various issues. The majority of remaining fund balance of \$51.1 million on June 30, 2016 is used to pay the principal and interest payments due on the first day of the next fiscal year (July 1). Debt Service fund balance is increasing due to the rising debt service requirements associated with the state mandate to fund a portion of NDOT projects in Clark County and the beginning stages of the LVCC expansion and renovation project. A portion of the remaining fund balance is restricted as security for the 2010E revenue bonds per the Bond Resolution. The Reserve Fund is required to be maintained as a continuing reserve and amounts on deposit in the Reserve Fund may only be used to meet deficiencies in the Bond Fund.

Internal Service Fund – The Internal Service Fund is the accumulation of funds specifically restricted for the Other Post-Employment Benefits liability. A ten-year target to fully fund the reserve has been established and will be evaluated each budget year.

## GENERAL FUND SUMMARY

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

	ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16	% CHANGE
<b>REVENUES:</b>						
Room Taxes and Gaming Fees	\$ 201,406,046	\$ 205,028,018	\$ 224,491,493	\$ 231,550,000	\$ 241,950,000	4%
Use of Facilities	46,756,947	45,043,436	56,927,724	47,657,400	49,258,000	3%
Other Fees and Charges	2,412,021	2,803,458	3,858,682	2,846,000	2,966,000	4%
Interest and Other	245,569	176,440	357,484	188,500	221,300	17%
<b>Total Revenues</b>	<b>250,820,583</b>	<b>253,051,352</b>	<b>285,635,383</b>	<b>282,241,900</b>	<b>294,395,300</b>	<b>4%</b>
<b>EXPENDITURES:</b>						
General Government	12,452,224	13,246,144	14,208,721	17,403,700	17,755,500	2%
Marketing	30,289,998	30,301,848	28,242,821	35,897,100	36,787,700	2%
Advertising	83,636,231	90,587,216	92,470,992	94,100,000	93,500,000	-1%
Special Events	7,713,777	8,233,771	8,570,890	9,030,000	13,035,600	44%
Operations	37,131,878	36,690,902	44,936,160	41,219,700	42,834,600	4%
Community Support	21,140,605	20,502,802	22,449,149	23,155,000	24,195,000	4%
Other	16,980	6,379	28,837	-	-	0%
<b>Total Expenditures</b>	<b>192,381,692</b>	<b>199,569,062</b>	<b>210,907,570</b>	<b>220,805,500</b>	<b>228,108,400</b>	<b>3%</b>
Excess of Revenues over Expenditures	58,438,891	53,482,290	74,727,813	61,436,400	66,286,900	8%
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating Transfers In:						
Debt Service Funds	97,149	69,938	114,454	81,500	104,100	28%
Operating Transfers Out:						
Internal Service Fund	-	(3,000,000)	(3,000,000)	(3,500,000)	(4,000,000)	14%
Capital Projects Funds	(14,000,000)	(12,800,000)	(7,250,000)	(21,500,000)	(2,750,000)	-87%
Debt Service Funds	(47,035,737)	(49,978,232)	(51,233,509)	(57,173,912)	(60,224,925)	5%
Proceeds from Sale of Fixed Assets	222,906	57,083	80,073	30,000	55,000	83%
<b>Total Other Financing Sources (Uses)</b>	<b>(60,715,682)</b>	<b>(65,651,212)</b>	<b>(61,288,982)</b>	<b>(82,062,412)</b>	<b>(66,815,825)</b>	<b>-19%</b>
Reserve for Contingency	-	-	-	500,000	500,000	0%
<b>FUND BALANCE, BEGINNING</b>	<b>35,727,203</b>	<b>33,450,412</b>	<b>21,281,490</b>	<b>34,720,321</b>	<b>13,594,309</b>	<b>-61%</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 33,450,412</b>	<b>\$ 21,281,490</b>	<b>\$ 34,720,321</b>	<b>\$ 13,594,309</b>	<b>\$ 12,565,384</b>	<b>-8%</b>
<b>Total Capital Outlay</b>	<b>\$ 76,177,104</b>	<b>\$ 47,628,540</b>	<b>\$ 31,361,561</b>	<b>\$ 229,520,823</b>	<b>\$ 156,440,000</b>	<b>-32%</b>
<b>Total Full-Time Personnel</b>	<b>505</b>	<b>505</b>	<b>510</b>	<b>515</b>	<b>515</b>	<b>0%</b>

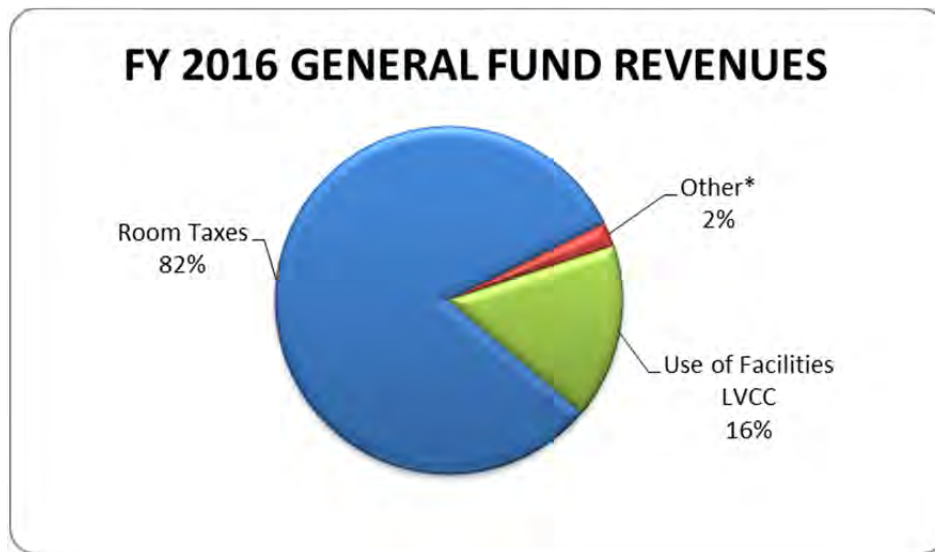
## GENERAL FUND SUMMARY

### REVENUES

Operating revenues, including other financing sources, for FY 2016 total \$294.6 million, an increase of 4% over FY 2015 revised budget. This is primarily due to a budgeted increase in room tax as well as an increase in use of facilities and other fees and charges. Use of facilities revenue for the Las Vegas Convention Center is up 3%, mainly due to the seasonal rotation of tradeshow. Room taxes, the major source of revenue, are expected to increase 5% over the FY 2015 budget. Gaming fees are expected decrease from \$2.0 million to \$1.8 million.

Use of facilities revenue represents approximately 16% of total revenues. Building usage, which is based on actual leases confirmed and signed, is projected to increase 3% as compared to FY 2015 budget primarily due to the cyclical nature of show activity in the building.

Other fees and charges are expected to increase 5%, mainly due to an increase in event participation and use of registration personnel.



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

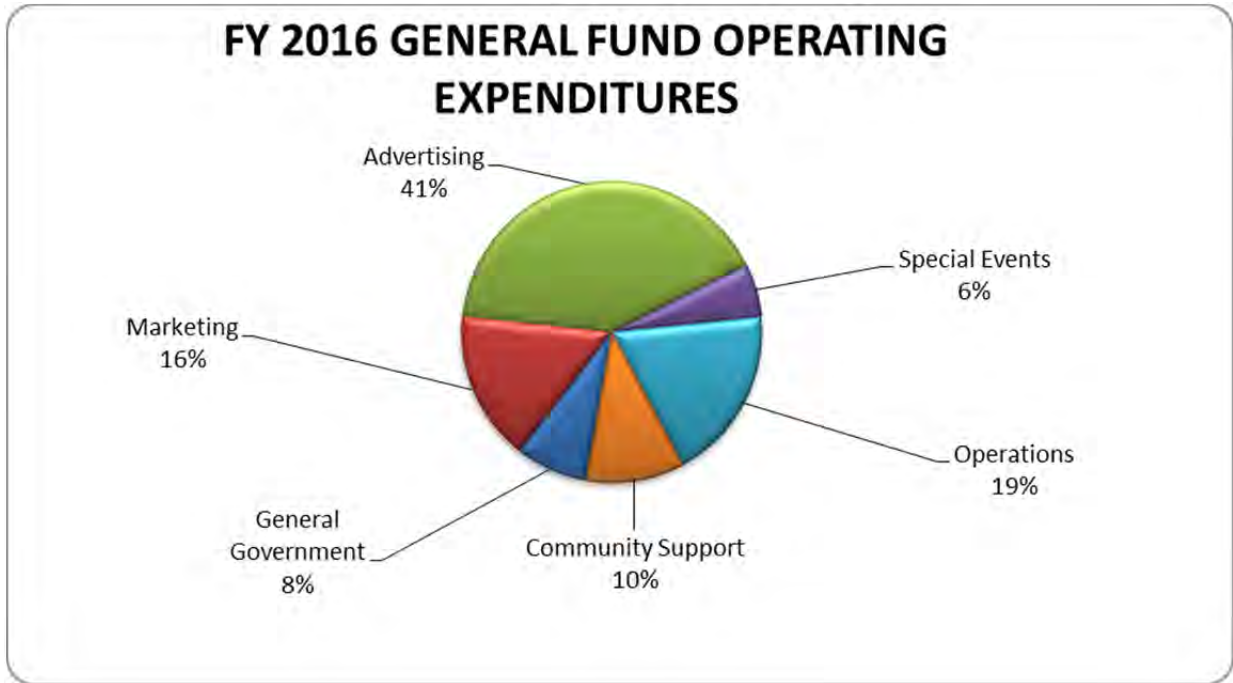
### EXPENDITURES

General fund expenditures are divided into three main categories: salaries and wages, employee benefits, and services and supplies. Salaries and wages represent 18% of total general fund expenditures, including advertising. Included in this amount, however, are temporary salaries and overtime of \$2,513,800. Employee benefits are 38.8% of the regular salaries budget of \$42,246,100.

On a division level, salaries and wages make up 50% of both the General Government budget and the Operations budget. In the Marketing Division, sales, advertising, and promotion represent 89% of the budget, while salaries and wages account for only 9%.

Total operating expenditures are \$228,108,400; a 3% increase compared to the revised FY 2015 budget.

EXPENDITURES (continued)



OTHER FINANCING SOURCES (USES)

These are usually comprised of operating transfers in (i.e. interest earned in other funds) and transfers out (i.e. funding for other funds), along with sale of fixed assets. An operating transfer is a legally authorized transfer from a fund receiving revenue to the fund through which the resources are to be expended. A total of \$67 million is being transferred to other funds.

FUND BALANCE

Projected ending fund balance on June 30, 2016 is \$12.6 million. State law provides guidance for an ending fund balance of no less than 4.0% of budgeted expenditures. The FY 2016 ratio is 5.5%, which meets statutory guidance and internal policy.

CAPITAL OUTLAY

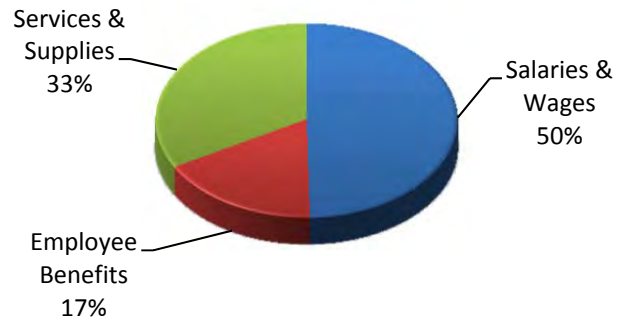
Capital outlay includes all projects accounted for in the capital improvement and replacement fund (see pages 77-85) for additional details). The total amount shown includes capital expenditures for furnishings, equipment, improvements or additions to land and buildings financed by general fund revenues and bond proceeds. In each division's budget analysis, the amount includes only furnishings and equipment. Two exceptions are: (1) all computer-related items are accounted for in the Information Technology Department's (Operations division) capital budget; and (2) all building, land and leasehold improvements are coordinated by the Facility Projects section of the Engineering department (Operations division). For FY 2016 \$2.8 million is being transferred to the Capital Fund. Funds will be used for routine capital repair and maintenance to ensure facility safety and enhance the customer experience.

TOTAL FULL-TIME PERSONNEL

There are no new positions being requested this year. The total number of authorized positions currently stands at 515 for FY 2016. For additional information concerning personnel allocation, see pages 134-141.

FY 2016 EXPENDITURES BY DIVISION

**GENERAL GOVERNMENT**

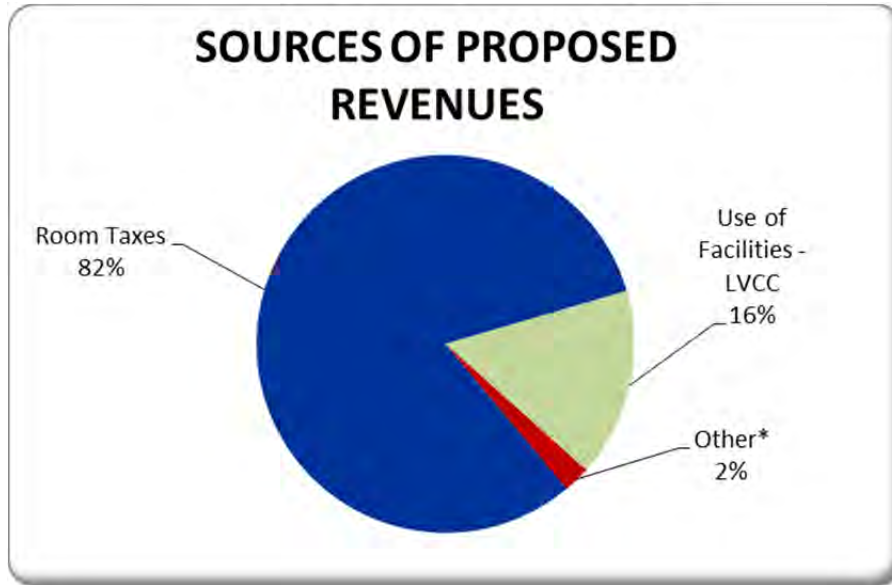


**OPERATIONS**

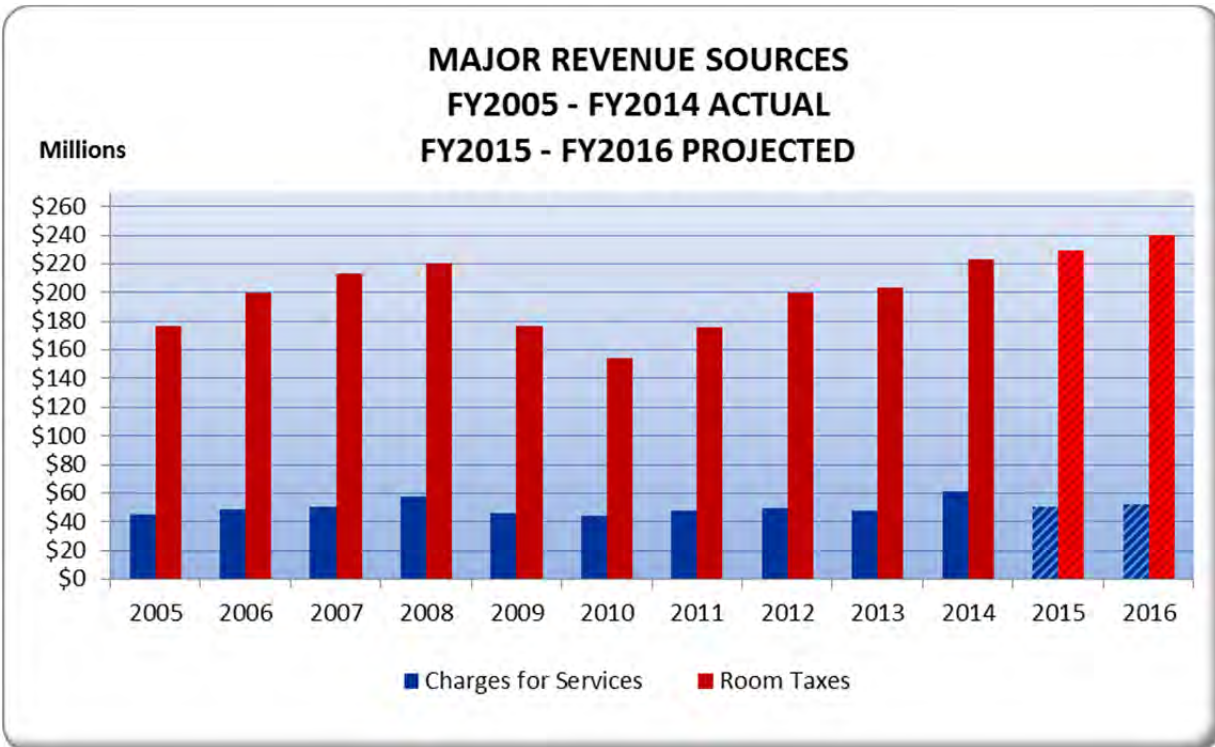


**MARKETING**

**GENERAL FUND**



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



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

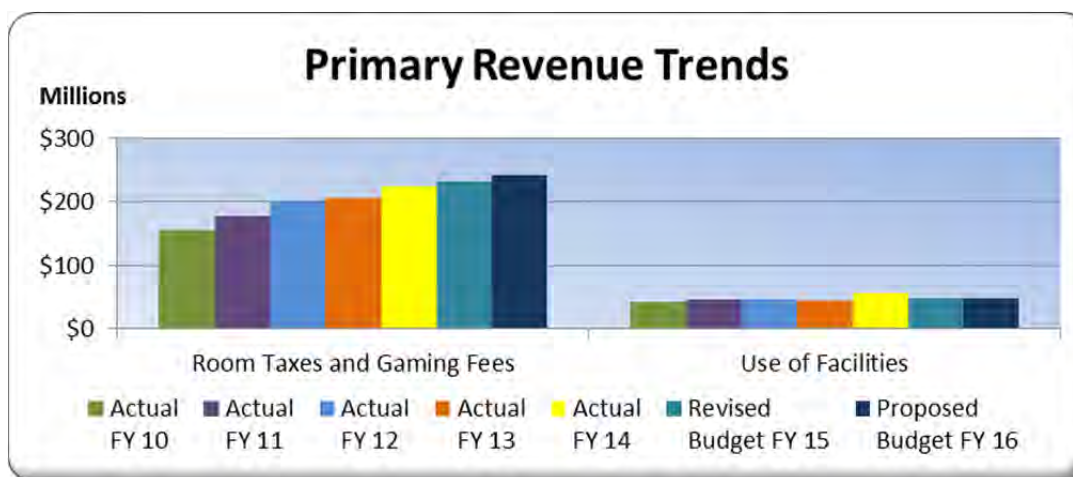


# REVENUE

## REVENUE SUMMARY

Total general fund revenues, including other financing sources for FY 2016 are \$294.6 million, which is a 4.3% increase as compared to the FY 2015 revised budget. Revenue components are room taxes and gaming fees, use of facilities, other fees and charges, and interest and other.

ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVENUES AND OTHER FINANCING SOURCES	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16	% CHANGE
201,406,046	205,028,018	224,491,493	Room and Gaming Fees	231,550,000	241,950,000	4.5%
46,756,947	45,043,435	56,927,724	Use of Facilities	47,657,400	49,258,000	3.4%
2,412,021	2,803,458	3,858,682	Other Fees and Charges	2,846,000	2,966,000	4.2%
245,569	176,440	357,484	Interest and Other	188,500	221,300	17.4%
250,820,584	253,051,352	285,635,383	Total Revenues	282,241,900	294,395,300	4.3%
320,055	127,021	194,527	Other Financing Sources	111,500	159,100	42.7%
251,140,639	253,178,373	285,829,910	Total Revenues & Other Financing Sources	282,353,400	294,554,400	4.3%



### Room Tax Revenue

Room tax and gaming fees revenue is budgeted to increase 5% in FY 2016 as compared to FY 2015 revised budget. The primary factors affecting room taxes are the average daily rate (ADR) and occupancy rates. ADR is driven by visitation levels combined with the number of rooms available. The number of rooms available will remain substantially flat. Visitation is trending to increase slightly in FY 2016. Taxable ADR had increased steadily since FY 2010 and is tracking growth of 7.7% in FY 2015. Occupancy rate is averaging 83.6% year to date in FY 2015. The Occupancy Rate in the greater Las Vegas metropolitan area consistently exceeds that in other major resort destinations and significantly outpaces the national average each year.

### Use of Facilities

Use of facilities revenue projections are based on actual confirmed and signed leases as well as conservative expectations for additional facility usage. The rental income related to the Las Vegas Convention Center is expected to slightly increase \$1.5 million or 3% from FY 2015 revised budget. An excerpt of rental rates per facility is included in the statistical data section, page 148.

### Other Fees and Charges

Other fees and charges are expected to increase 4% in FY 2016 based on operational history and contractual agreements.

For additional information on historical revenue trends, please see the statistical data section, pages 142-143.

ROOM TAXES

The LVCVA’s primary source of revenues, approximately 82% in FY 2016, is from a tax levied on hotels, motels, and other lodging establishments throughout Clark County and the incorporated cities therein. The incorporated cities are Las Vegas, North Las Vegas, Henderson, Boulder City, and Mesquite. The rate of tax levied varies from 12% to 13% for resort hotels and 10% to 12% for non-resort hotels depending on the establishment’s jurisdiction (see page 155 for room tax rate breakdown by jurisdiction). The rate of taxes can only be increased by action of the Nevada State Legislature, which last occurred during the 2009 legislative session. The room tax rate for counties whose population is over 300,000 was increased by 3% (not to exceed a total of 13%).

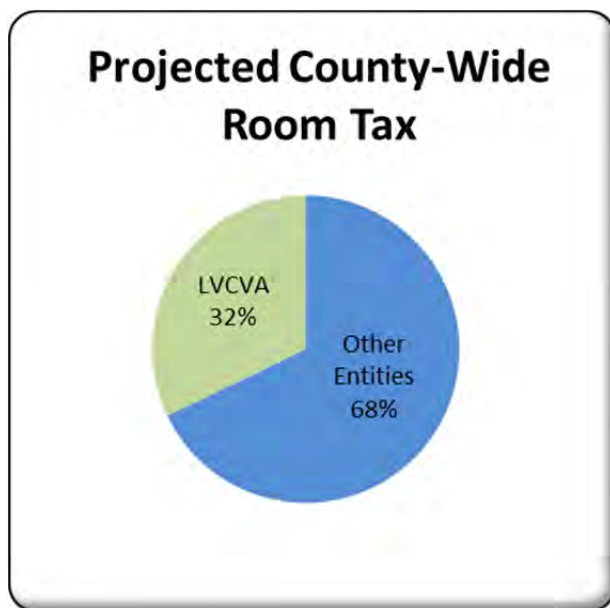
In general, the tax for resort hotel room rentals will be distributed as follows:

4% - 5%	LVCVA - General Fund
1 5/8%	Clark County School District - Capital Projects
0% - 2%	City/County (collecting entities jurisdiction) - General Fund
1%	Clark County - County transportation tax
3/8%	State of Nevada - Promotion of tourism
2% - 3%	State of Nevada - Education and other state programs

The LVCVA’s portion of room tax is generally 1% less on non-resort room rentals.

The total tax on rooms averages approximately 12%. It is projected that the total tax on rooms collected county-wide will be approximately \$606,800,000.

The LVCVA retains only 32% of the total room tax collected in Clark County (\$240,200,000 less \$24,020,000 which is returned to the entities in the form of grants and collection allocation and \$21,190,859 for NDOT funding). Currently, 10% of the total room taxes and gaming fees collected for the LVCVA are returned to the county and the cities. The division of this collection allocation is set forth in an agreement between the various entities and may be designated by the individual entities for any purpose. The distribution to the county and its incorporated cities is based upon the governor-certified population figures as prepared by the state demographer and which jurisdiction collections occur. Collection allocation is discussed further on page 76.



- The remaining 68% is split as follows:
- \$61,621,100 retained by collecting jurisdictions
- \$51,000,000 to Clark County for transportation projects
- \$19,125,000 to the State of Nevada for the promotion of tourism
- \$82,875,000 to the Clark County School District for capital project construction
- \$24,020,000 to collecting jurisdictions from LVCVA
- \$21,190,859 for Nevada Department of Transportation funding
- \$152,000,000 to the State of Nevada for education and other state programs

# REVENUE

## ROOM TAXES (continued)

The table below presents a breakdown of the unrestricted room taxes received from the County and the incorporated cities. Projected room taxes are expected to increase 5% over the FY 2015 room tax budget.

	ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16
Clark County	185,323,146	188,590,987	206,596,998	213,083,500	222,898,600
Las Vegas	9,199,722	9,310,685	10,482,979	10,539,300	11,132,600
North Las Vegas	765,180	774,918	848,826	882,700	917,300
Henderson	3,488,850	3,675,766	3,991,690	4,151,500	4,283,700
Boulder City	78,457	72,745	90,514	82,000	92,800
Mesquite	737,144	771,328	770,378	861,000	875,000
	199,592,498	203,196,429	222,781,385	229,600,000	240,200,000
% Change	13.8%	1.8%	9.6%	3.1%	4.6%

Calendar Year	ACTUAL 2011	ACTUAL 2012	ACTUAL 2013	ACTUAL 2014	PROJECTED 2015
Hotel Rooms	162,258	162,559	162,662	162,548	160,941
% Growth	0.7%	0.2%	0.1%	(0.1%)	(1.0%)
Occupancy Rate	83.8%	84.4%	84.3%	83.0%	84.0%

	ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16
Gaming Fees	1,813,548	1,831,589	1,710,108	1,950,000	1,750,000
Room Tax	199,592,498	203,196,429	222,781,385	229,600,000	240,200,000
Total Room & Gaming	201,406,046	205,028,018	224,491,493	231,550,000	241,950,000

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

The average rate of growth in room tax revenue has been 2.4% over the past decade. Factors considered in projecting room taxes are:

- ✧ Number of available hotel rooms (see statistical data section page 153)

There are approximately 162,548 hotels and motel rooms in the county from 306 properties. Not included in the 162,548 rooms, is the 9,809 timeshare-unit inventory. In FY 2016, the destination anticipates no new room additions to inventory.

- ✧ Blended occupancy rates (see statistical data section page 154)

It is a combined rate from the Las Vegas, Mesquite and Laughlin properties, which participate in our monthly survey.

- ✧ Blended average daily room rate is based upon rates from revenue generating rooms at Las Vegas, Mesquite, and Laughlin hotel, motel and timeshare properties.
- ✧ National and international economic conditions and events.
- ✧ Monitor such domestic economic indicators as: consumer and business capital spending, unemployment and interest rates, the airline transportation market, crude oil prices.

## REVENUE

### GAMING FEES

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

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

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

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

Gaming fees are anticipated to decrease slightly from \$2.0 million in FY 2015 to \$1.8 million in FY2016.

### GAMING FEES BY JURISDICTION

	ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16
Clark County	1,436,997	1,367,233	1,301,541	1,496,000	1,341,700
Las Vegas	91,013	111,892	106,265	84,500	101,000
North Las Vegas	104,300	122,887	114,164	131,800	111,500
Henderson	155,194	193,217	144,791	191,500	161,200
Mesquite	26,043	36,359	43,347	46,200	34,600
	1,813,548	1,831,589	1,710,108	1,950,000	1,750,000
% Change	(5.5%)	1.0%	(6.6%)	14.0%	(10.3%)

# REVENUE

## USE OF FACILITIES

The LVCVA owns and operates two facilities, the Las Vegas Convention Center and Cashman Center. These facilities were originally not intended to be self-supporting, but rather to generate visitors to the Las Vegas area. These visitors, in turn, generate room tax revenues while contributing to the overall economy. Facility operations are anticipated to generate 17% of total revenues. Over the last 10 years, the average rate of growth has been 6.3% for the Convention Center. This is attributable to a heightened emphasis on selling the facilities, raising rental rates, and the cycle of show rotation and show growth. Over the past decade Cashman Center usage has declined an average of 1.1%.

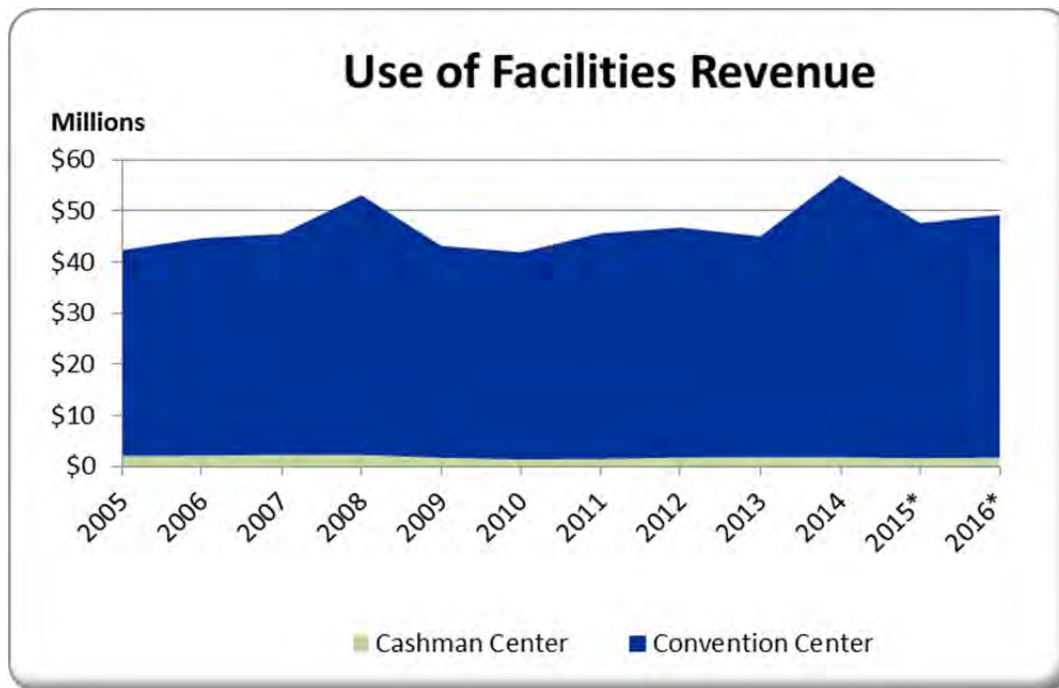
	Convention Center		Cashman Center	
	Use of Facilities	% Increase	Use of Facilities	% Increase
2005	40,305,355	24.1%	2,055,355	(4.8%)
2006	42,583,037	5.7%	2,115,638	2.9%
2007	43,197,430	1.4%	2,307,070	9.0%
2008	50,848,050	17.7%	2,246,808	(2.6%)
2009	41,474,677	(18.4%)	1,709,850	(23.9%)
2010	40,550,001	(2.2%)	1,389,381	(18.7%)
2011	44,157,694	8.9%	1,484,160	6.8%
2012	45,004,264	1.9%	1,752,683	18.1%
2013	43,228,221	(3.9%)	1,815,215	3.6%
2014	55,137,401	27.5%	1,790,323	(1.4%)
2015*	46,043,500	(16.5%)	1,613,900	(9.9%)
2016*	47,522,000	3.2%	1,736,000	7.6%

\* Projected

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

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

At Cashman Center use of facilities revenue increase are due to a fluctuating number of events.



USE OF FACILITIES (continued)

Use of Facilities revenues is projected to be \$47,522,000 for the Las Vegas Convention Center and \$1,736,000 for Cashman Center.

These projections are based on the following:

- ✧ Below are rental rates for the Las Vegas Convention Center (for excerpt, see page 148). As new clients are obtained and older clients renew agreements, these lease agreements will come under the new rates. There are still a few multi-year agreements outstanding, which are being honored at the older rates.

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

\* Board Approved on April 3, 2015

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

## REVENUE

### OTHER FEES AND CHARGES

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

	ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16
Other Fees and Charges	2,412,021	2,803,458	3,858,682	2,486,000	2,966,000
% Change	(4.2%)	16.2%	37.6%	(35.6%)	19.3%

Historically, Other Fees and Charges account for approximately 2% of total revenues. Revenue is anticipated to increase slightly this fiscal year based on operational history and contractual agreements, while all other sources remain stable or with moderate increases.

### INTEREST AND OTHER

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

	ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16
Interest	240,177	170,348	353,464	182,800	217,500
% Change	(56.5%)	(29.1%)	107.5%	(48.3%)	19.0%
Other	5,391	6,091	4,020	5,700	3,800
% Change	25.3%	13.0%	(34.0%)	41.8%	(33.3%)

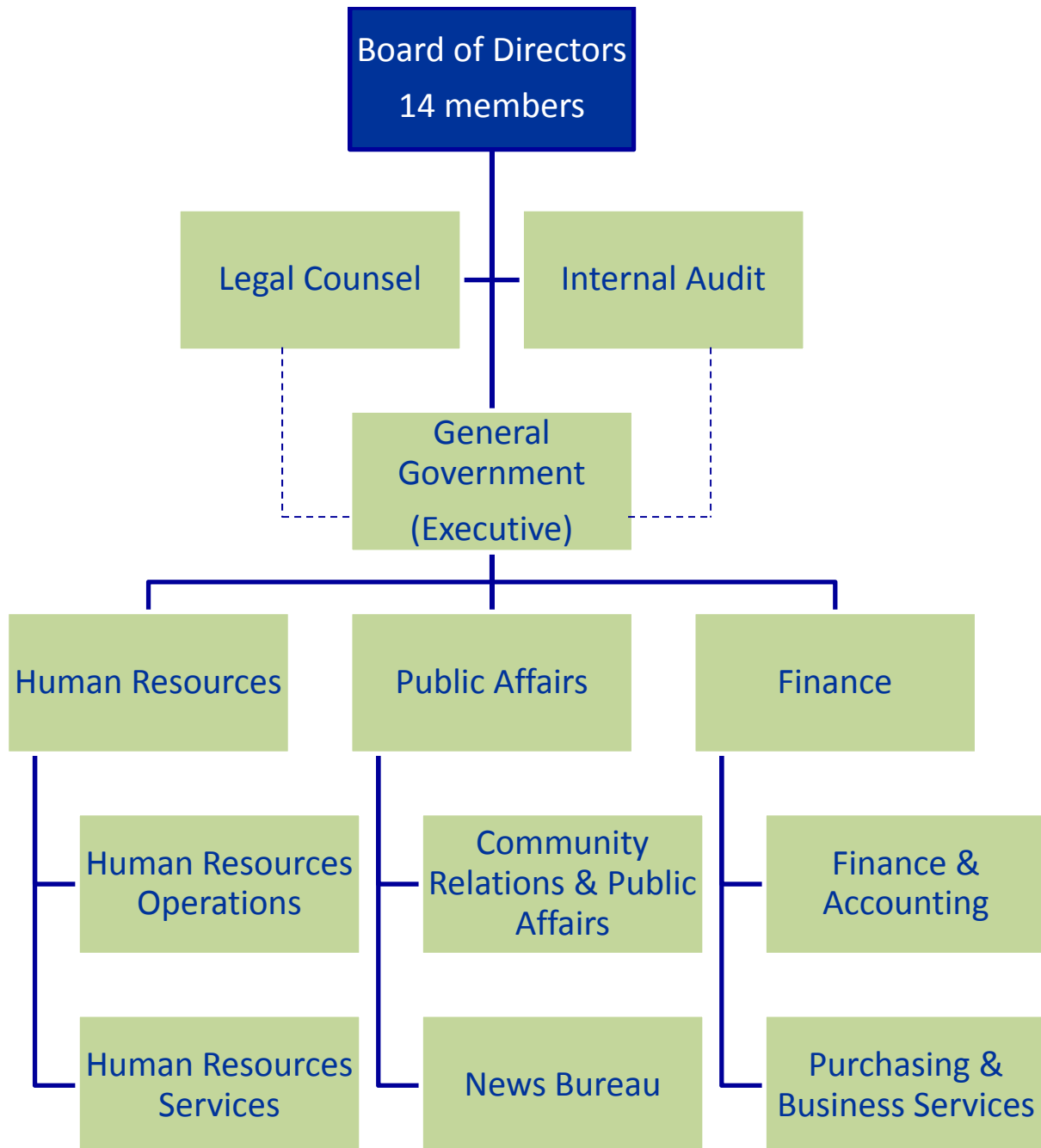
It is difficult to project interest earnings because of their dependency on the size of the portfolio, fluctuations in interest rates, and availability of policy-approved securities. For the FY 2016 budget, total Interest and Other are estimated to be \$217,500 and \$3,800 respectively.

### OTHER FINANCING SOURCES

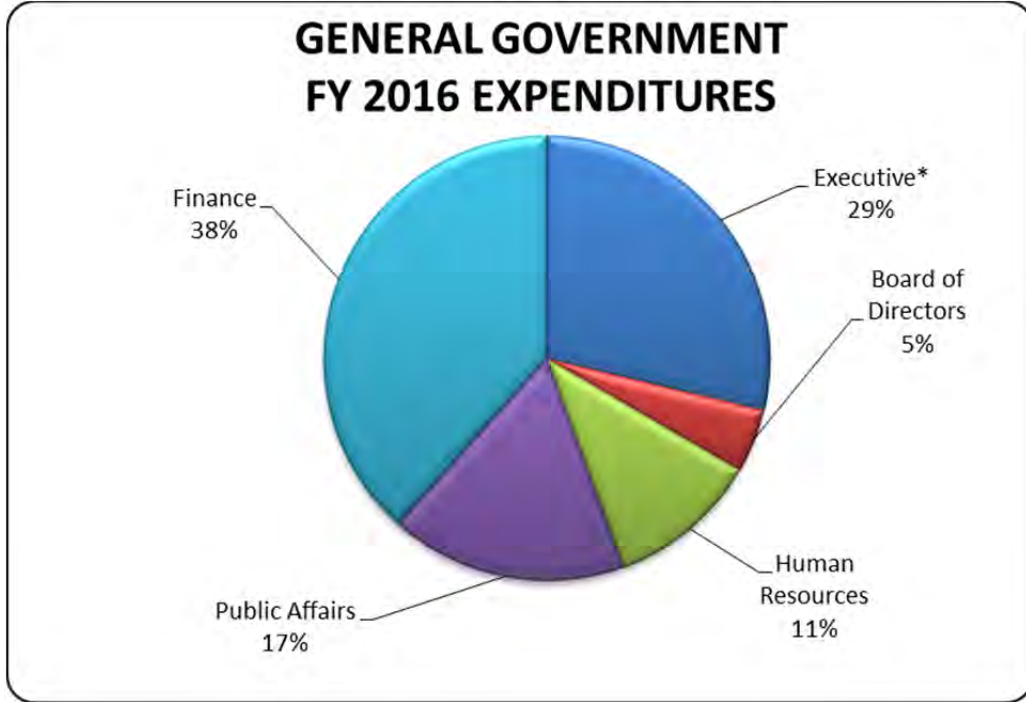
Typically, Other Financing Sources accounts for operating transfers in from other funds (i.e. interest earnings from debt service funds) and sale of fixed assets, but it can also include proceeds of sale of bonds. FY 2016 transfers from debt service relate to interest earnings of \$104,100. Proceeds from the sale of fixed assets are anticipated to be \$55,000.

## GENERAL GOVERNMENT

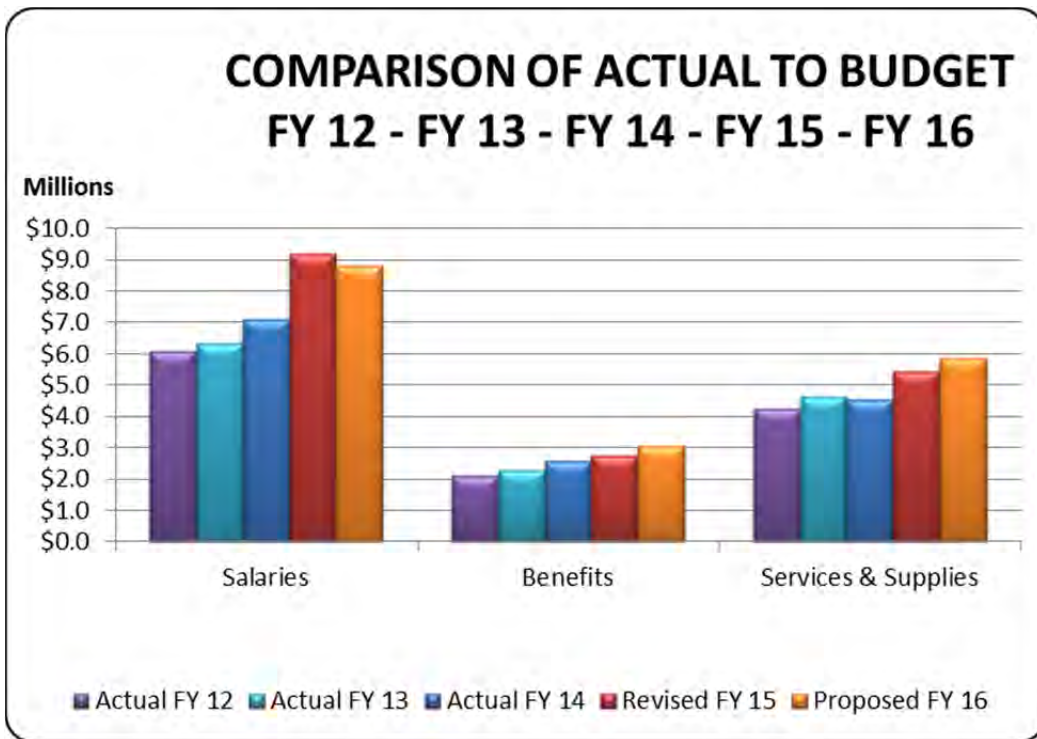
The general government function includes the Board of Directors along with the Executive, Human Resources, Public Affairs, and Finance departments. The Executive department is responsible for the general administration of the LVCVA and is not only comprised of the offices of the President and Senior Vice Presidents, but also Internal Audit and Legal Counsel.







\* Executive includes the offices of the President, Senior Vice Presidents, Legal, and Internal Audit.



## GENERAL GOVERNMENT

### BUDGET ANALYSIS

The general government function includes the Board of Directors along with the Executive, Human Resources, Public Affairs and Finance departments. The increases in the Benefits categories are primarily due to PERS, and health insurance premiums, while the increase in Service and Supplies are mainly due to higher costs associated with professional services.

No new positions have been requested in FY 2016.

Any request for capital furniture, equipment, and computers are accounted for in the department that manages those items. For example, computer-related items (i.e. computers, printers, software, scanners) are accounted for in Information Technology's capital budget (Operations division). Those requests are accounted for in the capital improvement and replacement fund (see page 85). These requests total \$0 since there are no new capital items requested in FY 2016 for the Executive division.

ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16	% CHANGE
6,100,202	6,333,685	7,090,764	Salaries & Wages	9,206,500	8,816,700	(4.2%)
2,093,864	2,286,720	2,588,029	Employee Benefits	2,769,400	3,048,800	10.1%
4,258,157	4,625,739	4,529,929	Services & Supplies	5,427,800	5,890,000	8.5%
12,452,224	13,246,144	14,208,722		17,403,700	17,755,500	2.0%
-	-	-	Capital Outlay	42,000	-	(100.0%)
77	77	80	Full-time Personnel	81	81	0.0%

## GENERAL GOVERNMENT - EXECUTIVE

### BOARD OF DIRECTORS

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

### EXECUTIVE

The Executive Department is responsible for the general administration of the LVCVA and is not only comprised of the offices of the President/CEO and certain Senior Vice Presidents, but also Internal Audit and Legal Counsel. Executive management meets

daily with employees, hotel CEOs, community leaders, and convention association presidents to discuss any potential problems, as well as changes in the trends of the travel and convention industries.

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

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

### Goals

- ❖ Partner with the resort industry to increase visitor volume and room nights while maintaining an effective average daily rate. (Executive Management)
- ❖ Coordinate all elements of marketing and operations to brand the destination for increased exposure and visitor volume. (Executive Management)
- ❖ Provide direction and oversight of the LVCC expansion and renovation program that includes a fiscally responsible budget and finance strategy. (Executive Management)
- ❖ Ensure risk management policies and procedures identify risk factors and provide strategies and resources to transfer or mitigate these risks. (Legal Counsel)

## GENERAL GOVERNMENT - PUBLIC AFFAIRS

### PUBLIC AFFAIRS

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

#### Goals

- ❖ Develop and implement a comprehensive communications campaign increasing awareness of the value of tourism with key stakeholders, including elected officials, the media, business and community leaders and the community at large. Integrate the Host Committee and the Las Vegas News Bureau into the campaign.
- ❖ Expand and enhance the strategic communications plan surrounding the vitality and importance of Las Vegas' meetings and convention industry in generating economic benefits for the destination, resulting in significant media coverage.
- ❖ Continue to build and enhance community partnerships across various target constituencies to engage community stakeholders in advocating the value of the travel and tourism industry to the local economy. In particular, focus on the meetings and conventions industry's efforts in corporate social responsibility and its impact locally.
- ❖ Preserve and promote Las Vegas history through Las Vegas News Bureau exhibitions, collaborations with museums and universities, expanded distribution to the media and the archival digitalization initiative which ensures negatives and film remain preserved and protected against age and deterioration.
- ❖ Develop a series of case studies on Las Vegas and the LVCVA highlighting the destination's "industry firsts" and industry-leading initiatives that serve as models for other destinations. Generate media coverage of the case studies.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Media inquiries coordinated	1,398	1,550	1,850
News Bureau videos downloaded/distributed	972	1,000	1,100
News Bureau photos distributed/distributed via wire	31,278	32,000	34,000
Community exhibits	15	12	12
Speaking engagements	215	220	230

### PUBLIC AFFAIRS (continued)

#### Prior Year Achievements

- ❖ Developed and implemented a coordinated communication plan and legislative outreach plan that connected the benefits of the travel and tourism industry to Southern Nevada and the importance of the LVCC expansion and renovation project.
- ❖ Launched a strategic internal communications initiative to engage and educate employees on LVCVA activities and destination news.
- ❖ Successfully executed a communications strategy promoting the value of meetings and convention industry in Las Vegas resulting in significant media coverage of key events including, ICSC's decision to keep RECon in Las Vegas, IMEX America and the Boyd Aviation Conference's first Las Vegas presence. Also held first "fam" tour for business industry trade media to promote the destination as the premier place for meetings and conventions.
- ❖ Re-envisioned and reformatted the Public Affairs television program "Las Vegas 360: Travel and Tourism" by creating new format and content and utilizing new multi-media channels to distribute the programming to a larger audience in a more efficient and time sensitive manner.
- ❖ Planned and executed a media event and community celebration to commemorate the 50th anniversary of The Beatles only Las Vegas performance in the Las Vegas Convention Center.
- ❖ As part of the ongoing archival digitization initiative, we digitized approximately 10,000 negatives and 600 reels of film from the News Bureau archives.
- ❖ Developed and implemented an outreach program with Academy of Hospitality and Tourism at Valley High School designed to enhance the curriculum with real-world tourism experience.
- ❖ Working closely with resort and allied partners, promoted National Travel and Tourism Week culminating with a successful community rally resulting in media coverage on the value of the industry to the local economy.

## GENERAL GOVERNMENT - HUMAN RESOURCES

### HUMAN RESOURCES

Human Resources will pursue an integrated talent management approach that is tied to LVCVA strategies and objectives. Responsibilities include recruitment, talent management and development, affirmative action, employee/labor relations, collective bargaining negotiations, classification and compensation, benefits administration, and the management of employment terms and conditions along with employee's health, wellness and culture.

#### Goals

- ❖ Develop and implement a Leadership Development program aligned with the Authority's Player Development (succession planning) goals and objectives.
- ❖ Expand Business Partner contacts with customers by 40%. Engage customers on a more regular schedule to ensure a pro-active posture.
- ❖ Join a collaborative effort with the Finance and Information Technology departments to define requirements and research an integrated Enterprise Resource Program (ERP) by fiscal year end.
- ❖ Research, review, and revise the performance evaluation program/process/forms for each employee classification to reflect best practices.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Employees processed (promotions, transfers, hiring & separations)	193	220	362
Applicants processed	546	600	795
Recognition program cards redeemed	415	400	550

#### Prior Year Achievements

- ❖ Implemented an integrated recruiting module. We worked with the software vendor to have our required features added, and are one of three international software clients selected to beta test the newly revised product.
- ❖ Achieved significant success by publishing and distributing bi-weekly Keys to Success pieces to supervisors. The Coffee With Rossi (CWR) Committee reorganized the suggestion box, CWR, and Playbook suggestions into a consolidated product called Employee Voice. Suggestions and responses are addressed 50% faster than they had been previously and feedback from employees has been overwhelmingly positive.
- ❖ Workers Compensation claims have been reduced 5%. Our Alcohol and Drug Policy has been updated and republished. We continue to host wellness fairs and presentations for our employees to foster a healthy workplace.
- ❖ Reorganized and refreshed our employee development activities. The Authority Academy has been replaced by our new Authority Learning and Leadership (ALL) program. Learning and development programs are now focused on adding value directly to operating departments through a one size fits all approach. We have partnered with our Information Technology (IT) department to offer myriad IT, leadership, self-improvement, and management classes on line.
- ❖ Sponsored monthly employee engagement activities, health and wellness information pieces, and fairs. We refreshed our employee recognition program criteria and rewards to enhance recognition and make it easier for employees to submit nominations.

### FINANCE

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

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

#### **Finance and Accounting**

##### *Financial Resources*

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

##### *Accounting*

This section is responsible for the maintaining the general ledger, processing accounts payable and payroll, producing monthly expenditure/budget reports, and handling project accounting. Payroll processes the LVCVA's bi-weekly payroll for over 495 full-time employees and over 420 intermittent and temporary employees. Additional duties include payment of voluntary and involuntary deductions, various bonus programs, federal/state taxes, and retirement contributions.

#### **Purchasing and Business Services**

##### *Financial Systems*

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

##### *Materials Management*

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

##### *Purchasing*

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

##### *Travel Services*

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

**FINANCE (continued)**

Goals

- ❖ Report all financial information in accordance with professional accounting standards and federal, state, and local laws.
- ❖ Provide timely and informative financial information to departments, executive leadership and the Board of Directors that facilitate the proper administration of the organization, are valuable as business decision tools, and are easily understood by our customers.
- ❖ Maintain high levels of professional accounting and reporting standards worthy of the Government Finance Officers Association (GFOA) "*Certificate of Achievement for Excellence in Financial Reporting*," the "*Distinguished Budget Presentation Award*" and the "*Certificate of Excellence in Popular Financial Reporting*" programs.
- ❖ Maintain superior levels of professional procurement standards worthy of the National Purchasing Institute (NPI) "*Achievement of Excellence in Procurement Award*."
- ❖ Provide financial oversight for the LVCC expansion and renovation project, including planning, budgeting, accounting, financial reporting, internal control, auditing, funding, and development of sustainable financing plans.
- ❖ Evaluate additional financial system initiatives for the potential of enhancing customer service levels through effectiveness, timeliness or efficiency of service.
- ❖ Assess and respond to the changing needs of our customers to provide enhanced services that support their mission.

Activity Measures

	<b>Actual FY 14</b>	<b>Est. FY 15</b>	<b>Est. FY 16</b>
Earn GFOA Budget Award (total years)	25	26	27
Earn GFOA CAFR Award (total years)	31	32	33
Earn GFOA Award for PAFR (total years)	8	9	10
Earn Achievement of Excellence in Public Procurement Award (total years)	19	20	21
Full time/part time employees participating in direct deposit	95% / 79%	95% / 80%	95% / 81%
Percent of A/P invoices disbursed electronically	90%	93%	95%
LVCVA's uninsured Revenue Bond rating (Moody's) and (S&P)	A1 / AA	A1 / AA	A1 / AA
Maintain a rate of return on investments at no more than 50 basis points below the 6-month T-bill	+5bp	+5bp	+5bp
Number of calendar days to complete audit and produce CAFR (not to exceed 65)	18	40	40
Number of months that G/L closed within 8 business days	4	8	8
Staff Turnover Rate (not to exceed 10%)	3%	3%	3%
Maintain at minimum a 3.0 debt service coverage ratio	3.8	3.5	2.9
Number of records imaged by page - all applications	203,560	210,000	150,000
Number of Systems Support Help Calls	766	800	800
Number of System Updates and Upgrades	24	25	25
RFP/BID Demand: Average per FTE Assigned	12.5	10.0	13.0
Managing Spend: Term contracts as a % of Purchase Orders	42%	42%	42%
Quantity of outgoing packages packed and shipped	43,449	45,000	45,000
Quantity of Copy Center work orders completed	743	800	850
Warehouse dollars dispensed	1,000,092	1,000,000	1,000,000
Copies produced	756,223	800,000	800,000



### FINANCE (continued)

#### Prior Year Achievements

- ❖ Received the Certificate of Achievement for Excellence in Financial Reporting award from the Government Finance Officers Association for the 31st consecutive year.
- ❖ Received the Distinguished Budget Presentation award from the Government Finance Officers Association for the 26th consecutive year.
- ❖ Received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association for the 8th time.
- ❖ Received the Achievement of Excellence in Public Procurement Award from the National Purchasing Institute for the 20th consecutive year.
- ❖ Obtained an unqualified opinion on the annual audit.
- ❖ Maintained 99% inventory accuracy.
- ❖ Successfully secured a line of credit in the amount of \$275 million to provide timely access to funds for flexibility in pursuing land acquisitions as part of the first phase of the LVCC expansion and renovation project. Successfully issued \$182 million in refunding general obligation bonds to take advantage of lower interest rates and interest savings.
- ❖ Implemented an organization-wide budget process enhancement to eliminate redundancy in compiling budget data. Updated and improved the capital policy by increasing the capital fund threshold to \$10,000 to increase efficiency in the tracking of capital assets.
- ❖ Began implementation of an electronic expense reporting software for use throughout the organization. The transition provides increased efficiency for travelers and greater reporting capabilities.
- ❖ Continued to implement enhancements to the automated travel system to streamline processes.
- ❖ Hosted Committed To Our Business Community, a premier event focusing on local supplier outreach for the third year. The event was free to the public and focused on educating local business on procurement opportunities with Southern Nevada businesses and governments. LVCVA spokesperson promoted the LVCC expansion and renovation project as keynote speaker at which attendance was doubled from the previous year.
- ❖ Continued using the Bank of America credit card rebate program for the fourth year resulting in a rebate of \$104,500.
- ❖ Scanned approximately 50,000 pages of current and historical board agendas/minutes for the Board Office respectively.
- ❖ Applied for the Outstanding Agency Accreditation in Achievement Award through the National Institute of Government Procurement.

# MARKETING

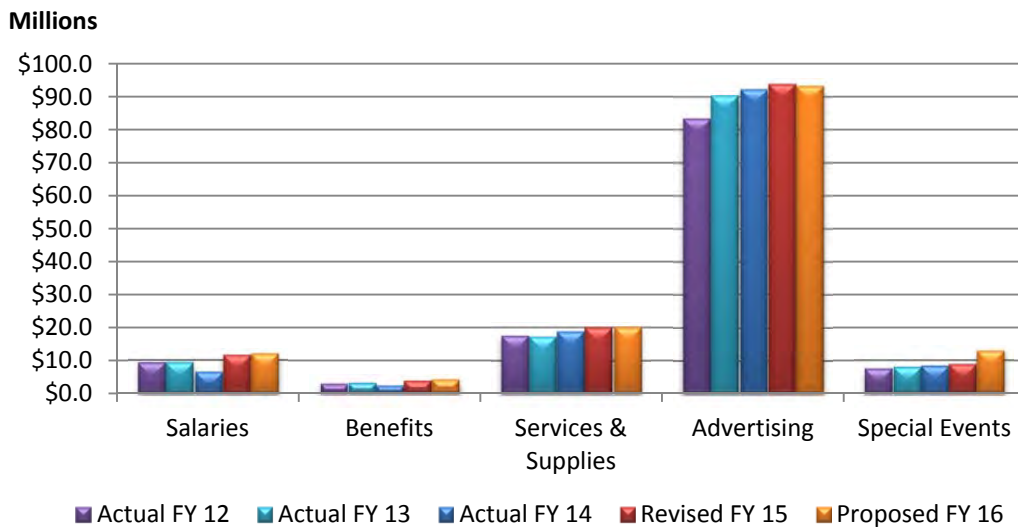
The Marketing division is responsible for increasing leisure travel visitors and convention and meetings attendance. The main functions of this division are Brand Strategy, International Marketing, Global Business Sales, Industry Relations, and Customer Experience. This division also houses Special Events, however it is not shown on the organization chart below as there are no assigned personnel.



### MARKETING FY 2016 EXPENDITURES



### COMPARISON OF ACTUAL TO BUDGET FY 12 - FY 13 - FY 14 - FY 15 - FY16



Special Events for FY 2012 through FY 2013 are shown for historical purposes, but during those years were not budgeted under the Marketing division.

## MARKETING

### BUDGET ANALYSIS

Services and supplies expenditures are being budgeted with a slight increase as compared to FY 2015 revised budget. Salaries and Benefits also increased 10%, which is mainly due to vacant positions that were filled, and an increase in health care costs and the PERS contribution. The largest increase of 44% is in Special Events, where additional funding was provided for the National Finals Rodeo, which is staying in Las Vegas for another 10 years. Advertising is marginally down as compared to revised FY 2015 budget.

ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16	% CHANGE
9,507,671	9,556,749	6,719,046	Salaries & Wages	11,726,800	12,161,900	3.7%
3,114,427	3,361,046	2,530,192	Employee Benefits	3,975,500	4,380,400	10.2%
17,667,900	17,384,054	18,993,583	Services & Supplies	20,194,800	20,245,400	0.3%
83,636,231	90,587,216	92,470,992	Advertising	94,100,000	93,500,000	(0.6%)
7,713,777	8,233,771	8,570,890	Special Events	9,030,000	13,035,600	44.4%
121,640,006	129,122,836	129,284,703		139,027,100	143,323,300	3.1%
-	-	-	Capital Outlay	12,400	1,000,000	0.0%
125	125	83	Full-time Personnel	125	125	0.0%

Special Events for FY 2012 through FY 2013 are shown for historical purposes, but during those years were not part of the Marketing division.

No new positions have been requested for fiscal year 2016.

A request for two new tradeshow/exhibitors booths were approved this fiscal year for \$1,000,000. No additional capital item requests (i.e. furniture, equipment, and computer-related items over \$10,000) have been made. This request has been accounted for in the capital improvement and replacement fund (see page 85).

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

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

The Marketing Division has developed the following goals:

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

## MARKETING – INTERNATIONAL MARKETING

### INTERNATIONAL SALES

The LVCVA International Sales Department focuses its efforts on expanding visitation from key international markets while influencing, educating and supporting travel distribution partners through 12 offices located in five continents.

Canada, Mexico and the United Kingdom continue to represent the majority of international visitors to Las Vegas, so significant sales, advertising and public relations resources will be deployed in these markets.

Countries such as Australia, China, Germany, Brazil, Korea and Japan represent potential growth opportunities for Las Vegas. While Korea remains the only one of these countries with year-round direct scheduled air service, increased lifts through international carriers such as British Airways and Copa Airlines provides potential visitors with convenient one-stop service from almost anywhere in the world year round. Expanded sales programming and the development of seasonal direct service from France, Germany and the Netherlands should result in additional visitors from these markets.

In the countries of France, Ireland and India, the primary focus will be the development of public relations programs and activities to drive consumer attention to Las Vegas. Sales programs and initiatives in these markets will be handled, as opportunities arise, on a per-project basis. The LVCVA will continue to look for opportunities in other parts of the world that drive visitation to Las Vegas.

Focusing our efforts on integrated sales programming, brand development, public relations and advertising initiatives should result in the growth of international visitation.

#### Goals

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

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Sales Familiarization Tours / Fam Participants	70 / 930	70 / 1000	68 / 1000
Group / Individual Familiarization Tours	30 / 111	30 / 120	30 / 130
Trade Show Attendance	108	100	105
Total sales calls	2,449	2,510	2,750
Media Impressions - <i>in billions</i>	16.0	17.5	18.0
Earned Media Value (\$) - <i>in millions</i>	320	350	380

### INTERNATIONAL SALES (continued)

#### Prior Year Achievements

- ❖ Developed international sales, and public relations programs and initiatives that provided Las Vegas resort partners with an unprecedented number of opportunities and platforms to promote their products and services.
- ❖ Successfully executed integrated sales and public relations programs in Mexico, France, Switzerland, United Kingdom, Denmark and South Korea.
- ❖ Hosted two international focused conferences in Las Vegas that included receptive operators whose key markets included United Kingdom, Germany, Italy, Mexico, Brazil and China.
- ❖ Developed and executed an aggressive Familiarization Program which brought over 1,000 international travel professionals to Las Vegas. The program included FAM tours, sales incentive programs and reverse missions.

## MARKETING – INTERNATIONAL MARKETING

### LEISURE SALES

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

#### Goals

- ❖ Develop and integrate LVCVA digital/social media components for business to business and business to consumer distribution through major leisure distribution channels.
- ❖ Create and implement millennial travel agent specialty itineraries, FAM series and training programs based on focus group results.
- ❖ Develop luxury platform highlighting travel agent commissionable programs for our resort/travel partners.
- ❖ Restructure the Cash In On Vegas rewards platform introducing experiential incentive travel program and automated booking upload capability.
- ❖ Create sales collateral highlighting various market segment features for distribution via major leisure distribution channels.
- ❖ Develop "experiential" FAM tours focused on cultural experiences, special events, and team building activities within the Extended Destinations.
- ❖ Identify destination milestones and develop promotional piece for quarterly distribution in Don Laughlin's Riverside Resort 50th Anniversary.
- ❖ Create and implement a unique sales platform for Extended Destinations hoteliers to interact with travel professionals, motor coach operators, meeting planners and group leaders in feeder markets.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
<b><u>Leisure Sales</u></b>			
Leads	215	215	220
Reported Bookings	209	270	275
Sales Calls	94	94	100
LVCVA / Customer Development Leisure Events Produced	47	57	57
Travel Agent Booking Incentives	74	52	52
<b><u>Leisure Sales (Extended Destinations)</u></b>			
Leads	68	75	80
Out of Market Sales Calls	119	50	55
Industry meetings, events and consumer trade shows attended	91	70	70
Industry-specific Familiarization tours	17	20	25
LVCVA produced client development events	31	25	22

### LEISURE SALES (continued)

#### Prior Year Achievements

- ❖ Refined the Leisure Sales missions by selecting must-see venues and utilizing upgraded Hotelligence and Cash In On Vegas data segmentation to invite “the best” clients to our events.
- ❖ Developed and fine-tuned 6 “experiential” FAMS (Burgers to Broadway, Rock ’n Roll Fantasy, Secret Agent, Up In The Air, Access The Inaccessible, Back To The 80’s).
- ❖ Conducted millennial focus group with Research department targeting luxury travel agents to determine travel trade media and training preferences.
- ❖ Implemented niche market travel agent survey to 45,000 agents and secured over 2,600 responses. Worked with Advertising department to develop targeted email templates for each market segment (Cultural/Historical, Destination Weddings/Honeymoon Travel, Family/Multi-Generational, LGBT, Golf, Spa/Wellness and Outdoor Adventure Travel).
- ❖ Further developed Midwest sales support program, with major travel distribution channels, for our resort partners via our Chicago Regional Office Leisure Sales Executive.
- ❖ Planned and implemented 5 VIP familiarization tours which leveraged the new Laughlin Event Center concerts. Brought in 70 new clients to the destination which resulted in 10 RFPs and 4 bookings.
- ❖ Developed two tri-destination golf FAMS which introduced 14 golf group planners to Primm, Boulder City and Laughlin featuring golf experiences.
- ❖ Created monthly Laughlin Insider newsletter for travel industry professionals.
- ❖ Worked with International, Leisure and Special Events sales executives on 4 post-FAM tours for Mesquite, Boulder City and Laughlin – 2 TEAMS (Travel, Events, and Management in Sports), RSAA (Receptive Services Association of America), and Home Based Agent.



## MARKETING – INTERNATIONAL MARKETING

### SPORTS MARKETING

Las Vegas has become one of the most recognizable brands in the U.S. and arguably the most desirable destination in the world. Las Vegas has played host to events crossing all segments of the sports and entertainment landscape, including NASCAR and NHRA racing, the National Finals Rodeo and the NBA All-Star Game. The city is now positioned to attract some of the world's most exciting events. In addition, major artists representing stage, screen and music continue to make Las Vegas a must stop on their annual tours.

The outlying areas of Mesquite, Primm and Laughlin also continue to host events such as Laughlin Pirates of the Colorado River Regatta, Primm 300 Off-Road Race, and the Mesquite Long Drive competition. These events continue to draw first time visitors to these locations.

Working with Las Vegas Events (LVE), the LVCVA's positioning of Las Vegas as the event and entertainment capital of the world, continues to enhance the brand and drive occupancies during traditionally slower periods of the year.

#### Goals

- ❖ In conjunction with destination partners such as Las Vegas Motor Speedway, MGM Grand Garden, South Point Arena, etc., identify and secure a minimum of three new events.
- ❖ Develop working programs with current Las Vegas hosted events to increase their international attendance by 3%.
- ❖ Book the National Collegiate Athletic Association/National Association of Collegiate Directors of Athletes (NACDA) Annual Convention.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Event leads/bookings	10 / 100	10 / 100	12 / 110
Hospitality programs held	20	20	22
Number of TV/radio events	35	40	45

#### Prior Year Achievements

- ❖ Worked closely with City of North Las Vegas in the development of a city-wide event to be located at the Craig Ranch Event Park.
- ❖ Developed the first cross market LVCVA event which brought together event producers and travel professionals, creating new opportunities for both to develop sales and marketing strategies and drive to create additional sales and increasing room nights associated with these events.
- ❖ Moved the NFR Cowboy Christmas trade event from the North Halls to the South Halls for the next 10 years.

## MARKETING – INTERNATIONAL MARKETING

### SPECIAL EVENTS

For FY 2016, \$10 million in funding will be provided to Las Vegas Events (LVE) – see note on page 17. The \$3 million in supplemental special events funding will support our strategic objectives to increase travel to the destination. The increase in these accounts from the prior year relate to additional funding for the Nationals Final Rodeo.

ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16	% CHANGE
864,782	1,049,953	1,087,992	Salaries & Benefits - LVE	1,144,871	1,227,500	7.2%
5,393,344	5,768,352	6,081,544	Special Events - LVE	6,355,129	8,778,100	38.1%
1,455,651	1,415,466	1,401,353	Special Events - LVCVA	1,530,000	3,030,000	98.0%
7,713,777	8,233,771	8,570,889		9,030,000	13,035,600	44.4%

Throughout the years, the LVCVA has sponsored and promoted special events through grants and sponsorships. The LVCVA has been instrumental in bringing many inaugural events and securing repeat performances to Las Vegas and Clark County.

Room taxes and use of facilities revenues provide funding for various programs. Guidelines have been developed with items such as media exposure, visitor volume, and incremental room nights generated being more heavily reviewed. Also, special events that promote the brand of Las Vegas as well as targeting key visitor demographics are critical when determining event levels of funding.

In 1983, the LVCVA began partnering with Las Vegas Events Inc. (LVE) to promote and encourage special events that will in turn stimulate tourism, and provide media exposure for Nevada. Events sponsored range from rodeo (i.e. National Finals Rodeo) to golf (i.e. Mesquite Long Drive Championship) and from auto races (i.e. NASCAR, Primm 300 Off Road Race, NHRA Drag Races) to music events (i.e. Electric Daisy Carnival and the Laughlin Town Concert) as well as award shows (i.e. Academy of Country Music Awards) and other sporting events (i.e. USA Sevens Rugby Tournament).



### GLOBAL BUSINESS SALES

The Global Business Sales department plays an integral role in securing new and maintaining existing business visitors for the destination. The team is strategic and targeted in disciplines of convention sales, trade show sales medical and wellness tourism cultural/diversity sales. Medical and wellness tourism is a rapidly growing practice in which individuals travel to another state or country to obtain a medical procedure or a wellness treatment. The LVCVA recognizes medical and wellness tourism as a niche market and dedicates sales and marketing activities to promote Las Vegas as a medical meetings and medical and wellness tourism destination. Cultural tourism is a rapidly expanding market due to interest in “learning” vacations and represents an opportunity to increase Las Vegas visitor arrivals by highlighting the area’s history, arts community and outdoor adventure. These teams continue to position the Las Vegas brand to remain “top of mind” with industry professionals and competitive within the international and domestic meetings and trade show industries. The distinct yet equally important disciplines support the LVCVA’s mission to promote Las Vegas as the leading destination for business and leisure travel.

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

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

The key focus during FY 2016 will be the expansion of business sales activities into international markets, finding new business, client retention and communication of the new LVCC expansion and renovation project as the planning continues during 2016. Growing building occupancy for the Las Vegas Convention Center and Cashman Center will continue to be a focus as well as looking for new business for local convention facility stakeholders.

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

#### Goals

- ❖ Provide customer support in all areas: destination knowledge, site tours, public relations support, and key market knowledge.
- ❖ Represent Las Vegas at industry events, develop and produce events including client development functions, tradeshow, special events, and local hotel and community presentations.
- ❖ Continue to utilize our digital marketing tools to complement our sales efforts. Develop a tool to communicate quickly and effectively to our Building Clients in order to disseminate up to the minute information on the LVCC expansion and renovation project. Review how the use of social media resources can augment these efforts.

**GLOBAL BUSINESS SALES (continued)**

- ❖ Establishing new accounts with meeting potential for Las Vegas; accounts that have not been to the destination in past years. Specific programs on developing this business via events in Las Vegas, industry membership organization chapter events (Meetings Professional International, American Society of Association Executives, Professional Convention Management Association, and Society for Incentive Travel Excellence), participation in appointment based shows and referrals from existing clients and supplier partners.
- ❖ Strengthen relations with our hotel partners to support exceptional customer service and destination knowledge.
- ❖ Grow occupancy at the Las Vegas Convention Center and Cashman Center.
- ❖ Implement new and creative client development events “in-market” providing a unique opportunity for us and our stakeholders to develop and maintain client relationships while proving our clients the opportunity to “live the brand” in their own backyard.
- ❖ Implement new international business sales activities for Brazil, Canada, China, Germany, Mexico, United Kingdom.
- ❖ Create and build new sales channel for reaching new international health and wellness business through partnership with US Commercial Service and the World Trade Center Association.

Activity Measures

	<b>Actual FY 14</b>	<b>Est. FY 15</b>	<b>Est. FY 16</b>
LVCVA networking events produced	108	120	120
Industry events attended	359	361	365
Leads	2,840	2,500	2,500
Bookings	3,085	3,125	3,225
Industry trade shows exhibited	31	35	40

Prior Year Achievements

- ❖ Hosted the following industry and/or client events in Las Vegas showcasing the destination: Destination Marketing Association International (DMAI) 100th Annual Conference, IMEX America, Las Vegas Rock ‘n’ Roll Marathon, Meetings Focus Live, Incentive Travel Exchange, Vegas Uncork’d, Las Vegas Corporate Invitational.
- ❖ Created and executed several new “in-market” client development events in Washington DC with the opening of our new office which allow for hotel stakeholder participation and encouraging face to face client networking.
- ❖ Created a database of over 200 LGBT and Cultural Tourism accounts and formed the Las Vegas Museum Alliance to promote cultural tourism to Southern Nevada.
- ❖ Secured the International Council of Shopping Centers RECON Trade Show & Market Place for 2018-2022 by demonstrating all of the unique client experiences, visual, culinary, and business assets of Las Vegas.
- ❖ Hosted a Millennial Meeting Planner Think Tank event to address the needs of that demographic and shared the results with resort industry stakeholders.
- ❖ Co-authored the “Las Vegas Regional Strategic Plan for Medical and Wellness Travel” in cooperation with UNLV’s Harrah’s College of Hotel Administration; Las Vegas HEALS; the Las Vegas Global Economic Alliance and more than 150 contributing members of the medical and hotel spa community.
- ❖ Identified and developed a database of 200 new leisure travel agents who are “Wellness Travel Specialists” through the travel institute.

## MARKETING – INDUSTRY RELATIONS

### INDUSTRY RELATIONS

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

Industry Relations supports projects and programs identified by the LVCVA President/CEO in support of the overall goals of the Authority. Industry Relations coordinates with resort stakeholders and community business partners in addressing issues that affect the destination from a travel tourism perspective including air development, multi-modal transportation challenges and industry events that are hosted by the LVCVA.

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

#### Goals

- ❖ Expand efforts of the LVCVA President/CEO to increase awareness at the local, state and federal levels on the benefits of tourism and its economic impact through participation in industry organizations.
- ❖ Increase direct air service both domestically and internationally working in conjunction with McCarran International Airport.
- ❖ Showcase the destination to leaders in the aviation industry by hosting the Capa Americas Conference and Boyd Aviation Forecast Summit.
- ❖ Plan and execute events for each sales department by partnering with individual executives from Leisure, Global Business Sales, International and Special Events.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Annual Las Vegas Visitor Volume - <i>in millions</i>	40.5	41.0	41.5
Annual In-bound Nonstop Seats Domestic - <i>in millions</i>	23.2	23.5	23.7
Annual In-bound Nonstop Seats International - <i>in millions</i>	1.8	2.1	2.1

### INDUSTRY RELATIONS (continued)

#### Prior Year Achievements

- ❖ Increased total Las Vegas seat capacity by 2.5%; domestic capacity increased 1.5% and international capacity increased 14.5%. The estimated annualized non-gaming economic impact for air service for FY15 is projected to hit \$742 million, a 64% increase over the prior year.
- ❖ Launched new or significantly increased air service in twenty four (24) markets representing 636,000 new inbound seats for the year.
- ❖ Continued success in the building of international air traffic which yielded strong results. New nonstop capacity in the long-haul international markets increased with Asia up 4%, Mexico up 27%, Latin America up 24%, Canada up 16%, and Europe up 2%.
- ❖ Completed the second year in leadership of LVCVA Transportation Steering Committee, a volunteer advisory group of resort tourism industry, transportation, local business and civic leaders focused on enhancing Las Vegas' overall competitiveness as a destination by engaging the broader Las Vegas community in support of initiatives and plans to allow our travelers and resort employees to move smoothly around the destination.
- ❖ Restructured the Industry Relations department with the creation of a new four person events team that has effectively developed workable action plans by partnering with the sales and marketing teams in the implementation and execution of tradeshow, hosted industry events and client development programs.

## MARKETING - BRAND STRATEGY

### BRAND STRATEGY

Brand Strategy comprises Strategic Research and Analytics, Advertising, Brand Public Relations, Digital Engagement and Digital Marketing.

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

Brand PR and Digital Engagement work together to maximize communications opportunities that encompass all product verticals along with sales, advertising and research efforts to provide a comprehensive approach for our marketing influence.

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

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

#### Goals

- ❖ Continue to educate consumers on the product offerings of Las Vegas through multimedia partnerships and leverage key learnings globally.
- ❖ Conduct specific research studies as we prioritize and expand key diversity efforts through partnerships both locally and nationally.
- ❖ Enhance collaborative marketing and public relations programs to leverage social media activations and expand partnerships in Canada, Mexico, United Kingdom, and Brazil, while introducing new emerging markets, such as Australia.
- ❖ Target Millennials through new and emerging digital and social media platforms.
- ❖ Continue to drive awareness of the Extended Destinations through PR efforts and launch a new branded web site for Boulder City.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Web site unique visits— <i>in millions</i>	15.9	16.3	17.0
Web site page views— <i>in millions</i>	90.8	85.1	88.5
Web site units sold	360,407	373,000	396,000

### BRAND STRATEGY (continued)

#### Prior Year Achievements

- ❖ Supported Las Vegas reaching the record-breaking 41 million visitor milestone through our holistic marketing approach.
- ❖ Produced “What Happens Here, Stays Here” TV campaign, which included three television spots and long-form online video to run globally.
- ❖ Leveraged digital and social media assets to reach new domestic and international consumers and educated existing consumers on the Las Vegas brand. Increased potential marketing opportunities by creating Facebook pages for seven different regions of the world and translated LasVegas.com in Chinese, Japanese and Korean.
- ❖ Research insights paved the way for an elevated domestic consumer media strategy which resulted in more than 3.3 billion impressions.
- ❖ Generated nearly 28,000 stories about Las Vegas (domestic and international), which resulted in 22 billion impressions that generated more than \$2.3 billion in publicity value and increased social media followers/fans by more than 35%.



## MARKETING - BRAND STRATEGY

### STRATEGIC RESEARCH & ANALYTICS

The Strategic Research & Analytics department oversees a broad range of functions that while diverse in scope, all focus on understanding and utilizing information to develop and support the LVCVA's overall marketing strategy. The department's wide range of research projects and programs track the dynamics of Las Vegas and Southern Nevada, as well as nationwide competitive gaming and tourism industries. Among the research programs administered by the department are monthly executive summaries of tourism and convention indicators, annual visitor profile studies that track visitor demographics and behaviors, semi-annual marketing bulletins, and a variety of programs to monitor local, national and global travel trends.

#### Goals

- ❖ Develop a library of visually compelling, easy-to-read "snapshots" of various visitor segments based on generation, gender, booking channel, and market segment to complement lengthier visitor profile publications.
- ❖ Devise a comprehensive list of all data sources utilized within the Marketing division to improve efficiencies of data queries and where appropriate, consolidate data.
- ❖ Continue ongoing analyses of client demand and gather customer feedback to steer design and development of the LVCC expansion and renovation project.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Statistical reports and publications produced	32	32	31
Publications distributed	22,593	23,500	23,000

#### Prior Year Achievements

- ❖ Gathered feedback from Millennial-aged travel agents to steer future Leisure Sales efforts.
- ❖ Completed a day-long think tank exercise with meeting planners to guide Millennial sales and marketing activities.
- ❖ Devised a generational breakout report from the Las Vegas Visitor Profile Study that highlights differing visitor characteristics among Baby Boomers, Generation X and Millennial travelers.
- ❖ Completed a Media Attitudes and Usage Study designed to examine what media and devices travelers use and how they use them, reveal what creates the spark of inspiration to travel and determine where conversations should be launched to maximize reach and impact among target audiences.
- ❖ Implemented the Las Vegas Future and Generations Study to obtain a comprehensive view of how generations interact with Las Vegas and reveal how to meet their future needs, while having travelers project the Las Vegas of the future to extend relevance, differentiation and growing visitation among travelers to the destination.
- ❖ Conducted a pilot "Idea Hub" research program to serve as an ongoing customer feedback mechanism where leisure travelers gave initial reactions on ideas or concepts for the resort community.

## MARKETING – CUSTOMER EXPERIENCE

### CUSTOMER EXPERIENCE

The Customer Experience section includes the Customer Experience department and the Convention Services and Destination Services departments.

The Customer Experience Department spearheads the LVCVA's efforts to address the specific needs of our attendee and exhibitor customer base.

Globally, Customer Experience is responsible for developing programs that deliver the LVCVA's brand promise at both the Las Vegas Convention Center and Cashman Center. The brand promise is delivered to our attendees, exhibitors and show managers when they arrive on site for their event. Examples of brand promise delivery are clean facilities, reasonably priced food and beverage options, availability of appropriate business services, availability of up-to-date technology, ease of transportation to and from the facility, and helpful employees and stakeholders in the facility. Key functions include being a liaison among various departments of the LVCVA and to establish campus wide programs and initiatives that will improve our customers' experience. In particular, direct responsibilities include delivery of our facility partners' (i.e. ARAMARK, Cox Business, FedEx Office and AMEX Open) operational performance and quality of services. Additionally, the department reviews services delivered by our facility stakeholders such as general service contractors, exhibitor approved contractors, taxi and transportation companies, etc.

#### Goals

- ❖ Assist in developing and introducing programs, initiatives, and physical enhancements that result in an improved customer experience for all guests of the LVCC and Cashman Center.
- ❖ Develop and facilitate roundtable gatherings made up of individuals from various departments and business partners with the objective to foster communications, build relationships, and stimulate ideas that result in improved communications between departments and partners that ultimately result in improved services.
- ❖ Support LVCVA efforts to build community awareness and promote the destination by providing presentations and tours to numerous international groups, government and tourism officials, and student groups.
- ❖ Improve results of Customer Experience Survey for internal business partners, while maintaining an Overall Experience rating of not less than 4.5.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Customer Experience Survey results (overall satisfaction ratings from 1-5)	4.6	4.5	4.6
Community / Industry / Partner outreach presentations	15	22	25
Building Partner Goals to support LVCVA Customer Experience	12	15	17

#### Prior Year Achievements

- ❖ Successfully oversaw the transition of the Harley Davidson retail space to the 3150 Lounge, the newest LVCC building amenity operated and staffed by Aramark.
- ❖ Successfully coordinated and assisted Cox Communication's expansion of the Wi-Fi network coverage throughout the LVCC campus and Cashman Center. 2,100 new access points were installed.
- ❖ Promoted the destination by providing presentations and tours to 22 groups made up of international delegates, government and tourism officials and students.

## MARKETING – CUSTOMER EXPERIENCE

### CONVENTION SERVICES

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

#### Goals

- ❖ Finalize the Memorandum of Understanding (MOU) with the City of Las Vegas for Cashman Center to be inclusive of outdoor electrical permitting, show permitting and all Assembly Guidelines. This MOU would be similar to the agreement we have with the Clark County.
- ❖ Implementation of Social Tables, which is a new cloud-based software program for event planning. This program will allow convention service managers and all show producers for both facilities to produce and store layouts for meeting rooms, exhibit halls, and parking lots in a 3D format. It can also be used simultaneously with show producers and convention service managers in planning events together.
- ❖ Participate with local community groups providing educational talking points and presentations focusing on the value and importance of the hospitality/tourism industry within Southern Nevada. Included in each outreach event will be the mission of the LVCVA highlighting various examples of our expertise and leadership in the tourism industry and how it affects the local economy.
- ❖ Introduce new exhibition guidelines for emerging trends/markets within the tradeshow industry, i.e. drone policy, special outdoor event guidelines/checklists, vapor products, hot air balloon exhibitions etc. and share our best practices industry-wide.
- ❖ Upgrade Masterbook program to interface between Global Business Sales and the Leasing department to better manage space blocks and internal bookings. This upgrade will also allow more efficient invoicing upon conclusion of events.

#### Activity Measures

	Actual FY 13	Est. FY 14	Est. FY 15
New leases generated (LVCC/Cashman)	91 / 167	105 / 178	115 / 184
Revised Leased processed (LVCC/Cashman)	184 / 62	200 / 72	215 / 82
New and Revisited Internal Bookings Processed (LVCC/Cashman)	416 / 205	446 / 210	491 / 215
VIP Bookings Processed (LVCC/Cashman)	12 / 0	14 / 0	17 / 0
Conventions/Events/Tradeshows Serviced (LVCC/Cashman)	63 / 205	66 / 215	70 / 225

#### Prior Year Achievements

- ❖ Conducted annual client events (by region) with our largest show management groups by visiting their offices and providing current building, city, county and state regulations while fostering relationships.
- ❖ Departmental staff successfully completed certifications focusing on Certified Event Management (CEM), Certified Meeting Planner (CMP) and other industry related certifications.
- ❖ Restructured Convention Services and the Leasing department to better manage the existing workloads and in preparation for the LVCC expansion and renovation project.
- ❖ Implemented a new program called DocuSign for both properties. This new software program allows the Leasing department to send out all leases electronically and also for clients to sign and return electronically.
- ❖ Developed relationships with peer groups and industry organizations which allow for the sharing of "Current Best Methods" and dealing with industry-wide issues.

## MARKETING – CUSTOMER EXPERIENCE

### DESTINATION SERVICES

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

#### Goals

- ❖ Complete the décor in all Visitor Information Centers, complimenting their new remodeled look.
- ❖ Install a photo kiosk at the LV VIC, and monitor its use to validate whether it's a valuable commodity to our visitors.
- ❖ Work with ITD to install Wi-Fi capabilities at all VIC's.
- ❖ Cross-train in all areas of VIS: VIC, Call Center, Concierge Desk, Reception Desk, special projects, etc.

#### Activity Measures

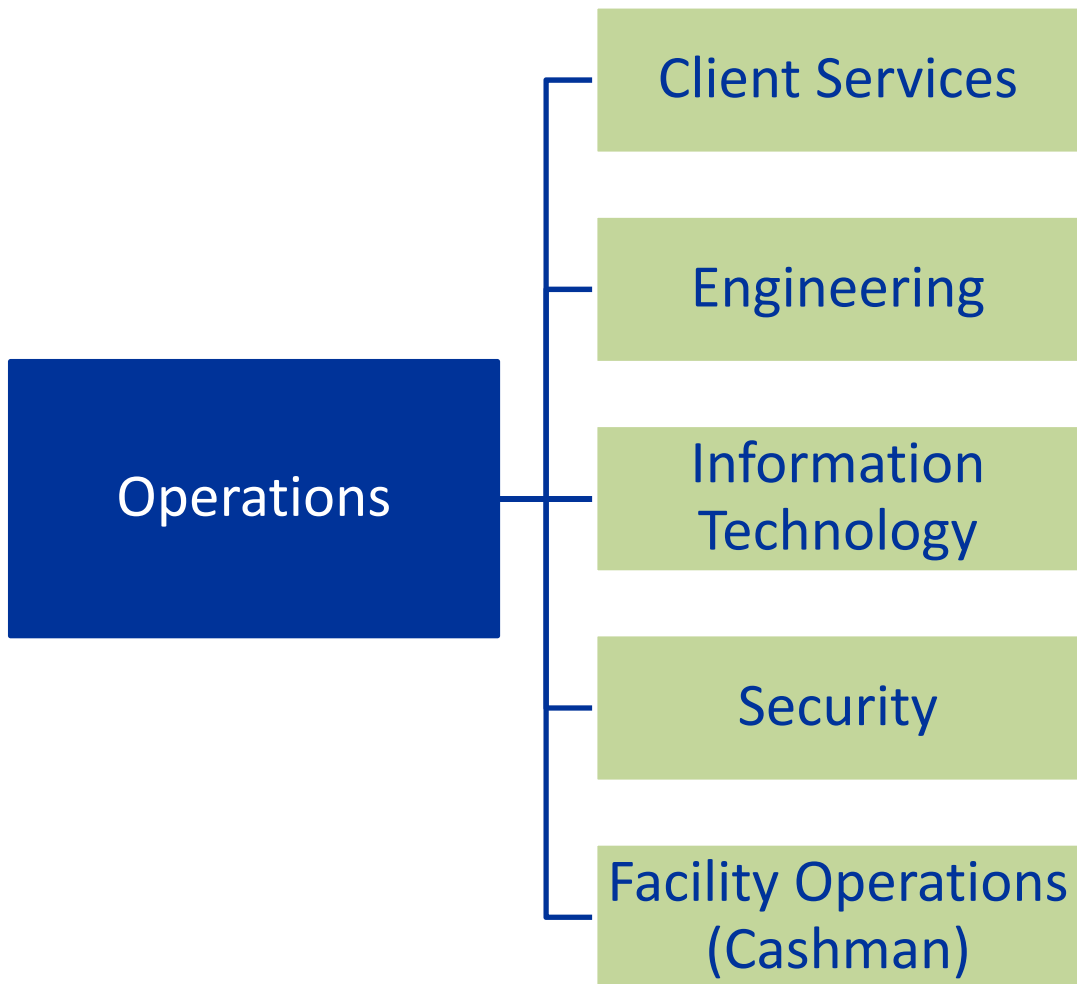
	Actual FY 14	Est. FY 15	Est. FY 16
Total Visitor Volume (all centers)	232,814	224,554	217,908
Visitor Center Brochures Distributions (all centers)	1,791,149	1,871,644	1,857,955
Number of Conventions Serviced by Registration	280	240	245
Total Registration Hours	111,198	78,011	82,500
Revenue Billed by Registration Services	\$1,317,406	\$925,000	\$985,588

#### Prior Year Achievements

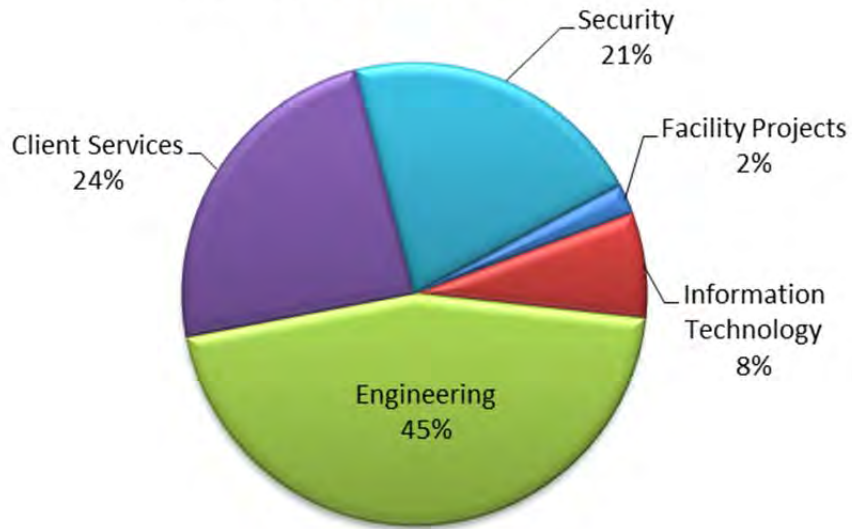
- ❖ Remodeled all Visitor Information Centers.
- ❖ Reduced costs by closing Primm Visitor Information Center.
- ❖ Installed satellite radio in all Visitor Information Centers.
- ❖ Rolled out and introduced Reg. Web; a web portal for our Registration Clerks.

## OPERATIONS

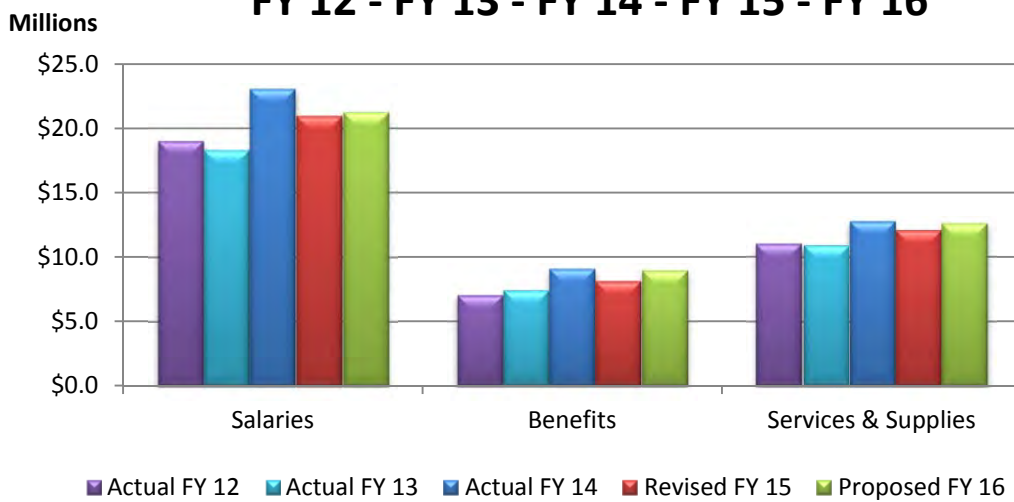
The Operations division will support housing our convention and meetings visitors. The Operations section has the overall responsibility for the operation, maintenance, and safety of the Las Vegas Convention Center and Cashman Center.



**OPERATIONS  
FY 2016 EXPENDITURES**



**COMPARISON OF ACTUAL TO BUDGET  
FY 12 - FY 13 - FY 14 - FY 15 - FY 16**



## OPERATIONS

### BUDGET ANALYSIS

The Operations budget reflects a 4% increase in FY 2016 as compared to the FY 2015 revised budget, mainly due to increases in employee benefits. Of the services and supplies budget, approximately \$8.2 million is devoted to utilities and trash (61%), and \$1.5 million (9.5%) is for repair and maintenance.

No new positions have been requested in FY 2016.

ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16	% CHANGE
19,039,567	18,350,875	23,080,276	Salaries & Wages	20,994,400	21,267,500	1.3%
7,050,453	7,419,246	9,076,876	Employee Benefits	8,139,300	8,955,900	10.0%
11,041,858	10,920,781	12,779,008	Services & Supplies	12,086,000	12,611,200	4.3%
37,131,878	36,690,902	44,936,160		41,219,700	42,834,600	3.9%
1,123,950	1,749,314	930,032	Capital Outlay	747,000	471,950	(36.8%)
303	303	347	Full-time Personnel	309	309	0.0%

Capital item requests (i.e. furniture and equipment over \$10,000) for \$471,950 have been made this fiscal year. Those requests are accounted for in the capital improvement and replacement fund (see page 85). All computer-related budget requests (i.e. computers, printers, software, scanners, and network servers) are accounted for in Information Technology's capital budget.

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

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

- ❖ Continue with preparations, planning, and due diligence phases for the LVCC expansion and renovation project.
- ❖ Create an outreach program with other local governmental jurisdiction licensing divisions and permitting departments who service the Southern Nevada tradeshow and convention industry to better service the exhibitor and tradeshow organizers with an improved streamlined process.
- ❖ Introduce initiatives to foster employee development, partner education, and stakeholder outreach to ensure a consistent understanding and delivery of the LVCVA brand promise.
- ❖ Launch the planning and design process for the LVCC expansion and renovation project.
- ❖ Fully develop the LVCVA's commitment to sustainability, including the continuation of green operating procedures, increased energy measurement and efficiencies, and staff education in sustainable practices.
- ❖ Develop and execute facility improvement, upgrades and renovation programs to maintain the competitive features and offerings of the Las Vegas Convention Center and Cashman Center.
- ❖ Develop incremental programming to improve supervisor and management training, employee development, and staff accountability.

## OPERATIONS – CLIENT SERVICES

### CLIENT SERVICES

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

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

#### Goals

- ❖ Client Services will explore and implement a more efficient management structure for the department, including improved response times to customer requirements, increased oversight of high traffic areas and improved usage of facility dark time.
- ❖ Explore and introduce more technologies that will simplify various repeat processes and provide mobility to supervisors and managers when requirements call for “in the field” responses.
- ❖ Further develop training opportunities in multiple areas that focus in greater detail on outcomes and trends within the industry, as well as focus on classification specific hands-on coaching.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Recycle rate (per calendar year)	51%	55%	53%
Scheduled room changes	658	576	630
Work orders complete	1,239	1,335	1,390
Restroom support (% of labor-hours used)	37%	36%	37%
Building maintenance (% of labor hours used)	24%	23%	25%

#### Prior Year Achievements

- ❖ Implemented a career progression training program that focuses on preparing internal staff for promotional and leadership roles by identifying best fit candidates through an established process.
- ❖ Established new processes and procedures for the Client Services warehouse in order to increase the accountability for both supplies and equipment located in the warehouse as well as in various storage areas within the facility.
- ❖ Expanded Client Services on-boarding handbook to include pertinent information for all classifications such as job description updates, facility survey information, event coverage and updated procedures for areas of coverage.
- ❖ Provided seating clusters throughout various meeting room corridors in order to accommodate the multiple pop-up meetings that occur during a show.



## OPERATIONS – ENGINEERING

### ENGINEERING

#### LAS VEGAS CONVENTION CENTER

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

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

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

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

#### Goals

- ❖ Reorganization of the Engineering department in preparation for the LVCC expansion and renovation project.
- ❖ Implementation of a work order maintenance strategy to establish 100% material controls.
- ❖ Complete building of frame shop.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Maintained and/or repaired doors (5,620)	4,230	4,245	4,275
Maintained and/or repaired fleet vehicles, carts, and multi-use lift equipment (204)	204	204	204
Maintained and/or repaired bulbs and lamps (278,000)	236,300	236,800	239,000
Maintained plumbing fixtures (1,589)	874	1,019	1,192
Maintained ceiling components (892,000 sq. ft.)	713,600	813,600	828,100
Maintained restroom partition doors and door hooks (1,088)	979	1,002	1,025
Maintained and/or repaired electrical power panels and disconnects (1,500)	700	600	625
Maintained restrooms (126) and janitor closets (32)	106	106	99
Maintained amplifiers (280)	240	240	280
Maintained and/or repaired stand alone a/c units (182)	132	140	148
Maintained freight doors (92) and Central Plant doors (4)	74 / 4	78 / 4	82 / 4
Maintained elevators (24) and escalators (20)	24 / 20	24 / 20	24 / 20
Maintained radios (346) and auxiliary components (41)	346 / 41	346 / 41	346 / 41
Maintained and/or repaired parking areas (76 acres)	76	76	76
Maintained air handlers (142)	118	124	130

### ENGINEERING (continued)

#### Prior Year Achievements

- ❖ Build out of freight door 11 into Administrative Entrance. This area, although previously not an official entrance for our customers, was often used as one, creating a less than desirable first impression. Personnel and resources were allocated to remove the freight door, add walk-through doors, and install carpet and aesthetic details creating two entrances (public and employee). It is now an open concourse concept and a visibly appealing alternate entrance to the facility.
- ❖ Completed VIC remodel. The appearance of the four Visitor Information Centers was outdated and inconsistent with each other. A plan was developed to update the appearance of all of the VICs as well as create a standard look for all locations. A combination of in-house personnel and contracted labor removed/replaced timeworn furnishings, changed flooring, and painted walls significantly improving their appearance.
- ❖ Upgraded Silver 2 parking lot. The parking lot and concrete in the area was between twenty and forty years old and had sustained considerable damage. All concrete was replaced, improving the appearance of the main entrance to the building and a sidewalk was added from Silver 2 to the monorail walk way.
- ❖ Completed the Cambridge warehouse records enclosure project. To be compliant with Nevada Administrative Code 239, regarding the storage of public records, the LVCVA built a protected storage facility inside the Cambridge Warehouse. A combination of in-house staff and contractors provided the labor to complete the project. It is secure, fire protected, weather and climate controlled.
- ❖ Developed and implemented long-term, sustainable plans for R&M as related to patch and paint work. Reviewed existing practice and protocol and made adjustments to improve existing procedures and created a schedule to ensure realistic expectations for completion.

## OPERATIONS – ENGINEERING

### FACILITY PROJECTS

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

#### Goals

- ❖ Continue the property lighting upgrade program through multiyear projects such as replacement of Kirlin brand light fixtures, lighting control system upgrades and exterior perimeter lighting.
- ❖ Update section and department policies to include the use of standardized construction forms as well as the creation of a Tenant Improvement Manual to be utilized by all entities making any alterations to the properties.
- ❖ Continue a multiyear project to improve the flow of pedestrian and vehicular traffic by implementing new directional external signage.
- ❖ Improve safety by integrating fire alarm systems at the Public Affairs building and Cambridge Warehouse and continuing with the multiyear project of an Emergency Notification system in various areas of the property.
- ❖ Begin a multiyear door replacement project replacing wooden doors with metal fire rated doors and panic hardware to improve safety for customers and employees.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Construction (CIP) pay applications and invoices reviewed and submitted	205	175	200
Completed Board Approved CIP and additional approved CIP projects	25	20	25

#### Prior Year Achievements

- ❖ Enhanced the customer experience by repurposing alcoves and telephone banks in the Grand Concourse, by evaluating the placement of vending machines and assessing the unique use of each space.
- ❖ Increased the usable space in the Green Lot through procurement of additional property. Added lighting, paving and landscaping to the Green Lot as well as the vacant lot at 820 Desert Inn Road to better serve customers and exhibitors.
- ❖ Coordinated the renovation and update of the interior of sixteen public elevators throughout the LVCC to improve and update the environment for customers.
- ❖ Coordinated the renovation and update of four Visitor Information Centers (Mesquite, Boulder City, Laughlin, and LVCC) with paint, carpet, ceiling tiles, technology and lighting to improve the experience of visitors to Las Vegas.
- ❖ Began updating department policies and procedures by completing the construction change order process.

## OPERATIONS – INFORMATION TECHNOLOGY

### INFORMATION TECHNOLOGY

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

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

#### Goals

- ❖ Progress technology to support the mission of the General Government, Marketing and Operations divisions of the LVCVA while controlling technology operating costs.
- ❖ Work with Authority leadership and stakeholders to develop the technology initiatives for the LVCC expansion and renovation project.
- ❖ Integrate the Communications section into the Information Technology section; enabling human and technical resources to develop and support new digital communications technology while supporting show operations.
- ❖ Improve security and IT user authentication systems to allow for single sign-on access to multiple computing resources; eliminating the need for management of multiple user accounts and passwords.
- ❖ Leverage cloud-based technologies to support an increasing mobile workforce while allowing for reduction in legacy on premise computing resources.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
In-House Training Cost Savings (dollars)	\$36,000	\$47,000	\$80,000
Server availability (%)	99.97%	99.98%	99.98%
Total Help Desk Calls Fielded	4,890	4,900	5,800
Network Devices Supported (Switches & Servers)	66	68	68
Computers Supported (PC's & Laptops)	430	450	470

#### Prior Year Achievements

- ❖ Worked with Security department to implement new video, card access, panic and intrusion alarm systems.
- ❖ Implemented new technology in Boulder City, Laughlin, and Mesquite VICs, including updated VoIP phones, network, and interactive touch screen staff-assisted presentation units during the remodeling of the offices.
- ❖ Installed hardware components to expand LVCVA network capacity in exhibit halls to support security and lighting control systems.
- ❖ Re-designed the architecture of LVCVA Online Budgeting Program. OLB was put into live production for FY 2016 budget preparation.
- ❖ Automated of the Brand Champion employee recognition program.

## OPERATIONS – SECURITY

### SECURITY

With over 200 full and part-time staff, the Security department consists of three sections: Security Operations, Traffic and Fire Prevention. Security also consists of three sub-sections – Control Center, Life Systems, and Safety. It is the only section with a 24/7 presence at Cashman Center. Security is responsible for calls for service within the LVCC, monitoring and maintaining all technologies utilized by the department to ensure the facility and all occupants are safe. Those technologies include surveillance, fire systems and access control, texting and weather alert notifications. Additionally, this section manages the nursing/first aid program, executive protection, as well as the K-9 unit. The Safety sub-section is responsible for leading employee safety efforts including program management, OSHA compliance, injury prevention and safety training. The K-9 unit is responsible for checking objects, suspicious packages and areas for explosive contraband. The presence of a canine team in our environment is a proven deterrent to criminal activity involving explosives or other contraband.

Traffic consists of bike officers, perimeter security and traffic control. Perimeter Security monitors freight areas and assists in ensuring all vehicular traffic coming on property is authorized. Traffic control includes paid parking which generates revenue for the organization. The bike officers respond to calls for service all around the exterior of the LVCC and Cashman Center.

Fire Prevention is responsible for ensuring and maintaining a safe and risk-free environment for employees, visitors, and guests through the enforcement of regulatory statutes, codes, industry standards, and basic risk management theories and practices.

Over the years, Security has established a diverse position in the community, collaborating with organizations equally committed to protecting the public's welfare and core infrastructures. Some of those organizations include the International Tourism Safety Association, Las Vegas Security Chiefs Association and Las Vegas Metropolitan Police Department's Southern Nevada Counter-Terrorism (Fusion) Center.

#### Goals

- ❖ Complete the current multi-phase upgrade to the Authority's surveillance and access control systems.
- ❖ Develop and implement a comprehensive security and safety plan for newly acquired property/land, in support of the LVCC expansion and renovation project.
- ❖ Continue to foster organizational safety efforts through involvement by leadership and employee using training, information sharing, goals/metrics and mentoring. Continue efforts towards standards compliance by developing necessary safety programs and procedures.
- ❖ Introduce new section initiatives focusing on elevating the customers' experience.
- ❖ Combine efforts with LVMPD's new Tourist Safety Division (TSD) to improve safety and security along the resort corridor through a series of initiatives.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Lost/Found – percentage of items returned to owner	49%	50%	51%
Photo ID badges created for building workers	4,481	4,462	4,471
First aid room contacts (patients treated)	2,378	1,845	2,150
Paid Parking revenue	\$2,806,698	\$2,800,000	\$2,820,000
Total Guest Assist Text Conversations	395	426	464
Total Guest Assist Text Alerts Released by Control Center	957	820	900
Number of Individuals receiving Guest Assist Text Alerts	26,601	28,053	30,000

### SECURITY (continued)

#### Prior Year Achievements

- ❖ Enhanced Perimeter Security Program by adding four additional full time Perimeter Security Officers to swing shift hours.
- ❖ Hosted several informational meetings and training opportunities for industry stakeholders and partners.
- ❖ Set monthly meetings between leadership of Security and TSD to discuss matters which relate to tourist resort corridor.
- ❖ Partnered with Clark County to install a crosswalk located on Swenson St. between Las Vegas Convention Center's South Hall and Green Parking Lot.
- ❖ Assisted in the implementation of a new software program designed to monitor/integrate access control, surveillance cameras and intrusion alarms into one system. As a result of this program, a newly designed employee photo identification badge, which includes a proximity feature, was also rolled out.

## OPERATIONS – FACILITY OPERATIONS

### FACILITY OPERATIONS

#### CASHMAN CENTER

Cashman Center is located on 51 acres near downtown Las Vegas. This facility provides an outdoor sports stadium that seats 10,000 fans and is home to a Triple A baseball franchise, the Las Vegas 51s. There is a state-of-the-art theater that will accommodate 1,922 patrons, with seating on the main floor and balcony areas. The campus contains fourteen meeting rooms with approximately 13,000 square feet of space and two exhibit halls with 98,100 square feet of space for small conventions, seminars, receptions and other events. See the schematic on page 8.

#### Goals

- ❖ Identify and implement a sports turf maintenance training program.
- ❖ Collect and track appropriate data to establish facility data vs. International Facility Management Association (IFMA) benchmarking reports.
- ❖ Collaborate with building partners for continued opportunities to improve customer experience.
- ❖ Implement a revised conservation plan, achieving incremental water savings.

#### Activity Measures

	Actual FY 14	Est. FY 15	Est. FY 16
Work orders completed	1,209	1,100	1,100
Scheduled preventative maintenance completed	65%	75%	90%
Ball Field Maintenance (labor hours)	6,950	7,200	7,300
Show Managers Survey: Overall Experience (scale 1 -5)	4.8	4.8	4.8

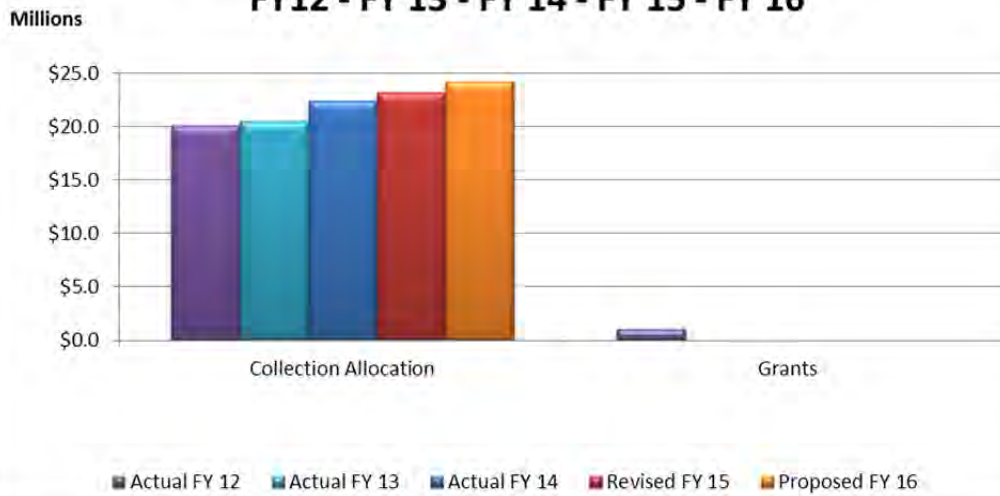
#### Prior Year Achievements

- ❖ Established and hosted the inaugural community field maintenance clinic.
- ❖ Worked with Major League Baseball to ensure the facility was in complete compliance with new technology requirements for pitch clocks.
- ❖ Assisted business partner's integration of new staff and procedures resulting in "Overall Service" show manager survey scores of 4.3 (Aramark) and 5.0 (Cox Business Services).
- ❖ Renovated security office, umpire's locker room and main kitchen.

### FY 2016 Expenditures



### COMPARISON OF ACTUAL TO BUDGET FY12 - FY 13 - FY 14 - FY 15 - FY 16





## COMMUNITY SUPPORT

### BUDGET ANALYSIS

There have never been any positions or capital outlay budgeted for this section.

Collection allocation increases and decreases proportionally with room taxes as it is based on 10% of the amount of room taxes and gaming fees collected.

Traditional grant programs have been discontinued and community tourism events are now funded through a sponsorship program in the Marketing division.

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

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

ACTUAL FY 12	ACTUAL FY 13	ACTUAL FY 14	EXPENDITURES BY CATEGORY AND OTHER FINANCING SOURCES	REVISED BUDGET FY 15	PROPOSED BUDGET FY 16	% CHANGE
20,140,605	20,502,802	22,449,149	Collection Allocation	23,155,000	24,195,000	4.5%
1,000,000	-	-	Grants	-	-	0.0%
16,980	6,379	28,837	Other	-	-	0.0%
21,157,585	20,509,181	22,477,986		23,155,000	24,195,000	4.5%
61,035,737	65,778,232	61,483,509	Other Financing Uses	82,173,912	66,974,925	(18.5%)
-	-	-	Reserve for Contingency	500,000	500,000	0.0%
82,193,322	86,287,413	83,961,495		105,828,912	91,669,925	(13.4%)

Presently, 10% of the total room taxes and gaming fees collected are returned to the county and the cities. The division of this collection allocation is set forth in an agreement between the various entities and may be designated by the individual entities for any purpose. The distribution to the county and its incorporated cities is mainly based upon the governor-certified population figures as prepared by the state demographer. The agreement adopted in FY 2007 maintained the reimbursement allocation up to the level as paid in FY 2007 ("Baseline"). Reimbursement above the baseline is paid to the entity that collected the increase. If revenue falls below the FY 2007 level, the agreement reverts back to the one adopted in 1995 which is based solely on population with a set percentage for the cities of Mesquite and Boulder City. As collection allocation budget in FY 2016 is above the FY 2007 level, entity distribution is based on the 2007 agreement.

A Fair & Recreation Event Sponsorship program was established in FY 2013 to sponsor community events for the purpose of driving tourism to and within Clark County as well as garnering exposure for southern Nevada tourism destinations. This program is part of the Marketing division.

## CAPITAL PROJECTS FUNDS SUMMARY

The capital projects funds are used to account for the acquisition of capital assets and the construction of new facilities or improvements. For FY 2016, the LVCVA has five internal active capital project funds. The Capital Improvement and Replacement Fund, the Land Acquisition Fund, the LVCC Expansion and Renovation Project Facility Credit Fund, Nevada Department of Transportation Fund, and the LVCC Expansion and Renovation Project Fund are discussed on the following pages. The historical schedule below includes all capital project funds active during that fiscal year.

	ACTUAL FY 2013	ACTUAL FY 2014	REVISED BUDGET FY 2015	PROPOSED BUDGET FY 2016	% INCREASE FY16/15
<b>REVENUES:</b>					
Grants	\$ 50,000	-	-	-	
Interest	154,347	\$ 143,554	\$ 118,600	\$ 137,000	16%
Unrealized Gain/Loss	(34,878)	(9,092)	-	-	0%
Miscellaneous	27,070	26,347	-	-	0%
Contracted Reserve	365,535	765,782	-	-	0%
Capital Contribution	556,322	-	-	-	0%
Total Revenues	<u>1,118,396</u>	<u>926,591</u>	<u>118,600</u>	<u>137,000</u>	<u>16%</u>
<b>EXPENDITURES:</b>					
Aramark Capital Expenditures	365,535	442,033	324,000	-	-100%
Non-Capital Assets	-	132,479	600,000	-	-100%
Leasehold Improvements	-	527,804	135,000	-	-100%
Land & Improvements	22,532,179	21,267,799	210,801,872	255,000	-100%
Buildings	603,483	1,602,438	2,026,100	923,030	-54%
Capital Improvement Program	3,109,766	1,820,101	425,500	-	-100%
Capital Transition Projects	7,209,655	760,332	366,000	-	-100%
Construction in Progress	11,222,212 *	1,968,234 *	13,957,951 *	153,510,000 *	1000%
Furniture & Equipment	-	-	-	-	0%
General Government	-	-	42,000	-	-100%
Marketing	-	-	3,400	1,000,000	29312%
Operations	1,749,314	930,032	709,000	621,970	-12%
Capital Leases	14,942	334,547	-	-	0%
Capital Lease Principal	94,118	119,927	130,000	130,000	0%
Capital Lease Interest	3,273	710	-	-	0%
Debt Issuance Costs	724,062	1,455,215	-	-	0%
Total Expenditures	<u>47,628,540</u>	<u>31,361,651</u>	<u>229,520,823</u>	<u>156,440,000</u>	<u>-32%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(46,510,144)	(30,435,060)	(229,402,223)	(156,303,000)	-32%
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In	12,800,000	7,250,000	21,500,000	2,750,000	-87%
Operating Transfers Out	(7,000,000)	-	-	-	0%
Proceeds from Debt Issuance	24,990,000	50,000,000	200,000,000	75,000,000	-63%
Debt Premium	756,043	744,526	-	-	0%
Capital Leases	14,942	334,547	-	-	0%
Total Other Financing Sources (Uses)	<u>31,560,986</u>	<u>58,329,072</u>	<u>221,500,000</u>	<u>77,750,000</u>	<u>-65%</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>					
	(14,949,158)	27,894,013	(7,902,223)	(78,553,000)	894%
<b>FUND BALANCE, BEGINNING</b>					
	<u>74,353,434</u>	<u>59,404,276</u>	<u>87,298,289</u>	<u>79,396,066</u>	<u>-9%</u>
<b>FUND BALANCE, ENDING</b>					
	\$ 59,404,276	\$ 87,298,289	\$ 79,396,066	\$ 843,066	-99%

\*Includes projects from the Nevada Department of Transportation Funds.

## CAPITAL IMPROVEMENT AND REPLACEMENT FUND

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

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

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

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

### CAPITALIZATION THRESHOLD

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

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

#### Capital Fund Threshold

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

#### Capitalization Threshold

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

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

### BUDGET PROCESS

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

## CAPITAL IMPROVEMENT AND REPLACEMENT FUND

### BUDGET PROCESS (continued)

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

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

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

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

Capital land and building improvement project requests have a similar, although more involved, budget process. The capital improvement program is described on page 81.

These expenditures are funded from current operations or bond proceeds.

### IMPACT ON GENERAL FUND

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

Building and land improvements are listed on pages 81-84. Included is a description of the project and any quantifiable impacts on the general fund.

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

### BUDGET ANALYSIS

FY 2016 capital projects and purchases are funded with a transfer to the Capital Improvement and Replacement Fund from the operating budget. The FY 2015 transfer of \$2.75 million is 87% less than FY 2015 revised budget, as during FY 2015 additional funds were augmented into capital. During FY 2016, our capital fund will be used for a variety of small improvement projects, including land improvement, building improvements and routine replacement of furniture and equipment.

The capital improvement program (CIP) is the LVCVA's pay-as-you-go capital plan for funding major expansion and land acquisition. There are no funds budgeted as part of CIP in FY 2016.

Non-CIP building and land Improvements total \$1,178,000 and furniture, equipment, and computer appropriations total \$1,752,000.

## CAPITAL IMPROVEMENT AND REPLACEMENT FUND

A summarized capital building and land improvement listing is included. It is followed by a description of major projects and impacts on the general fund. A capital furniture and equipment listing by organizational unit is also featured.

### CAPITAL IMPROVEMENT AND REPLACEMENT FUND

	ACTUAL FY 2013	ACTUAL FY 2014	REVISED BUDGET FY 2015	PROPOSED BUDGET FY 2016	% INCREASE FY16/15
<b>REVENUES:</b>					
Grants	\$ 50,000	-	-	-	0%
Miscellaneous	25,000	\$ 25,000	-	-	0%
Interest	104,333	93,317	\$ 77,500	\$ 97,700	26%
Unrealized Gain/Loss	(30,254)	(12,940)	-	-	0%
Discounts Earned	2,070	1,349	-	-	0%
Contracted Reserve	365,535	765,782	-	-	0%
Capital Contribution	556,322	-	-	-	0%
Total Revenues	<u>1,073,006</u>	<u>872,508</u>	<u>77,500</u>	<u>97,700</u>	<u>26%</u>
<b>EXPENDITURES:</b>					
Aramark Capital Expense	365,535	442,033	324,000	-	-100%
Non-Capital Assets	-	132,479	600,000	-	-100%
Leasehold Improvements	-	527,804	135,000	-	-100%
Land & Improvements	170,412	21,267,799	10,503,800	255,000	-98%
Buildings	603,483	1,602,438	2,026,100	923,030	-54%
Capital Improvement Program	3,109,766	1,820,101	425,500	-	-100%
Capital Transition Projects	7,209,655	760,332	366,000	-	-100%
Construction in Progress	530,731	492,472	5,389,600	38,000,000	605%
Furniture & Equipment					
General Government	-	-	42,000	-	-100%
Marketing	-	-	3,400	1,000,000	29312%
Operations	1,749,314	930,032	709,000	621,970	-12%
Capital Leases	14,942	334,547	-	-	0%
Capital Lease Principal	94,118	119,927	130,000	130,000	0%
Capital Lease Interest	3,273	710	-	-	0%
Total Expenditures	<u>13,851,229</u>	<u>28,430,674</u>	<u>20,654,400</u>	<u>40,930,000</u>	<u>98%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,778,224)	(27,558,166)	(20,576,900)	(40,832,300)	98%
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from Debt	-	21,008,640	-	-	0%
Capital Leases	14,942	334,547	-	-	0%
Operating Transfers In	12,500,000	7,250,000	21,500,000	2,750,000	-87%
Operating Transfers Out	(7,000,000)	-	-	-	0%
Total Other Financing Sources (Uses)	<u>5,514,942</u>	<u>28,593,187</u>	<u>21,500,000</u>	<u>2,750,000</u>	<u>-87%</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>	(7,263,282)	1,035,020	923,100	(38,082,300)	-4225%
<b>FUND BALANCE, BEGINNING (from CAFR)</b>	<u>44,172,228</u>	<u>36,908,946</u>	<u>37,943,966</u>	<u>38,867,066</u>	<u>2%</u>
<b>FUND BALANCE, ENDING (from CAFR)</b>	<u>\$ 36,908,946</u>	<u>\$ 37,943,966</u>	<u>\$ 38,867,066</u>	<u>\$ 784,766</u>	<u>-98%</u>

## CAPITAL IMPROVEMENT AND REPLACEMENT FUND

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

EXPENDITURE SUMMARY
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### IMPROVEMENTS

#### Building Improvements

Las Vegas Convention Center	\$ 813,000
Cashman Center	20,000

#### Reserves, Bond Proceeds, & Construction Work in Progress

LVCC Expansion & Renovation Project Reserve	15,000,000
LVCC Expansion & Renovation Project Bank Facility Proceeds	75,000,000
LVCC Expansion & Renovation Project Bond Proceeds	28,000,000
Economic Reserve	23,000,000

#### Land Improvements

Las Vegas Convention Center	150,000
Cashman Center	175,000

#### Leasehold Improvements

Visitor Information Centers	20,000
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*Subtotal*

142,178,000

### FURNITURE /FIXTURES & EQUIPMENT

#### General Government

Purchasing & Business Services	280,000
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#### Marketing

International	1,000,000
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#### Operations

Client Services – LVCC	127,000
Client Services – CC	12,000
Communications – LVCC	20,000
Engineering – LVCC	55,000
Information Technology	231,000
Traffic	27,000

*Subtotal*

1,752,000

\$ 143,930,000

Project numbers listed on the following three pages encompass a range of projects from FY 2013 to FY 2016. A project may have expenses in a prior year and also have funding in the new budget year. Additionally, a project which has been canceled in a prior year may receive funding in the new budget year. Using the original project number, we are better able to report the projects' timeline and to track the entire cost.

## CAPITAL IMPROVEMENT AND REPLACEMENT FUND

### CONVENTION CENTER

#### BUILDING IMPROVEMENTS

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

	BUDGET
	<u>FY 2016</u>
00000.16.001 Admin Area Handrail & Glass (3rd Floor Admin Offices)	\$ 25,000
00000.15.022 Admin Network Fiber Optic Replacement	50,000
00000.16.002 Building Enhancement	253,000
00000.13.006 Directional External Signage	50,000
00000.16.003 Door Replacement	100,000
00000.12.003 Emergency Notification System	40,000
00000.16.004 Exterior Lighting Upgrade	75,000
00000.16.005 FedEx Entry Modifications	25,000
00000.16.006 Fire Alarm System Integration -PA & Cambridge	35,000
00000.16.007 Fire Rated Walls - Transformer Rooms	40,000
00000.16.008 Frame Shop - Design & Construction	25,000
00000.12.013 Lighting Controls Upgrade N&C Halls	45,000
00000.15.003 SH Kirlin Fixture Replacement	50,000
	<u>\$ 813,000</u>

#### LAND IMPROVEMENTS

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

00000.13.013 820 Desert Inn Road Turn Lane Design	<u>\$ 150,000</u>
	<u>\$ 150,000</u>

#### MAJOR PROJECTS FOR FY 2016

DOOR REPLACEMENT – There are many wooden doors in the Central Hall that need to be replaced. Metal doors are more durable, easier to repair, and aesthetically appealing. This multi-year project will begin with the bank of doors leading into the Grand Concourse.

DESERT INN ROAD TURN LANE – As part of the enhancements to the property at 820 Desert Inn Road, Clark County is requiring a right-hand turn lane from Desert Inn onto J.W. Brown. The previous site improvements added a parking booth and paved parking stalls.

#### IMPACT ON OPERATING BUDGET

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

## CAPITAL IMPROVEMENT AND REPLACEMENT FUND

### IMPACT ON OPERATING BUDGET (continued)

- ✧ Central Hall Door Replacement – Parts for wooden doors are often hard to find. The annual repair costs over the past five years have averaged \$1,000 per year.
- ✧ Lighting Control Upgrade – This project gives personnel the ability to control individual lamps, thus potentially reducing the energy load required by a full bank of lamps. The energy savings is estimated to be between \$2,500 and \$5,000, annually.

With this long-term vision in mind, capital funding in FY 2016 remains limited to reinvestment in the facilities that is deemed to be essential in ensuring current operational excellence. Significant capital improvements programs for the two facilities, including the future year expenditures highlighted on pages 90-94 will be incorporated into the LVCC expansion and renovation project.

### CASHMAN CENTER

#### BUILDING IMPROVEMENTS

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

	<u>BUDGET</u> <u>FY 2016</u>
00000.15.034 Security/Traffic Offices at Cashman	\$ 20,000
	<u>\$ 20,000</u>

#### LAND IMPROVEMENTS

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

00000.16.009 Client Services Trailer Cashman Upgrade	\$ 70,000
00000.16.010 Concrete Walks/Curbing Replacement	50,000
00000.16.011 Lot A Landscaping	55,000
	<u>\$ 175,000</u>

### IMPACT ON OPERATING BUDGET

The various building improvements are not anticipated to reduce repair and maintenance costs nor increase energy efficiency. Also, none of these projects are expected to increase general fund expenditures, such as personnel.



## CAPITAL IMPROVEMENT AND REPLACEMENT FUND

### LEASEHOLD IMPROVEMENTS

A lease is a contractual understanding between a lessor and lessee that grants the lessee the right to use specific property, owned by the lessor for a specific period of time in return for stipulated, and generally periodic, cash payments. Long-term leases such as those that involve office space ordinarily provide that any improvements made to the leased property revert to the lessor at the end of the life of the lease.

		BUDGET
		FY 2016
00000.16.012	Air Conditioners - VICs	<u>\$ 20,000</u>
		<u>\$ 20,000</u>

### IMPACT ON OPERATING BUDGET

The various building improvements are not anticipated to reduce repair and maintenance costs nor increase energy efficiency. Also, none of these projects are expected to increase general fund expenditures, such as personnel.

# CAPITAL IMPROVEMENT AND REPLACEMENT FUND

## CAPITAL FURNITURE AND EQUIPMENT LISTING

### Departmental Furniture & Equipment

	FURNITURE	EQUIPMENT
<u>GENERAL GOVERNMENT</u>		
<u>PURCHASING &amp; BUSINESS SERVICES</u>		
10905.16.001 Copier Lease		\$ 130,000
10905.16.002 FF&E Reserve		150,000
		280,000
<u>MARKETING</u>		
<u>INTERNATIONAL</u>		
33911.16.001 International Sales Booth		1,000,000
		1,000,000
<u>OPERATIONS</u>		
<u>INFORMATION TECHNOLOGY</u>		
51000.16.001 Network Performance/Traffic Analyzer Software		55,000
51000.14.006 PC/Laptop Leasing		150,000
51000.15.008 Records Management Software		26,000
		231,000
<u>CLIENT SERVICES - LVCC</u>		
55020.16.001 3-Arm Turnstiles (6)		18,000
55020.16.002 Ride-On Scrubbers (2)		65,000
55020.16.003 Single Seat Lobby Furniture	\$ 44,000	
	44,000	83,000
<u>ENGINEERING - LVCC</u>		
55041.16.001 Genie Scissor Lift		15,000
55041.16.002 Security Patrol Vehicle		40,000
		55,000
<u>COMMUNICATIONS - LVCC</u>		
55043.16.001 Crown Audio Amplifiers (10)		20,000
		20,000
<u>TRAFFIC</u>		
55059.16.001 10-Seat Traffic Cart		16,000
55059.16.002 Ice Machine		11,000
		27,000
<u>CLIENT SERVICES - CC</u>		
55220.16.001 3-Arm Turnstiles (4)		12,000
		12,000
<u>TOTALS</u>	\$ 44,000	\$ 1,708,000

## LAND ACQUISITION FUND

This fund was established to account for the expenditures incurred and debt proceeds received to purchase land. Funds were budgeted in FY 2013 as the potential to acquire land adjacent to the Las Vegas Convention Center became available. Acquisition of property near the LVCC provides an opportunity to address long term needs for additional space. Parcels in the area are able to be used for a variety of purposes including, but not limited to, exhibit space, parking, freight marshaling, and facility expansion. Given the scarcity of land that can meet the LVCC's operating needs, taking advantage of these opportunities as properties become available is paramount and in FY 2013 multiple land purchases were made and improvements started. There are no planned expenditures for this fund in FY 2016.

	ACTUAL FY 2013	ACTUAL FY 2014	REVISED BUDGET FY 2015	PROPOSED BUDGET FY 2016	% INCREASE FY16/15
<b>REVENUES:</b>					
Interest	\$ 9,686	\$ 2,157	-	-	0%
Total Revenues	<u>9,686</u>	<u>2,157</u>	<u>-</u>	<u>-</u>	<u>0%</u>
<b>EXPENDITURES:</b>					
CWIP	86,224	1,073,745	\$ 1,812,087	-	-100%
Land & Improvements	22,361,767	-	-	-	0%
Debt Issuance Costs	724,062	-	-	-	0%
Total Expenditures	<u>23,172,054</u>	<u>1,073,745</u>	<u>1,812,087</u>	<u>-</u>	<u>-100%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,162,368)	(1,071,588)	(1,812,087)	-	-100%
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In	300,000	-	-	-	0%
Proceeds from Debt	24,990,000	-	-	-	0%
Debt Premium	756,043	-	-	-	0%
Total Other Financing Source (Uses)	<u>26,046,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0%</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>					
	2,883,675	(1,071,588)	(1,812,087)	-	-100%
<b>FUND BALANCE, BEGINNING (from CAFR)</b>					
	<u>-</u>	<u>2,883,675</u>	<u>1,812,086</u>	<u>-</u>	<u>-100%</u>
<b>FUND BALANCE, ENDING (from CAFR)</b>					
	<u>\$ 2,883,675</u>	<u>\$ 1,812,086</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0%</u>

## LVCC EXPANSION AND RENOVATION PROJECT CREDIT FACILITY

This fund was established to account for the expenditures incurred and debt proceeds received from the JP Morgan LOC to develop the LVCC expansion and renovation project, including land purchases, site improvements and capital improvements.

In February 2013 the Las Vegas Convention and Visitors Authority board of directors approved the LVCC expansion and renovation project conceptual vision. The expansion and renovation plan is currently structured into three phases. Phase One includes acquisition of property near the LVCC providing an opportunity to address long term needs for additional space. Parcels in the area are able to be used for a variety of purposes including, but not limited to, exhibit space, parking, freight marshaling, and facility expansion. Given the scarcity of land that can meet the LVCC's operating needs, taking advantage of these opportunities as properties become available is paramount.

In November 2014, the Las Vegas Convention and Visitors Authority board of directors approved the LOC for \$275 million. And in February 2015, the Board authorized the LVCVA to purchase the Riviera Hotel & Casino with bond proceeds from the LOC. The purchase provides the Authority with an additional 26 acres of property, as well as an entrance to the LVCC expansion and renovation project off the Las Vegas Strip.

FY 2016 is budgeted with an additional \$75 million in bond funds to account for potential expenditures related to land acquisitions and/or other Phase One costs of the LVCC expansion and renovation project, such as demolition, preparation and design costs.

	ACTUAL FY 2013	ACTUAL FY 2014	REVISED BUDGET FY 2015	PROPOSED BUDGET FY 2016	% INCREASE FY16/15
<b>REVENUES:</b>					
Interest	-	-	-	-	0%
Total Revenues	-	-	-	-	0%
<b>EXPENDITURES:</b>					
CWIP	-	-	-	\$ 75,000,000	0%
Land & Improvements	-	-	\$ 200,000,000	-	-100%
Debt Issuance	-	-	-	-	0%
Total Expenditures	-	-	200,000,000	75,000,000	-63%
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(200,000,000)	(75,000,000)	-63%
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from Debt	-	-	200,000,000	75,000,000	-63%
Total Other Financing Source (Uses)	-	-	200,000,000	75,000,000	-63%
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>					
	-	-	-	-	0%
<b>FUND BALANCE, BEGINNING (from CAFR)</b>	-	-	-	-	0%
<b>FUND BALANCE, ENDING (from CAFR)</b>	-	-	\$ -	\$ -	0%

## NEVADA DEPARTMENT OF TRANSPORTATION FUND

As authorized by Nevada Revised Statute 244A.637, the LVCVA issued bonds to provide funding to the Nevada Department of Transportation (NDOT) for road projects along Interstate 15. A legislative mandate required the LVCVA to contribute the lesser of \$20,000,000 a year for a period of 30 years for debt service or a total of \$300,000,000 in principal to the NDOT for projects in Clark County. All bonds have been issued related to this obligation. This fund accounts for the expenditures of funds to the Nevada Department of Transportation. The principal and interest on outstanding debt is accounted for in the debt service section.

The current project being performed by NDOT is a reconstruction of a pedestrian bridge over Tropicana Boulevard; just off of I-15. All remaining funds are expected to be disbursed during FY 2016.

	ACTUAL	ACTUAL	REVISED	PROPOSED	%
	FY 2013	FY 2014	BUDGET	BUDGET	INCREASE
			FY 2015	FY 2016	FY16/15
<b>REVENUES:</b>					
Interest	\$ 40,328	\$ 30,679	\$ 12,100	\$ 10,000	-17%
Unrealized Gain/Loss	(4,624)	3,848	-	-	0%
Total Revenues	<u>35,704</u>	<u>34,527</u>	<u>12,100</u>	<u>10,000</u>	-17%
<b>EXPENDITURES:</b>					
Construction in Progress	<u>10,605,257</u>	<u>402,017</u>	<u>6,756,264</u>	<u>12,510,000</u>	85%
Total Expenditures	<u>10,605,257</u>	<u>402,017</u>	<u>6,756,264</u>	<u>12,510,000</u>	85%
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,569,553)</u>	<u>(367,490)</u>	<u>(6,744,164)</u>	<u>(12,500,000)</u>	85%
<b>OTHER FINANCING SOURCES (USES):</b>					
Total Other Financing Source (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	0%
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>					
	(10,569,553)	(367,490)	(6,744,164)	(12,500,000)	85%
<b>FUND BALANCE, BEGINNING (from CAFR)</b>					
	<u>30,181,206</u>	<u>19,611,653</u>	<u>19,244,164</u>	<u>12,500,000</u>	-35%
<b>FUND BALANCE, ENDING (from CAFR)</b>					
	<u>\$ 19,611,653</u>	<u>\$ 19,244,164</u>	<u>\$ 12,500,000</u>	<u>\$ -</u>	-100%

## LVCC EXPANSION AND RENOVATION PROJECT FUND

This fund was established to account for the expenditures incurred and debt proceeds received to develop the LVCC expansion and renovation project, including land purchases, site improvements and capital improvements. Funding for FY 2016 is planned for potential expenditures related to land acquisitions and/or other Phase One costs of the LVCC expansion and renovation project, such as demolition, preparation and design costs.

	ACTUAL FY 2013	ACTUAL FY 2014	REVISED BUDGET FY 2015	PROPOSED BUDGET FY 2016	% INCREASE FY16/15
<b>REVENUES:</b>					
Interest	\$ -	\$ 17,402	\$ 29,000	\$ 29,300	1%
Other	-	-	-	-	0%
<b>Total Revenues</b>	<u>-</u>	<u>17,402</u>	<u>29,000</u>	<u>29,300</u>	<u>1%</u>
<b>EXPENDITURES:</b>					
CWIP	-	-	-	28,000,000	0%
Land & Improvements	-	-	298,072	-	-100%
Debt Issuance Costs	-	1,455,215	-	-	0%
<b>Total Expenditures</b>	<u>-</u>	<u>1,455,215</u>	<u>298,072</u>	<u>28,000,000</u>	<u>9294%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,437,813)	(269,072)	(27,970,700)	10295%
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from Debt	-	28,991,360	-	-	0%
Debt Premium	-	744,526	-	-	0%
<b>Total Other Financing Source (Uses)</b>	<u>-</u>	<u>29,735,886</u>	<u>-</u>	<u>-</u>	<u>0%</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>					
	-	28,298,072	(269,072)	(27,970,700)	10295%
<b>FUND BALANCE, BEGINNING (from CAFR)</b>					
	<u>-</u>	<u>-</u>	<u>28,298,072</u>	<u>28,029,000</u>	<u>-1%</u>
<b>FUND BALANCE, ENDING (from CAFR)</b>					
	<u>-</u>	<u>\$ 28,298,072</u>	<u>\$ 28,029,000</u>	<u>\$ 58,300</u>	<u>-100%</u>

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

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

The LVCVA prepared a five-year capital improvement plan for fiscal years 2016 – 2020. It includes not only all planned capital acquisitions or projects expected to cost \$30,000 or more in one fiscal year, but also multi-year equipment replacements and additions regardless of estimated individual cost. Current year projects and equipment estimated to be less than \$30,000 are included in the capital furniture and equipment listing on page 85. The first year projects (FY 2016) operating impacts have already been discussed on pages 81-85. If there are any impacts on the operating budgets for FY 2017 – 2020, they will be noted below the project name.

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

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

### BUDGET PROCESS

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

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

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

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

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

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

## LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2016-2020

	FY 16	FY 17	FY 18	FY 19	FY 20
<b>CONVENTION CENTER</b>					
<b>Land Improvements</b>					
820 D.I. Re-Paving Improvements	\$ 150,000	\$ 600,000			
Sidewalk Replacement - Front Entrance to C2		400,000			
3333 Cambridge Retaining Wall & Grading		150,000			
Seal Coat Driveways from North Rd to FD8		125,000			
Perimeter Wrought Iron Fencing and Gates		100,000	\$ 100,000	\$ 100,000	
Seal Coat Blue Lot North & South		100,000			
Seal Coat Purple Lot		80,000			
Orange Lots 1&2 Resurface		54,000	700,000		
Wall Protection Install at Loading Dock 7 and 8		50,000			
Emergency Phones - Parking Lots		45,000			
Electric Car Charging Stations - Phase 2		40,000			
Seal Coat Red Lot & Red Drive		40,000			
Seal Coat North Road		35,000			
Seal Coat Gold Parking Lot			160,000		
Parking Lot Site Improvement Design			159,400		
Green Lot Utility Box Improvements			97,000		
Seal Coat Green Parking Lot			85,000		
Board Room Landscape Area			80,000		
Seal Coat Silver 4 Parking Lot			80,000		
Seal Coat South Drive			60,000		
Seal Coat Silver Drive			50,000		
JWBrown Landscaping			40,000	400,000	
Fire Booster Pump (Paradise)				303,000	
<b>Subtotal</b>	<b>150,000</b>	<b>1,819,000</b>	<b>1,611,400</b>	<b>803,000</b>	-
<b>Capital Improvement Program</b>					
Roof Re-coating - Central Halls		1,500,000			
Restroom Renovation - NE Meeting Rooms		525,000			
Air Handler Replacement - C1 & C2			2,000,000		
Restrooms Renovation - North Hall			1,000,000		\$ 4,000,000
Entry Feature - Gold Lot to LVCC			1,000,000		
Resurfacing/Relamping - Silver Lots 1&2			45,000	527,500	527,500
Electrical Upgrade Distribution - South Halls			30,000	1,040,000	1,160,000
Restroom Renovation - Central Halls				5,000,000	
<b>Subtotal</b>	-	<b>2,025,000</b>	<b>4,075,000</b>	<b>6,567,500</b>	<b>5,687,500</b>



# FIVE YEAR CAPITAL IMPROVEMENT PLAN

## LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2016-2020

	FY 16	FY 17	FY 18	FY 19	FY 20
<b>CONVENTION CENTER</b>					
<b>Building Improvements</b>					
Door Replacement	\$ 100,000	\$ 900,000			
Exterior Lighting Upgrade	75,000				
Admin Network Fiber Optic Replacement	50,000				
Directional External Signage	50,000				
South Hall Kirlin Fixture Replacement	50,000				
Lighting Controls Upgrade (N & C Halls)	45,000	125,000			
Emergency Notification System	40,000	1,000,000	\$ 2,130,465		
Transformer Rooms- Fire Rated Walls & Testing	40,000				
Fire Alarm System Integration - PA & Cambridge	35,000				
Fed Ex Lobby Flooring	25,000				
Frame Shop	25,000				
Handrail and Glass in Administration Area	25,000				
Escalator Replacement - East Lobby		800,000			
HVAC Units Audio Equipment Rooms		550,000			
Orange Lot FD Aprons Replacement		500,000			
HVAC Commissioning, Central, North, South Halls		340,000	170,000		
South Hall Roof Drain Relining		300,000			
HVAC Units Elevator Equipment Rooms		250,000			
Airwall Replacement - NH Annex 2nd Floor		225,000			
C Hall Southside Glass Store Front Replacement		195,000			
N Meeting Room Air Handler Replacement		150,000			
Central Hall Utility Repair		102,200			
Aramark Food Inlets - Central Hall Corridor		100,000			
C1-C2 Hall Hot Water Line Re-piping		100,000			
Cambridge Lot Light Pole Upgrade		95,000			
Surveillance Cameras		90,000	90,000	\$ 90,000	
Restroom Renovation - Traffic Office		90,000			
Central Kitchen Hot Water Heater Upgrade		80,000			
Electrical Outlets Installation S-1 Lobby		80,000			
Dry System Valves Relocation		75,000			
Central Plant - Condenser Pump & VFD		70,000			
Doors Replacement North Meeting Rooms		57,600			
Exhaust Hood Install Aramark Stands			200,000		
Central Plant Hot Water Boilers Burner Upgrade			72,000		
Storage Deck - Paint Shop			69,000		
Off-Site Emergency Operations Center				80,000	
Vertical Metal Gray Siding Repair					\$ 150,000
C3-C4.1 Wall Design and Re-Construction					15,000
<b>Subtotal</b>	<b>560,000</b>	<b>6,274,800</b>	<b>2,731,465</b>	<b>170,000</b>	<b>165,000</b>

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

## LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2016-2020

	FY 16	FY 17	FY 18	FY 19	FY 20
<b>CONVENTION CENTER</b>					
<b>Furniture &amp; Equipment</b>					
International Sales Booth	\$ 1,000,000				
Capital Computer Lease	231,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
FF&E Reserve	150,000	150,000	150,000	150,000	150,000
Copier Lease	130,000	130,000	130,000	130,000	130,000
Other (less than \$30K)	79,970	38,250	48,000	16,000	18,000
Scrubber	65,000	70,000	40,000	110,000	75,000
Lobby Seating	44,000		80,000		
Patrol Vehicle	40,000		40,000		40,000
Tables		198,000		137,400	
Sweeper Truck		110,000			
Skywatch		85,000		85,000	
Trash Receptacles		45,000			
Ride-on Sweeper		40,000			
Ride-on Carpet Extractor		30,000			
Chairs			239,000	359,000	
Shuttle Bus			100,000		
Utility Truck			65,000		
Forklift			47,500		
Stage Panels and Legs				200,000	
<b>Subtotal</b>	<b>1,739,970</b>	<b>1,146,250</b>	<b>1,189,500</b>	<b>1,437,400</b>	<b>663,000</b>
<b>CASHMAN CENTER</b>					
<b>Land Improvements</b>					
A Lot Landscaping	55,000				
Client Service's Trailer Upgrade and Transfer	70,000				
Concrete Walks/Curbing Replacement	50,000				
Ball Field Renovation		1,600,000			
Parking Lot Repair/Reseal		350,000	100,000	150,000	
Rolling Gate at Lot A Installation		95,000			
Water Valve Replacement		55,000			
Readerboard Demolition		40,000			
Group-Corporate Event Area Upgrades				300,000	
Bellfield Protective Netting and Padding				55,000	
Block Wall on South side of Parking Lot A					150,000
A Lot Repairs and Seal Coat					125,000
Bulk Storage Bins					55,000
<b>Subtotal</b>	<b>175,000</b>	<b>2,140,000</b>	<b>100,000</b>	<b>505,000</b>	<b>330,000</b>

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

## LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2016-2020

	FY 16	FY 17	FY 18	FY 19	FY 20
<b>CASHMAN CENTER</b>					
<b>Building Improvements</b>					
Security-Traffic Offices Remodel	\$ 20,000				
Stadium Seating Conversion		\$ 400,000			
Stadium Concrete Replacement - Concourse		250,000			
HVAC System Automation		200,000			
Stadium Club Level Renovations		175,000			
Batting Cage - Indoor		150,000			
Airwalls Recarpeting (Meeting Rooms)		100,000			
Dugout Upgrades - Players		100,000			
Theatre Seating Replacement		95,000			
Restroom Renovation - Meeting Rooms		50,000	\$ 350,000		
Lighting Controls Upgrade		45,000	125,000		
Theatre Lights Replacement			200,000		
Wi-Fi System			130,000		
Orange Lot Gate and Entry Renovations			100,000		
Perimeter Doors Replacement			100,000		
Hydraulic Stage Lift Design & Install			15,000	\$ 200,000	
Restroom Renovation - Stadium				750,000	\$ 750,000
Stadium Locker Room Upgrades				100,000	
Re-Tube Boilers				35,000	
Stadium Concrete Replacement - Club Level					250,000
Press Box Upgrade					125,000
<b>Subtotal</b>	<b>20,000</b>	<b>1,565,000</b>	<b>1,020,000</b>	<b>1,085,000</b>	<b>1,125,000</b>
<b>Furniture &amp; Equipment</b>					
Other (less than \$30K)	11,980	53,550	42,000	15,000	40,000
Tables		84,750			132,500
Sweeper		35,000			20,000
Chairs		34,000			35,000
Scrubber		17,000	48,000	70,000	17,500
Truck			35,000	40,000	
Mower/groomer			30,000		
Electric Carts			22,000	25,000	25,000
Portable Power Transformer				75,000	40,000
Gas Carts				50,000	50,000
<b>Subtotal</b>	<b>11,980</b>	<b>224,300</b>	<b>177,000</b>	<b>275,000</b>	<b>360,000</b>
<b>TOTAL – FIVE YEAR CAPITAL PLAN</b>	<b>\$ 2,656,950</b>	<b>\$ 15,194,350</b>	<b>\$ 10,904,365</b>	<b>\$ 10,842,900</b>	<b>\$ 8,330,500</b>

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **820 Desert Inn Repaving**

**Project Number**                              **0000013013.08**



### Project Description

In FY13, funds were budgeted to pave the property at 820 Desert Inn Road (0.61 acres) as well as add a block wall, fencing, and gates. FY16 funding is required to compliment Clark County's installation of a right-hand turn lane; from Desert Inn Road onto Joe W. Brown Drive.

### Project Justification

The lot at 820 Desert Inn has recently been paved and striped for parking. The second phase of this project is the design of the right turn lane as required by Clark County. A turn lane will help ease convention traffic entering from the east, attempting to utilize this new parking area.

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements	\$ 150,000	600,000				\$ 750,000
Building Improvements						
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Door Replacement**

**Project Number**                        **0000016003.09**

### Project Description

Replace banks of wooden doors throughout the facility; beginning with Central Hall access to the Grand Lobby.



### Project Justification

The aging wooden doors in the central halls (entering the grand concourse) have been subjected to considerable abuse. This project seeks to replace the wooden doors with metal, fire-rated doors; including new panic hardware and closers. Additionally, the installation of a removable center mullion aims to minimize or eliminate the cart and product traffic through these doors. Replacing these doors creates a more professional appearance for our guests as well as minimizes future damage. Metal doors are more durable and more serviceable than the existing wood doors.

### Fiscal Impact

Repairs to wooden doors currently exceed \$8,000 annually.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements	\$ 100,000	900,000				\$ 1,000,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                      **Emergency Notification System**

**Project Number**                      **0000012003.09**

### Project Description

Fire alarm strobe lights have already been moved in the Central Halls. Future year funding will address discrepancies in the North and South Halls, as well as the administration areas.



### Project Justification

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

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements	\$ 40,000	1,000,000	2,130,465			\$ 3,170,465
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Sidewalk Replacement**

**Project Number**                         **0000014001.08**

### Project Description

Replace the concrete sidewalk and corresponding landscape at the entrance to C-2 and the Grand Plaza. The project was started in FY14 and will be continued in FY17.



### Project Justification

The concrete sidewalk at the C-2 front entrance was originally installed in 1993 and, over the years, has developed widespread cracking. Engineering staff has repaired the concrete extensively and has recently reported that the concrete is lifting in several locations, causing safety concerns for guests and employees. The project requires the installation of an additional 700 square feet of concrete to replace grass in front of Freight Door 1, and an increase in the size of the existing oak tree planters on the Grand Plaza.

### Fiscal Impact

Reduced maintenance and staffing costs associated with current ongoing concrete repairs are approximately \$5,000 annually. There is a potential loss of oak tree(s) on the Grand Plaza if planter beds are not increased in size. Damage to the grass area by Freight Door 1 will continue if not converted to concrete for use by shows and food and beverage vendors.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements	\$	400,000				\$ 400,000
Building Improvements						
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                         **Perimeter Fencing & Gates**

**Project Number**                      **0000015009.08**



### Project Description

Install access gates for selected roads/lots on LVCC campus. The project was started in FY15 and will be continued in FY17.

### Project Justification

As a means of adding security to the LVCC campus, access gates will be installed in the Gold Lot, Orange Lot, Swenson/South Road, and North Road East & West.

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements	\$ 100,000		100,000	100,000		\$ 300,000
Building Improvements						
Capital Improvement Program						



## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Orange Lot Resurfacing**

**Project Number**                              **FY17 Project**



### Project Description

Provide resurfacing of Orange Lots 1&2. Design is budgeted for FY17 ahead of construction in FY18.

### Project Justification

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

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements	\$	54,000	700,000			\$ 754,000
Building Improvements						
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                      **Roof Recoating - Central Halls**

**Project Number**                      **FY17 Project**



### Project Description

Recoat sections of the Central Hall roof.

### Project Justification

The existing roof on the Central Halls and the North Hall meeting rooms has outlived its original life. A roll-on or spray-on silicone product is available, which was recently used on another LVCVA property (Laughlin VIC). Work is proposed to be spread out over approximately two years. A manufacturer's warranty of approximately 10 to 15 years is available with this product.

### Fiscal Impact

Reduction in roof repairs for the entire facility which currently exceeds \$10,000 annually.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements						
Capital Improvement Program		\$ 1,500,000				\$ 1,500,000

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Restroom Renovation**

**Project Number**                          **0000014007.09**



### Project Description

Design and construct upgrades to the Northeast restrooms. The project was slated to start in FY14, but has since been delayed due to show schedules until FY17.

### Project Justification

The restrooms located by LVCC's northeast meeting rooms were constructed as two different projects. In 1973, four first-floor restrooms and their adjacent meeting rooms were constructed as part of the Las Vegas Convention Center Meeting Room Addition. In 1979, another four second-floor restrooms and their adjacent meeting rooms were constructed as East Meeting Rooms, Second Floor Addition. These eight restrooms, along with their adjacent meeting rooms, are among the oldest on campus. The age and extensive use of the eight restrooms no longer allow the level of operation and maintenance that the LVCVA requires for its tradeshow attendees and visitors. This project aims to remodel the four first floor restrooms; applying the same finishes used in recent restroom remodels.

### Fiscal Impact

The project will yield fiscal savings in maintenance and ongoing repair of restrooms. There is a potential for lower negotiated construction costs with Turner Construction Company using a previously negotiated contract, (Construction Manager at Risk). If not completed, the northeast first-floor restrooms will remain out of code compliance, and will be neither fully functional nor pleasing in appearance to show organizers and their attendees. Due to aging fixtures, wall and floor deterioration, and plumbing problems (odor) there has been a twenty percent increase in maintenance costs for these restrooms over the past year.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements						
Capital Improvement Program		\$ 525,000				\$ 525,000

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**    **Escalator Replacement - East Lobby**

**Project Number**                      **FY17 Project**

### Project Description

Replace escalators in the East Lobby; near hall C5.1.



### Project Justification

The escalators in the east lobby were installed in the early 1980's. They have exceeded their life expectancy. With advances in technology since that time, there are manufacturers that replace old escalators with new units, in the same footprint; leaving structural members in place and working around them. Newer models would bring us into compliance with recent building code changes.

### Fiscal Impact

The savings from more efficient units and decreased repair calls is estimated to be \$5,000 annually.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements		\$ 800,000				\$ 800,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Air Conditioning Units**

**Project Number**                          **FY17 Project**



### Project Description

Replace the air conditioning units in the audio equipment room and the elevator equipment room.

### Project Justification

The air conditioning units that were installed in the audio and elevator equipment rooms in the 2000 expansion were under sized. The heat from the equipment in these rooms is over working the current units, thus, the units are not energy efficient. The life cycle of these units has been shortened and if they burn out they will need to be replaced immediately or the audio and elevators will have to be shut down.

### Fiscal Impact

The energy savings from the replacement of these inefficient units will be approximately \$36,000 annually.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements		\$ 800,000				\$ 800,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                      **Orange Lot Freight Door Aprons**

**Project Number**                      **FY17 Project**



### Project Description

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

### Project Justification

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

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements		\$ 500,000				\$ 500,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **HVAC Commissioning**

**Project Number**                        **FY17 Project**

### Project Description

Commissioning of HVAC Systems in all Central, North, and South Exhibit halls by outside contractor.



### Project Justification

Commissioning is a process that restores the HVAC system to its original design specifications. Once completed, equipment life expectancy can be determined. When the LVCC HVAC system was installed there was only a partial commissioning of the building. Commissioning is important to ensure that the system performs per the intent and design of the engineer and provide a comfortable environment for the occupants and clients. Additionally, all of the building improvement modifications to the HVAC system can be logged during this process. Recommissioning will also give the LVCVA the ability to obtain LEED certification while extending the useful life of the equipment.

### Fiscal Impact

Commissioning benefits the Authority by improving energy efficiency and reducing repair and maintenance (man hours). In many instances, obtaining a Leadership in Energy and Environment Design (LEED) certification will lower energy rates.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements		\$ 340,000	170,000			\$ 510,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                      **South Hall Roof Drain Relining**

**Project Number**                      **FY17 Project**



### Project Description

Reline 27 South Hall Roof Drains.

### Project Justification

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

### Fiscal Impact

The potential cost of insurance settlements to exhibitors is unknown at this time.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements		\$ 300,000				\$ 300,000
Capital Improvement Program						



## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Surveillance Cameras**

**Project Number**                        **0000013011.09**

### Project Description

During FY13 funds were approved to begin installing additional surveillance cameras in C Halls, public areas, and outdoor locations. Additional funds will be added in FY17, FY18, and FY19.



### Project Justification

In order to maintain the highest level of safety and security for our guests and staff it is necessary to install additional cameras.

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements	\$	90,000	90,000	90,000	\$	270,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Cashman Center**

**Project Title**                              **Ball Field Renovation**

**Project Number**                        **FY17 Project**



### Project Description

Renovate the ball field; demo to subgrade (including drainage system) and rebuild.

### Project Justification

Professional sports fields, specifically baseball fields, are recommended to be renovated every 7-10 years. The field at Cashman Center has had a few small areas renovated; however, only the top 8"-10" were replaced. Drainage, subgrade, irrigation and root zone are original and require significant resources to maintain turf health and safe playing conditions.

### Fiscal Impact

Estimated annual savings is approximately \$10,000 resulting from improved irrigation, drainage and root zones. The most significant impact is the improvement of conditions for player safety.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements		\$1,600,000				\$ 1,600,000
Building Improvements						
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Cashman Center**

**Project Title**                        **Parking Lot Repair/Reseal**

**Project Number**                      **FY17 Project**

### Project Description

Repair/reseal Parking Lot C in FY17, Lot D in FY18, and Lot B in FY19.



### Project Justification

A Geotech survey from 2008 indicated that several thousand feet of asphalt in Lot C requires removal and replacement. Since that time further deterioration has occurred in this, and other parking lots at Cashman Center. Parking Lots B & D require maintenance and resealing to prevent sprawl and alligatoring which causes sub-surface damage.

### Fiscal Impact

Reduced maintenance and staffing costs associated with current ongoing concrete repairs are approximately \$8,000 annually.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements	\$ 350,000		100,000	150,000		\$ 600,000
Building Improvements						
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Cashman Center**

**Project Title**                      **Stadium Seating Conversion**

**Project Number**                      **FY17 Project**



### Project Description

Replace bench seating in the stadium with individual seats or retrofit benches with suitable alternative

### Project Justification

Approximately 60% of stadium seating are benches, installed in 1983. Bench seating does not support efforts of improving customer service as they date the facility and do not meet expectations of a AAA baseball stadium.

### Fiscal Impact

Reduced maintenance and staffing costs associated with current ongoing seat repairs are approximately \$500 annually.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements		\$400,000				\$400,000
Capital Improvement Program						

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Cashman Center**

**Project Title**                              **Stadium Concrete Repair**

**Project Number**                              **FY17 Project**



## **Project Description**

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

## **Project Justification**

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

## **Fiscal Impact**

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

<b>Expenditures</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
Land Improvements						
Building Improvements		\$ 250,000			\$ 250,000	
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Cashman Center**

**Project Title**                              **Restroom Renovation**

**Project Number**                        **FY17 Project**



### Project Description

Upgrade restrooms in meeting rooms and exhibit halls. Design is budgeted for FY17 ahead of construction in FY18.

### Project Justification

Restrooms are original to the facility and have become outdated. Replacement tiles are not available and repairs are made from salvaged material. Renovated and redesigned restrooms allow for an increased number of fixtures while providing an updated feel for an improved customer experience.

### Fiscal Impact

A 15% savings in water consumption is anticipated with the installation of more efficient faucets, urinals, and toilets.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements	\$	50,000	350,000		\$	400,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**    **Joe W. Brown Landscaping/Fencing**

**Project Number**                      **FY18 Project**



### Project Description

Install landscaping and fencing along Joe W. Brown from Desert Inn Road to the North Road.

### Project Justification

As part of our overall efforts to reduce water and create an inviting atmosphere for our guests, the landscaping along Joe W. Brown will be altered. Fencing around Blue Lot South will accompany this modification to further enhance our security efforts. The few areas that are landscaped were designed during the North Expansion. Power running through the planter beds occupy the majority of the planters making it difficult to properly maintain the landscape.

### Fiscal Impact

The water savings from the transition to desert landscaping will be approximately \$4,100 annually.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements		\$	40,000	400,000		\$ 440,000
Building Improvements						
Capital Improvement Program						

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Air Handler Replacement**

**Project Number**                              **FY18 Project**

## **Project Description**

Upgrading 16 air handlers to fan-wall configuration, in order to provide more effective heating and cooling in halls C-1 and C-2.



## **Project Justification**

There are 8 air handlers that provide cooling/heating in both halls, C-1 and C-2. These units have been in operation for forty plus years. They have outlived their life expectancy by 15+ years. Due to their age and design they are no longer able to meet our heating and cooling needs for these areas. Also, due to the age of this equipment they create excessive noise and cannot handle higher levels of humidity. Parts are hard to find or are no longer available. New technology will increase our heating/cooling capability in this area and give us greater control over the unit.

## **Fiscal Impact**

Significant energy savings are expected due to newer motors and drive technology. Each air handler is estimated to save \$10,000 per year in energy charges. Belt replacement savings is estimated to be another \$4,000. Savings are based on conservative usage assumptions and do not include additional savings from improving the power factor with variable frequency drives (VFD), nor reduced demand charges.

<b>Expenditures</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
Land Improvements						
Building Improvements						
Capital Improvement Program			\$ 2,000,000			\$ 2,000,000



## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Restroom Renovation**

**Project Number**                         **FY18 Project**



### Project Description

Design and construct upgrades to all Exhibit Hall restrooms. Funds were budgeted in FY15 to begin the process. Show schedules will dictate the timeline for each set of restrooms.

### Project Justification

Just as with the NE Meeting Room restrooms described in a separate project, many of the restrooms throughout the facility require, at a minimum, an astetic upgrade. However, given the date of the facility, many of the restrooms also require structural upgrades, including new fixtures and plumbing.

### Fiscal Impact

The project will yield fiscal savings in maintenance and ongoing repair of restrooms. There is a potential for lower negotiated construction costs with Turner Construction Company using a previously negotiated contract, (Construction Manager at Risk). If not completed, first-floor restrooms will remain out of code compliance, and will be neither fully functional nor pleasing in appearance to show organizers and their attendees. Due to aging fixtures, wall and floor deterioration, and plumbing problems (odor) there has been a twenty percent increase in maintenance costs for these restrooms over the past year.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements						
Capital Improvement Program			\$ 1,000,000	5,000,000	\$ 4,000,000	\$ 10,000,000

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                      **Entry Feature - Gold Lot to LVCC**

**Project Number**                      **FY18 Project**

## **Project Description**

This project would widen sidewalks, add new signage, and potentially restructure the entrance to the LVCC at the Gold Lot.



## **Project Justification**

The sidewalks along Convention Center Drive are extremely narrow and cluttered. Widening the sidewalk alone would create a more pedestrian friendly route to the Center. Directing pedestrians to use the escalators leading to the bridge crossover would dramatically reduce congestion at Paradise Road. Movement of people would be significantly faster and safer than the current set-up.

## **Fiscal Impact**

The Las Vegas Metropolitan Police Department provides traffic officers on Paradise and Convention Center Drive, during large shows. Though the Authority does not incur that expense directly, the individual shows would see a reduction in such ancillary charges.

<b>Expenditures</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
Land Improvements						
Building Improvements						
Capital Improvement Program			\$ 1,000,000			\$ 1,000,000

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                              **Silver Lot Modifications**

**Project Number**                              **FY18 Project**



### Project Description

Install perimeter lighting and complete resurfacing of Silver Lots 1&2.

### Project Justification

In order for a customer to use Silver Lots 1&2 for exhibit space, the lighting poles need to be removed and replaced with each occurrence. The fixtures are over thirty years old and thus, not energy efficient. Silver Lots 1&2 are the oldest lots on the LVCC campus and have not had major repair in twenty years. Asphalt must be removed and repaved. Design will include swale removal, grading, and topographical survey for positive drainage. The project is estimated to add 63,000 square feet of parking; equating to 236 additional parking spaces.

### Fiscal Impact

Additional parking spaces in the Silver Lot have the potential to yield upwards of \$50,000 annually. Approximately \$5,000 will be saved in personnel costs by eliminating the need to remove/replace the lighting fixtures. Energy savings for the new fixtures will be approximately \$24,000 annually (10% of current expenditures).

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements						
Capital Improvement Program			\$ 45,000	527,500	527,500	\$ 1,100,000

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                      **South Halls Electrical Distribution**

**Project Number**                      **FY18 Project**

### Project Description

Install floor plugs on second floor and reconfigure electrical rooms (more power) of the South Halls.



### Project Justification

This project involves upgrades to the electrical distribution system (grid) of the South Hall. Exhibitors will utilize electrical receptacles embedded in the floor for service on the second level and overhead ceiling boxes and cable trays for service on the first level. Also, small electrical mezzanines will be added to the South Halls' electrical rooms to support the additional equipment required for potential expansion of the Desert Inn meeting rooms.

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements						
Capital Improvement Program			\$ 30,000	1,040,000	1,160,000	\$ 2,230,000

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Convention Center**

**Project Title**                      **Fire Booster Pump (Paradise)**

**Project Number**                      **FY19 Project**

### Project Description

Install a fire booster pump on the south side of the North Road to increase water supply for fire control.



### Project Justification

A pump on the dedicated water line is needed to meet updated fire codes as required by Clark County Fire Department.

### Fiscal Impact

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

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements			\$	303,000		\$ 303,000
Building Improvements						
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location**                      **Cashman Center**

**Project Title**                              **Restrooms Renovation**

**Project Number**                        **FY19 Project**

### Project Description

Renovate stadium restrooms. Design and initial construction is budgeted for FY19 with completion following in FY20.



### Project Justification

Restrooms are original to the facility and have become outdated. Replacement tiles are not available and repairs are made from salvaged material. Renovated and redesigned restrooms allow for an increased number of fixtures while providing an updated feel for an improved customer experience.

### Fiscal Impact

A 15% savings in water consumption is anticipated with the installation of more efficient faucets, urinals, and toilets.

Expenditures	2016	2017	2018	2019	2020	Total
Land Improvements						
Building Improvements				\$750,000	\$750,000	\$1,500,000
Capital Improvement Program						

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

**Project Location** Cashman Center

**Project Title** Group-Corporate Event Area

**Project Number** FY19 Project

## Project Description

Design and upgrade field level group and corporate events area.



## Project Justification

A field level group area is a highly desirable stadium characteristic. The current area uses indoor/outdoor carpet surrounded by chain-link fencing. Designing this area to increase size, function and amenities will provide a better fan experience and make the area the preferred location for groups and special events.

## Fiscal Impact

Savings would result in eliminating the need to replace indoor/outdoor carpet, approximately \$2,500 bi-annually. Increased usage would also yield additional revenue.

<b>Expenditures</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
Land Improvements				\$300,000		\$300,000
Building Improvements						
Capital Improvement Program						

## DEBT SERVICE FUNDS SUMMARY

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

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

In December 2014, the LVCVA entered into a credit agreement with JP Morgan Chase. This provided a \$275 million non-revolving variable rate line of credit (LOC). In FY 2015, \$187 million was drawn down to acquire the Riviera Hotel & Casino, and \$116.8 million was refunded with the 2015A G.O. bonds, leaving \$70.2 million outstanding. The LVCVA currently has the ability to draw an additional \$88 million and has budgeted \$75 million of additional draws in FY 2016 as part of the LVCC expansion and renovation project. Any specific draw would be approved by the Board when the related expenditure was approved. Furthermore, the LVCVA is currently developing plans for further debt issuances related to the LVCC expansion and renovation project.

Obligation Name and Type	Original Issue	Semi-Annual Interest	Final Maturity	Outstanding Principal at 6/30/15
3/05 Refunding Bonds (Revenue)	118,745,000	3.0-5.25%	FY 2016	\$ 14,100,000
05/07 Refunding Bonds (G.O.)	38,200,000	4.0-5.5%	FY 2018	8,680,000
11/07 Land (Revenue)	50,000,000	4.0-6.0%	FY 2038	43,560,000
07/08 NDOT (G.O.)	26,455,000	4.0-5.0%	FY 2039	23,530,000
2010A NDOT BABS (G.O.)	70,770,000	6.55-6.75%	FY 2039	70,770,000
2010B NDOT (G.O.) <sup>1</sup>	28,870,000	2.0-5.0%	FY 2027	20,580,000
2010B Refunding (G.O.) <sup>1</sup>	24,650,000	2.0-5.0%	FY 2027	24,305,000
2010C NDOT BABS (G.O.)	155,390,000	4.0-7.0%	FY 2039	155,390,000
2010D NDOT (G.O.)	18,515,000	3.0-5.0%	FY 2016	4,125,000
2010E Refunding CP Bonds (Revenue)	81,925,000	4.0-5.5%	FY 2041	81,925,000
2012A Land (G.O.)	24,990,000	2.0-4.0%	FY 2033	23,975,000
2014 LVCC Expansion & Renovation Phase I (G.O.)	50,000,000	2.0-5.0%	FY 2044	50,000,000
2015A Refunding Series (G.O.) <sup>2</sup>	72,370,000	2.0-5.0%	FY 2022	72,370,000
2015A Refunding Series LOC (G.O.) <sup>2</sup>	109,435,000	2.0-5.0%	FY 2045	109,435,000
2015 Line of Credit	187,000,000	variable	FY 2017	70,200,000
<b>Total Outstanding Principal as of 6/30/15</b>				<b>\$ 772,945,000</b>

<sup>(1)</sup> Total Issue for 2010 B was \$53,520,000

<sup>(2)</sup> Total Issue for 2015 was \$181,805,000



## DEBT SERVICE FUNDS SUMMARY

Monthly transfers from the general fund are made to fund interest payments due on January 1 and principal and interest payments due on July 1. These funds are invested in the interim, and interest earned on the investments is transferred back to the general fund. The budgeted ending fund balances of the debt service funds are sufficient to pay principal and interest due on the first day (July 1) of the next fiscal year. The budgeted ending fund balance in the debt service funds at June 30, 2016 is \$51.1 million. Of that balance, \$45.3 million will be used to pay principal and interest payments due on July 1, 2016. The remaining balance of \$5.8 million is restricted as security for the 2010E revenue refunding bonds per the Bond Resolution. The Reserve Fund is required to be maintained as a continuing reserve and amounts on deposit in the Reserve Fund may only be used to meet deficiencies in the Bond Fund.

### BOND ISSUE PROCESS

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

The debt management policy must contain the following discussions:

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

### **LVCVA Debt Compliance Policy**

The LVCVA Debt Issuance Compliance Policy was adopted in FY 2010 and is applicable to all debt issuance activities of the LVCVA. The policy establishes the requirements and procedures for ensuring compliance with federal laws relating to the issuance and post-issuance monitoring of tax-exempt bonds and taxable Direct Pay Bonds.

Post-issuance compliance responsibilities include:

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

## DEBT SERVICE FUNDS SUMMARY

### TOTAL DEBT SERVICE FUNDS

	ACTUAL FY 2013	ACTUAL FY 2014	REVISED BUDGET FY 2015	PROPOSED BUDGET FY 2016
<b>REVENUES:</b>				
Interest	\$ 77,562	\$ 113,857	\$ 81,500	\$ 104,100
Unrealized Gain/Loss	(35,949)	-	-	-
BAB's Subsidy	4,898,214	4,752,266	2,560,488	2,560,488
Total Revenues	4,939,827	4,866,123	2,641,988	2,664,588
<b>EXPENDITURES:</b>				
Principal	21,595,000	22,650,000	24,800,000	27,665,000
Interest	32,356,717	31,743,473	35,627,587	35,559,365
Bond Issuance Costs	-	-	955,816	-
Total Expenditures	53,951,717	54,393,473	61,383,403	63,224,365
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,011,890)	(49,527,350)	(58,741,415)	(60,559,777)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	56,978,233	51,233,509	59,166,270	60,224,925
Proceeds from Debt Issuance	-	-	181,805,000	-
Debt Premium	-	-	16,018,109	-
Escrow Payment	-	-	(961,041)	-
Refunded Bonds	-	-	(196,867,294)	-
Operating Transfers Out	(69,938)	(114,454)	(2,073,858)	(104,100)
Total Other Financing Source (Uses)	56,908,295	51,119,055	57,087,186	60,120,825
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>				
	7,896,405	1,591,705	(1,654,229)	(438,952)
<b>FUND BALANCE, BEGINNING</b>				
	43,659,021	51,555,426	53,147,131	51,492,904
<b>FUND BALANCE, ENDING</b>				
	\$ 51,555,426	\$ 53,147,131	\$ 51,492,903	\$ 51,053,952

## DEBT SERVICE FUNDS SUMMARY

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

FYE	Principal (in \$)	Interest (in \$)	Total (in \$)
6/30/2016	27,665,000	33,587,680	61,252,680
6/30/2017	27,820,000	34,329,460	62,149,460
6/30/2018	29,060,000	33,027,773	62,087,773
6/30/2019	30,330,000	31,655,681	61,985,681
6/30/2020	31,745,000	30,199,662	61,944,662
6/30/2021	19,935,000	29,069,738	49,004,738
6/30/2022	20,730,000	28,182,978	48,912,978
6/30/2023	22,115,000	27,135,105	49,250,105
6/30/2024	23,105,000	25,994,549	49,099,549
6/30/2025	24,130,000	24,771,433	48,901,433
6/30/2026	25,210,000	23,484,637	48,694,637
6/30/2027	26,375,000	22,121,104	48,496,104
6/30/2028	22,190,000	20,812,514	43,002,514
6/30/2029	23,205,000	19,560,451	42,765,451
6/30/2030	24,270,000	18,280,230	42,550,230
6/30/2031	25,365,000	16,927,011	42,292,011
6/30/2032	26,545,000	15,472,495	42,017,495
6/30/2033	27,770,000	13,978,671	41,748,671
6/30/2034	27,275,000	12,439,534	39,714,534
6/30/2035	28,585,000	10,836,594	39,421,594
6/30/2036	29,950,000	9,154,889	39,104,889
6/30/2037	31,370,000	7,389,586	38,759,586
6/30/2038	32,875,000	5,537,592	38,412,592
6/30/2039	31,215,000	3,676,131	34,891,131
6/30/2040	13,760,000	2,444,199	16,204,199
6/30/2041	14,435,000	1,790,283	16,225,283
6/30/2042	9,210,000	1,266,068	10,476,068
6/30/2043	9,620,000	880,619	10,500,619
6/30/2044	10,045,000	478,844	10,523,844
6/30/2045	6,840,000	136,800	6,976,800
	\$ 702,745,000	\$ 504,622,309	\$ 1,207,367,309

The LVCVA has also budgeted \$2 million for the estimated interest costs to be incurred in FY 2016 related to the LOC. It is the LVCVA's intent to fix out any drawn amounts with long term fixed rate debt before the LOC matures in December 2016.

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

# DEBT SERVICE FUNDS SUMMARY

## INDIVIDUAL FY 2016 DEBT SERVICE FUNDS

	2005 REFUNDING FUND	BOND RESERVE FUND	05/07 REFUNDING FUND	11/07 LAND FUND
<b>REVENUES:</b>				
Interest	\$ -	\$ 7,500	\$ 3,000	\$ 2,100
BAB's Subsidy	-	-	-	-
Total Revenues	<u>-</u>	<u>7,500</u>	<u>3,000</u>	<u>2,100</u>
<b>EXPENDITURES:</b>				
Principal	14,100,000	-	2,755,000	1,105,000
Interest	<u>370,125</u>	<u>1,971,684</u>	<u>379,575</u>	<u>2,074,710</u>
Total Expenditures	<u>14,470,125</u>	<u>1,971,684</u>	<u>3,134,575</u>	<u>3,179,710</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,470,125)	(1,964,184)	(3,131,575)	(3,177,610)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	-	3,200,700	3,197,086
Operating Transfers Out	<u>-</u>	<u>(7,500)</u>	<u>(3,000)</u>	<u>(2,100)</u>
Total Other Financing Source (Uses)	<u>-</u>	<u>(7,500)</u>	<u>3,197,700</u>	<u>3,194,986</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(14,470,125)	(1,971,684)	66,125	17,376
FUND BALANCE, BEGINNING	<u>14,470,708</u>	<u>1,971,684</u>	<u>2,979,226</u>	<u>2,156,168</u>
FUND BALANCE, ENDING	<u>\$ 583</u>	<u>\$ (0)</u>	<u>\$ 3,045,351</u>	<u>\$ 2,173,544</u>

	08/08 NDOT FUND	2010 B NDOT FUND	2010 A NDOT/BABS FUND	2010 B REFUNDING FUND
<b>REVENUES:</b>				
Interest	\$ 1,100	\$ 2,600	\$ 1,800	\$ 600
BAB's Subsidy	-	-	826,204	-
Total Revenues	<u>1,100</u>	<u>2,600</u>	<u>828,004</u>	<u>600</u>
<b>EXPENDITURES:</b>				
Principal	560,000	2,225,000	-	95,000
Interest	<u>1,101,285</u>	<u>853,275</u>	<u>4,721,166</u>	<u>1,172,525</u>
Total Expenditures	<u>1,661,285</u>	<u>3,078,275</u>	<u>4,721,166</u>	<u>1,267,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,660,185)	(3,075,675)	(3,893,162)	(1,266,925)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	1,675,086	3,119,900	3,894,962	1,271,100
Operating Transfers Out	<u>(1,100)</u>	<u>(2,600)</u>	<u>(1,800)</u>	<u>(600)</u>
Total Other Financing Source (Uses)	<u>1,673,986</u>	<u>3,117,300</u>	<u>3,893,162</u>	<u>1,270,500</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	13,801	41,625	-	3,575
FUND BALANCE, BEGINNING	<u>1,116,251</u>	<u>2,668,325</u>	<u>2,360,583</u>	<u>682,690</u>
FUND BALANCE, ENDING	<u>\$ 1,130,052</u>	<u>\$ 2,709,950</u>	<u>\$ 2,360,583</u>	<u>\$ 686,265</u>

# DEBT SERVICE FUNDS SUMMARY

## INDIVIDUAL FY 2016 DEBT SERVICE FUNDS (continued)

	2010 C NDOT/BABS FUND	2010 D NDOT FUND	2010E REFUNDING FUND	DEBT SERVICE RESERVE FUND
<b>REVENUES:</b>				
Interest	\$ 8,000	\$ -	\$ 3,600	\$ 68,500
BAB's Subsidy	1,734,284	-	-	-
Total Revenues	<u>1,742,284</u>	<u>-</u>	<u>3,600</u>	<u>68,500</u>
<b>EXPENDITURES:</b>				
Principal	-	4,125,000	1,665,000	-
Interest	9,910,195	103,125	4,107,083	-
Total Expenditures	<u>9,910,195</u>	<u>4,228,125</u>	<u>5,772,083</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,167,911)	(4,228,125)	(5,768,483)	68,500
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	12,500,911	-	5,803,783	-
Operating Transfers Out	(8,000)	-	(3,600)	(68,500)
Total Other Financing Source (Uses)	<u>12,492,911</u>	<u>-</u>	<u>5,800,183</u>	<u>(68,500)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	4,325,000	(4,228,125)	31,700	-
FUND BALANCE, BEGINNING	<u>4,955,098</u>	<u>4,228,126</u>	<u>3,735,192</u>	<u>5,749,935</u>
FUND BALANCE, ENDING	<u>\$ 9,280,098</u>	<u>\$ 1</u>	<u>\$ 3,766,892</u>	<u>\$ 5,749,935</u>

	2012A LAND FUND	2014A DEBT SERVICE RESERVE FUND	2015 REFUNDING GO FUND	2015 REFUNDING LOC FUND
<b>REVENUES:</b>				
Interest	\$ 1,300	\$ 1,000	\$ 1,500	\$ 1,500
BAB's Subsidy	-	-	-	-
Total Revenues	<u>1,300</u>	<u>1,000</u>	<u>1,500</u>	<u>1,500</u>
<b>EXPENDITURES:</b>				
Principal	1,035,000	-	-	-
Interest	696,423	2,076,349	2,627,719	3,394,126
Total Expenditures	<u>1,731,423</u>	<u>2,076,349</u>	<u>2,627,719</u>	<u>3,394,126</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,730,123)	(2,075,349)	(2,626,219)	(3,392,626)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	1,741,073	2,076,349	17,201,650	4,542,326
Operating Transfers Out	(1,300)	(1,000)	(1,500)	(1,500)
Total Other Financing Source (Uses)	<u>1,739,773</u>	<u>2,075,349</u>	<u>17,200,150</u>	<u>4,540,826</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	9,650	-	14,573,931	1,148,200
FUND BALANCE, BEGINNING	<u>1,388,387</u>	<u>1,038,174</u>	<u>869,394</u>	<u>1,122,963</u>
FUND BALANCE, ENDING	<u>\$ 1,398,037</u>	<u>\$ 1,038,174</u>	<u>\$ 15,443,325</u>	<u>\$ 2,271,163</u>

## DEBT LIMITS AND CAPACITY

DEBT MARGIN  
CLARK COUNTY, NEVADA  
AS OF JUNE 30, 2014

	Las Vegas Convention & Visitors Authority	Clark County
Approximate Assessed Valuation (1)	\$ 54,715,695,579	\$ 54,715,695,579
Bonded Debt Limit (2)	5%	10%
Statutory Debt Limitation	2,735,784,779	5,471,569,558
Less:		
Amount of Debt Applicable to Debt Limit	563,160,000 (3)	1,432,266,848 (4)
Total General Obligation Indebtedness Available	\$ 2,172,624,779	\$ 4,039,302,710

(1) This is the net total assessed value for the secured and estimated unsecured property for Clark County, Nevada for FY 2014. It includes the assessed valuation of the redevelopment agencies. These values are included for purposes of calculating the debt limit but are not subject to County taxation for the retirement of general obligation bonded indebtedness. This valuation is used to determine the LVCVA's debt margin since our debt is issued in the name of the County as described below.

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

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

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

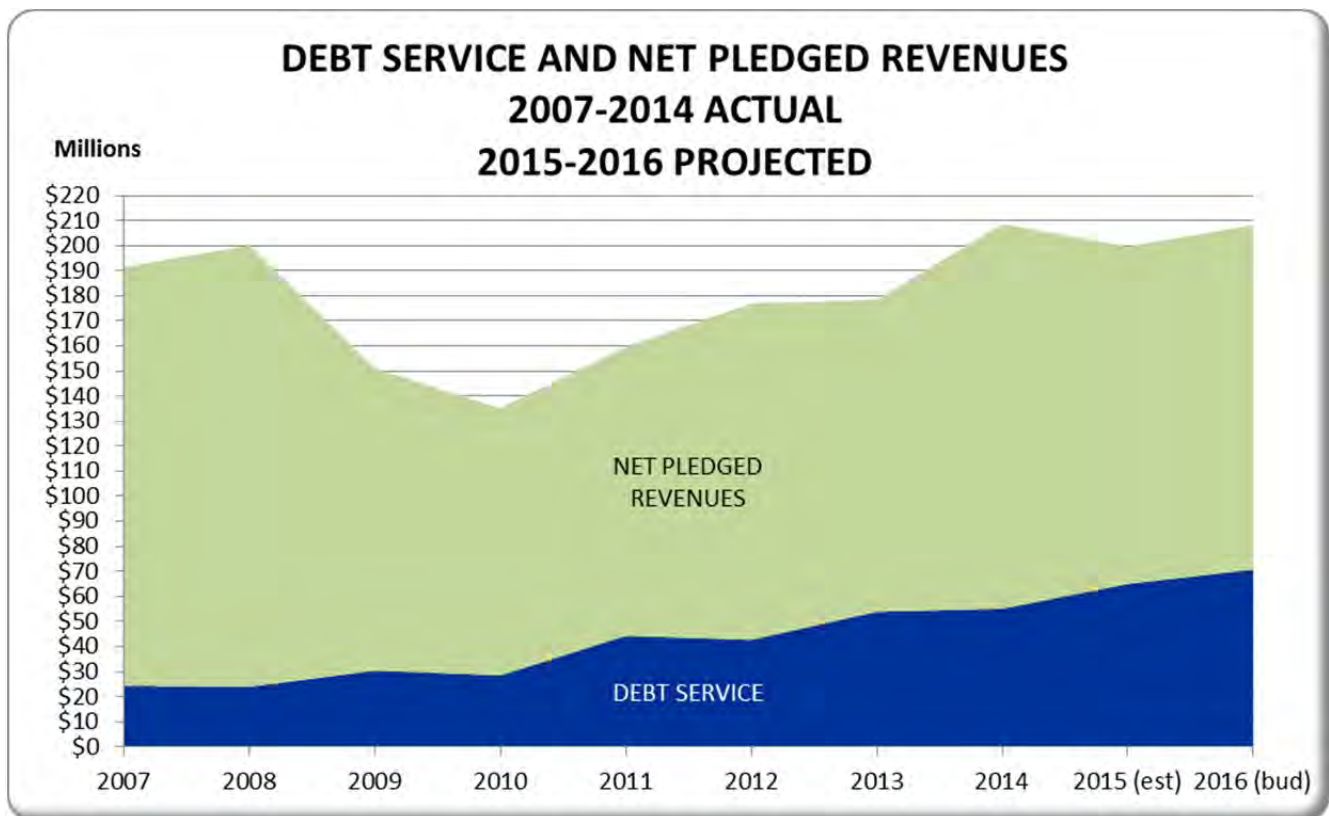
(4) Clark County's Outstanding General Obligation Indebtedness includes general obligation bonds, general obligation revenue bonds, notes, and medium-term obligations.

## DEBT SERVICE - BOND COVERAGE

The LVCVA's bonds constitute direct and general obligations of Clark County (except for the 11/99 Bonds, the 2005 Refunding Series bonds, the 2010E Revenue Refunding Series bonds and the line of credit). They are additionally secured by a pledge of revenues consisting of gross revenues derived from the operation and use of facilities, plus room and gaming taxes (gross pledged revenues), less operating and maintenance expenses of the facilities and collection allocation.

Gross pledged revenues also include interest income and miscellaneous fees and charges in the general fund. Operating and maintenance expenditures include general government, operations, and collection allocation. Also included are those marketing expenditures related only to the sales effort of the Las Vegas Convention Center and Cashman Center.

FISCAL YEAR	GROSS REVENUES	MAINTENANCE EXPENDITURES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL AND INTEREST	DEBT SERVICE COVERAGE
2006	253,172,523	70,240,449	182,932,074	23,223,268	7.88x
2007	269,118,610	77,608,699	191,509,911	24,391,084	7.85x
2008	281,918,942	81,762,822	200,156,120	23,989,130	8.34x
2009	225,143,479	74,174,828	150,968,651	30,454,599	4.96x
2010	200,737,368	65,614,509	135,122,859	28,562,969	4.73x
2011	226,060,028	66,460,656	159,599,372	44,321,298	3.60x
2012	250,820,583	73,815,377	177,005,206	42,754,341	4.14x
2013	253,051,353	74,631,057	178,420,296	53,951,716	3.31x
2014	285,635,383	77,050,163	208,585,220	55,149,034	3.47x
2015 (est)	282,241,900	82,581,100	199,660,800	65,056,148	3.07x
2016 (bud)	294,395,300	86,167,400	208,227,900	70,744,681	2.94x



## DEBT SERVICE - HISTORICAL PERSPECTIVE

Certain outstanding general obligation (limited tax) bonds have been defeased in by placing the proceeds of new refunding bonds in irrevocable trusts to provide for future debt service payments on the old bonds. These trust accounts and the related defeased bonds are not included in the LVCVA's budget or financial statements. Information regarding the defeased bonds is provided below:

TRUST ACCOUNT	BOND ISSUE	DEFEASED AMOUNT OUTSTANDING AT 6/30/15
2015A Escrow	5/07	\$13,740,000
2015A Escrow	3/05	\$64,245,000

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

DATE ISSUED	ORIGINAL ISSUE AMOUNT	INTEREST RATE	PURPOSE	STATUS	DATE RETIRED/DEFEASED
2015A	181,805,000	2.0-5.0%	\$72,370,000 refund 3/05 and 5/07; \$109,435,000 refund partial Line of Credit	Outstanding - Final Payment date FY 2045	Outstanding
2014	50,000,000	2.0-5.0%	LVCC expansion and renovation project Phase I	Outstanding - Final Payment date FY 2044	Outstanding
2012A	24,990,000	2.0-4.0%	Purchase land	Outstanding - Final Payment date FY 2032	Outstanding
2010E	81,925,000	4.0-5.5%	Refund Commercial Paper	Outstanding - Final Payment date FY 2041	Outstanding
2010D	18,515,000	3.0-5.0%	Nevada Department of Transportation	Outstanding - Final Payment date FY 2016	Outstanding
2010C	155,390,000	4.0-7.0%	Nevada Department of Transportation	Outstanding - Final Payment date FY 2039	Outstanding
2010B	53,520,000	2.0-5.0%	\$28,870,000 - NDOT; \$24,650,000 refund 1998A bonds	Outstanding - Final Payment date FY 2022 and FY 2027	Outstanding
2010A	70,770,000	6.55-6.75%	Nevada Department of Transportation	Outstanding - Final Payment date FY 2039	Outstanding
FY 2008	80,000,000	variable	Issue commercial paper for the Las Vegas Convention Center's Master Plan Enhancement Program	Partially issued. Board authorized issuance of \$822,000,000, (\$680 million in Feb. 2006 and \$142 million in May 2007). Program closed. Revenue bonds in January 2011 to fully redeem all outstanding commercial paper.	1/31/2011
08/08	26,455,000	4.0-5.0%	Nevada Department of Transportation	Outstanding - Final payment date FY 2038. Total NDOT bonds authorized \$300,000,000	Outstanding
FY 2007	16,000,000	variable	Issue commercial paper for the Las Vegas Convention Center's Master Plan Enhancement Program	Partially issued. Board authorized issuance of \$822,000,000, (\$680 million in Feb. 2006 and \$142 million in May 2007). Program closed. Revenue bonds in January 2011 to fully redeem all outstanding commercial paper.	1/31/2011



## DEBT SERVICE - HISTORICAL PERSPECTIVE

### HISTORICAL RECORD (continued)

DATE ISSUED	ORIGINAL ISSUE AMOUNT	INTEREST RATE	PURPOSE	STATUS	DATE RETIRED/DEFEASED
11/07	50,000,000	4.0-6.0%	Purchase land	Outstanding – Final payment date FY 2038	Outstanding
05/07	38,200,000	4.0-5.5%	Refunded 8/96 Bonds	Advance refund in April 2015. Final payment date FY 2018	4/2/2015
03/05	118,745,000	3.0-5.25%	Refund a portion of the 11/99 bonds	Refunded in April 2015. Final payment date FY 2016	Outstanding
05/03	35,075,000	1.2-2.1%	Refund 8/93 Bonds	Retired	7/1/2008
11/99	150,000,000	4.8-6%	Expansion of Convention Center	Partially refunded by 3/05 – Called in FY 2011	6/30/2011
4/1/98B	5,020,000	4.50%	Grant to the University of Nevada Las Vegas for the purpose of improvements to the Thomas and Mack Center and Sam Boyd Stadium	Retired	7/1/2003
4/1/98A	36,200,000	4.7-5.1%	Refund a portion of 8/1/93 and 9/1/96 bonds	Refunded by 01/10 B	1/31/2010
9/1/1996	97,425,000	5.4-6%	Expansion of Convention Center & Cashman Center, refund 6/1/86 bonds	Partially refunded by 98A and 5/07	7/1/2008
8/1/1993	80,530,000	4.8-5.2%	Purchase land; refund a portion of 6/1/88 bonds	Partially refunded by 98A and 5/03	7/1/2003
6/1/1988	35,000,000	7-10%	Expansion of Convention Center	Partially refunded by 8/1/93 bonds	7/1/1998
6/1/1986	38,240,000	5.9-8%	Refund portion of 12/1/82 bonds	Refunded by 9/1/96 bonds	9/1/1996
12/1/1982	52,825,000	7-10.9%	Refund 7/73, 8/76, 7/80 and 10/80 bonds	Retired	7/1/1993
10/1/1980	20,000,000	9%	Purchase land; expansion of East Hall and cafeteria; construction of pedestrian bridge; \$2.5 million for recreation grants	Refunded by 12/1/82 bonds	12/1/1982
7/1/1980	22,000,000	7-8.5%	Cashman Center construction	Refunded by 12/1/82 bonds	12/1/1982
8/31/1976	12,225,000	6.2-6.3%	Refund 5/1/75 bonds	Refunded by 12/1/82 bonds	12/1/1982
5/1/1975	12,000,000	7-8%	East Hall and kitchen expansion; warehouse and meeting rooms annex construction	Refunded by 8/31/76 bonds	8/31/1976
7/1/1973	6,960,000	4.5-5.3%	Refund 1/15/71 bonds	Refunded by 12/1/82 bonds	1/1/1985
1/15/1971	7,500,000	4.5-5%	East Hall expansion - \$6,500,000; stadium construction - \$1 million	Refunded by 7/1/73 bonds	1/15/1982
7/15/1963	4,790,000	3.50%	Refund 1/15/57 and 12/15/58 bonds	Retired	7/15/1973
12/15/1958	1,000,000	4-4.25%	\$500,000 for construction; \$500,000 for recreation grants	Refunded by 7/15/63 bonds	1/15/1968
1/15/1957	4,500,000	5%	Original construction of Convention Center	Refunded by 7/15/63 bonds	1/15/1977

## INTERNAL SERVICE FUND

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

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

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

Accumulating funds specifically restricted for the OPEB liability is a fiscally responsible practice and credit rating agencies will factor this action into their assessment of credit ratings. In September 2011, the Board approved a policy statement addressing OPEB and establishing a formal plan of action to fund the growing liability. The statement directed the creation of an internal service fund to account for cash held in reserve to offset the liability for post-employment benefits. It also established a target to fully fund the reserve within a ten year timeframe, which began in FY 2013. This year’s budget continues the funding process based on that timeline.

	ACTUAL FY 2013	ACTUAL FY 2014	REVISED BUDGET FY 2015	PROPOSED BUDGET FY 2016	% INCREASE FY16/15
<b>REVENUES:</b>					
Interest	\$ 6,929	\$ 35,456	\$ 38,700	\$ 83,200	9%
Unrealized Gain/Loss	(33,062)	(13,718)	-	-	-100%
Total Revenues	(26,133)	21,738	38,700	83,200	78%
<b>EXPENDITURES:</b>					
Total Expenditures	-	-	-	-	0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,133)	21,738	38,700	83,200	78%
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In	3,000,000	3,000,000	3,500,000	4,000,000	17%
Total Other Financing Source (Uses)	3,000,000	3,000,000	3,500,000	4,000,000	17%
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>					
	2,973,867	3,021,738	3,538,700	4,083,200	17%
<b>FUND BALANCE, BEGINNING</b>					
	-	2,973,867	5,995,605	9,534,305	102%
<b>FUND BALANCE, ENDING</b>					
	\$ 2,973,867	\$ 5,995,605	\$ 9,534,305	\$ 13,617,505	59%

# PERSONNEL ALLOCATION

## SUMMARY OF PERSONNEL REQUESTS

### Budget Process

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

The LVCVA's commitment to and investment in the organization's employees is a fundamental objective of the updated strategic business plan. In FY 2011, 67 vacant positions were eliminated from the overall number of authorized positions. The Authority held flat at the 505 position level for 3 years. It is important that we evaluate where our critical staffing needs are to ensure we continue to meet our mission to market the designation, but also to ensure the safety and security of our facilities for our meeting and tradeshow attendees. Between FY 2014 and FY 2015, 10 perimeter security officers were added to enhance safety and security. Currently, the LVCVA has 515 authorized positions.

The FY 2016 budget provides funding to fill remaining vacant positions which are deemed necessary.



# PERSONNEL ALLOCATION

## SUMMARY OF AUTHORIZED POSITIONS by Organizational Unit/Section

	FYE 6/30/2012	FYE 6/30/2013	FYE 6/30/2014	FYE 6/30/2015	FYE 6/30/2016
<b>GENERAL GOVERNMENT</b>	77	77	80	81	81
Executive	15	14	16	16	16
Finance	35	35	36	37	37
Human Resources	8	8	8	8	8
Public Affairs	19	20	20	20	20
<b>MARKETING</b>	125	125	83	125	125
Advertising <sup>5</sup>	1	1	--	--	--
Convention Center Sales <sup>1</sup>	10	13	--	--	--
Convention Sales <sup>1</sup>	26	24	--	--	--
Global Business Sales <sup>1,4</sup>	--	--	38	33	33
Convention Services <sup>2,6</sup>	15	14	--	15	15
Destination Services <sup>3</sup>	4	3	--	--	--
Digital Marketing	9	9	7	7	7
Diversity Marketing <sup>4</sup>	1	1	--	--	--
International Sales	7	8	11	9	9
Leisure Sales	12	11	10	10	10
Registration <sup>2,6</sup>	6	6	--	4	4
Strategic Research & Analytics <sup>3</sup>	2	3	6	7	7
Sports Marketing	3	2	2	1	1
Industry Relations (was Strategic Planning)	3	7	4	7	7
Visitor Information <sup>2,6</sup>	26	23	--	17	17
Brand Strategy <sup>5</sup>	--	--	5	11	11
Customer Experience <sup>6</sup>	--	--	--	4	4
<b>OPERATIONS</b>	303	303	347	309	309
Client Services	112	112	112	112	112
Customer Experience <sup>3,6</sup>	2	2	4	--	--
Convention Services <sup>2,6</sup>	--	--	15	--	--
Registration <sup>2,6</sup>	--	--	5	--	--
Visitor Information <sup>2,6</sup>	--	--	19	--	--
Engineering	101	100	100	92	92
Facility Projects	5	5	4	4	4
Information Technology	13	14	13	21	21
Fire Prevention (was Safety)	17	17	5	5	5
Security	34	36	47	47	48
Traffic	19	17	23	28	27
<b>TOTAL LVCVA</b>	505	505	510	515	515

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

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

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

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

# PERSONNEL ALLOCATION

The following is the staffing pattern by organizational unit/section for FY 2016. All transfers, reclassifications, and title changes are included.

Upon approval by the Board of Directors at the public budget hearing, this staffing pattern will be authorized as of July 1, 2015. Total authorized positions: 515.

<b>EXECUTIVE (General Government)</b>		<b>16</b>	<b>FINANCE (General Government)</b>		<b>37</b>
President/CEO	1	Senior Vice President of Finance	1		
Executive Vice President	1	Senior Director of Finance & Accounting	1		
Senior Vice President	1	Director of Purchasing & Business Services	1		
Senior Vice President of Marketing	1	Senior Manager of Accounting Operations	1		
Senior Vice President of Operations	1	Senior Manager of Financial Resources	1		
Legal Counsel	1	Senior Manager of Purchasing	1		
Director of Internal Audit	1	Financial Systems Manager	1		
Internal Audit Manager	1	Materials Management Manager	1		
Executive Assistant to the President	1	Financial Systems Administrator	1		
Internal Auditor	1	Financial Analyst	4		
Executive Assistant	2	Transportation Coordinator	1		
Executive Assistant to the Board	1	Contracts Administrator	1		
Legal Assistant	1	Executive Assistant	1		
Staff Auditor	1	Analyst	1		
Assistant to the Board	1	Lead Accountant	1		
<b>PUBLIC AFFAIRS (General Government)</b>		<b>20</b>	Lead Payroll Technician	1	
Senior Vice President of Public Affairs	1	Lead Accounting Technician	1		
Vice President of Public Affairs	1	Financial Systems Technician	1		
Senior Director of Communications	1	Payroll Technician	1		
Senior Director of Community Relations and Public Affairs	1	Contracts Coordinator	2		
Director of News Bureau	1	Mail Room/Copy Center Coordinator	1		
Senior Manager of Public Affairs	1	Accounting Technician	2		
Business Marketing Manager	1	Purchasing Assistant	2		
Public Relations Manager/Business	1	Lead Records Management Technician	1		
Media Services Manager	1	Distribution Center Specialist	2		
Communications Manager	1	Purchasing Specialist	1		
Photography Manager	1	Records Management Specialist	1		
Executive Assistant	1	Copy Center Specialist	1		
Administrative Assistant	1	Mail Clerk	2		
News Bureau Assistant	1	<b>HUMAN RESOURCES (General Government)</b>		<b>8</b>	
Communications Assistant	1	Senior Vice President of Human Resources	1		
Archivist	1	Senior Business Partner	2		
Business Marketing Specialist	1	Senior Human Resources Manager	1		
Photographer	2	Human Resources Administrator	1		
Video Specialist	1	HR Information Systems Administrator	1		
		Business Partner	2		

# PERSONNEL ALLOCATION

## BRAND STRATEGY - DIGITAL MARKETING 7

Director of Marketing Systems	1
Database Marketing Manager	1
Database Marketing Administrator	1
Digital Marketing Coordinator	1
Digital Communications Specialist	1
Database Marketing Coordinator	2

## BRAND STRATEGY - BRAND STRATEGY 11

Vice President of Brand Strategy	1
Senior Director of Brand Public Relations	1
Director of Digital Engagement	1
Director of Brand Public Relations	1
Director of Advertising	1
International Public Relations Manager	1
Brand Public Relations Manager	1
Administrative Assistant	2
Advertising Coordinator	1
Administrative Secretary	1

## BRAND STRATEGY - STRATEGIC RESEARCH AND ANALYTICS 7

Senior Director of Strategic Research and Analytics	1
Senior Manager of Research	1
Senior Research Analyst	1
Digital Marketing Analyst	1
Research Analyst	2
Administrative Secretary	1

## CUSTOMER EXPERIENCE - CUSTOMER EXPERIENCE 4

Vice President of Customer Experience	1
Senior Manager of Customer Experience	1
Destination Services Manager	1
Administrative Assistant	1

## CUSTOMER EXPERIENCE - CONVENTION SERVICES 15

Senior Director of Convention Services	1
Senior Manager of Convention Services	1
Convention Services Manager	8
Associate Convention Services Manager	1
Leasing Administrator	1
Administrative Secretary	1
Secretary	2

## CUSTOMER EXPERIENCE - REGISTRATION 4

Registration Services Senior Supervisor	1
Registration Services Supervisor	1
Administrative Specialist	2

## GLOBAL BUSINESS SALES 33

Vice President of Global Business Sales	1
Senior Director of Business Sales	2
Director of Regional Sales - Chicago	1
Director of Regional Sales - Wash DC	1
Diversity and Cultural Marketing Manager	1
Medical & Wellness Tourism Manager	1
Sales Executive	9
Sales Executive - Chicago	2
Sales Executive - Wash DC	3
Administrative Assistant	1
Administrative Secretary	2
Administrative Secretary - Chicago	1
Administrative Secretary - Wash DC	1
Secretary	6
Secretary - Wash DC	1

## INTERNATIONAL SALES - LEISURE SALES 10

Senior Director of Leisure Sales	1
Senior Manager of Extended Destinations	1
Sales Executive	4
Administrative Secretary	1
Secretary	3

## INTERNATIONAL SALES - INTERNATIONAL 9

Vice President of International Marketing	1
Senior Director of International Sales	1
Sales Executive	4
Administrative Coordinator	1
Administrative Secretary	1
Secretary	1

## INTERNATIONAL SALES - SPORTS MARKETING 1

Director of Sports Marketing	1
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## INDUSTRY RELATIONS 7

Senior Director of Industry Relations	1
Director of Business Partnerships	1
Director of Industry Relations	1
Industry Relations Manager	2
Administrative Secretary	2

## CUSTOMER EXPERIENCE - VISITOR INFORMATION 17

Visitor Information Supervisor	1
Visitor Information Center Supervisor	3
Visitor Information Services Supervisor	1
Administrative Specialist	1
Visitor Information Clerk	3
Visitor Information Specialist	8

# PERSONNEL ALLOCATION

## OPERATIONS - FACILITY PROJECTS 4

Senior Manager of Facility Projects	1
Project Manager	2
Project Analyst	1

## OPERATIONS - INFORMATION TECHNOLOGY 21

Director of Information Technology	1
Network Supervisor	1
Support Services Supervisor	1
Systems Development Supervisor	1
Telecommunications Supervisor	1
Senior Web Developer	1
Programmer Analyst	1
Systems Administration Specialist	1
Communications Supervisor	1
Information Technology Coordinator	1
Portable Systems Technician	1
Senior Help Desk Specialist	2
Systems Technician	1
Communications Technician	7

## OPERATIONS - TRAFFIC 28

Traffic Manager	1
Administrative Traffic Supervisor	1
Traffic Field Supervisor	2
Security Sergeant	2
Security Officer	12
Perimeter Security Supervisor	2
Perimeter Security Officer	8

## OPERATIONS - SECURITY 47

Senior Director of Security	1
Security Manager	1
Safety Manager	1
Canine Supervisor	1
Control Center Supervisor	1
Security Sergeant	5
Administrative Secretary	1
Surveillance Investigator	2
Security Officer	25
Secretary	1
Security Dispatcher	8

## OPERATIONS - CLIENT SERVICES 112

Director of Client Services	1
Services Manager	2
Services Supervisor	10
Administrative Secretary	1
Service Worker	47
Custodian	51

## OPERATIONS - ENGINEERING 92

Director of Engineering	1
Director of Facility Operations	1
Senior Manager of Engineering	3
Grounds Manager	1
CMMS Administrator	1
Engineering Maintenance Supervisor	2
Building Engineer Supervisor	1
Electrician Supervisor	1
Exterior Engineering Supervisor	1
Facility Support Supervisor	1
Graphics Supervisor	1
HVAC Supervisor	1
Mechanic/Welder Supervisor	1
Plumber Supervisor	1
Grounds Supervisor	2
Engineering Assistant Supervisor	1
Administrative Secretary	2
CMMS Coordinator	1
Building Engineer	13
HVAC Technician	9
Electrician	8
Carpenter	5
Mechanic/Welder	5
Painter	5
Plumber	5
Exterior Engineer	3
Facility Support Technician	2
Graphics Technician	2
Damage Assessment Technician	1
Mechanic	1
Groundskeeper	10

## OPERATIONS - FIRE PREVENTION 5

Fire Prevention Manager	1
Fire Prevention Coordinator	3
Life Systems Coordinator	1

# PERSONNEL ALLOCATION

## POSITION CLASSIFICATIONS

The FY 2016 salary schedule, which begins on July 1, 2015 is below.

GRADE	CLASS TITLE	CLASSIFICATION	SALARY SCHEDULE (\$)
9	Custodian	B	29,536.00 - 43,825.60
9	Perimeter Security Officer	B	
12	Mail Clerk	B	33,280.00 - 49,233.60
13	Administrative Specialist	B	34,590.40 - 51,126.40
13	Visitor Information Clerk	B	
13	Visitor Information Specialist	B	
14	Copy Center Specialist	B	35,963.20 - 53,248.00
14	Perimeter Security Supervisor	B	
14	Service Worker	B	
15	Security Dispatcher	B	37,460.80 - 55,473.60
16	Database Marketing Coordinator	B	39,000.00 - 57,595.20
16	Distribution Center Specialist	B	
16	Purchasing Specialist	NB	
16	Secretary	B	
16	Secretary—Chicago, WDC & Ext. Destinations	NB	
17	Groundskeeper	B	40,456.00 - 59,800.00
17	Security Officer	B	
18	Assistant to the Board	NB	42,036.80 - 62,254.40
18	Business Marketing Specialist	NB	
18	Photographer	B	
18	Purchasing Assistant	B	
18	Records Management Specialist	NB	
18	Surveillance Investigator	NB	
18	Video Specialist	B	
20	Accounting Technician	B	45,489.60 - 67,433.60
20	Administrative Secretary	NB	
20	Advertising Coordinator	NB	
20	Archivist	NB	
20	Building Engineer	B	
20	Carpenter	B	
20	CMMS Coordinator	NB	
20	Communications Assistant	NB	
20	Communications Technician	B	
20	Contracts Coordinator	NB	
20	Damage Assessment Technician	B	
20	Electrician	B	
20	Exterior Engineer	B	
20	Facility Support Technician	B	
20	Graphics Technician	B	
20	HVAC Technician	B	
20	Mail Room/Copy Center Coordinator	B	
20	Mechanic	B	
20	Mechanic/Welder	B	
20	Painter	B	
20	Payroll Technician	NB	
20	Plumber	B	



# PERSONNEL ALLOCATION

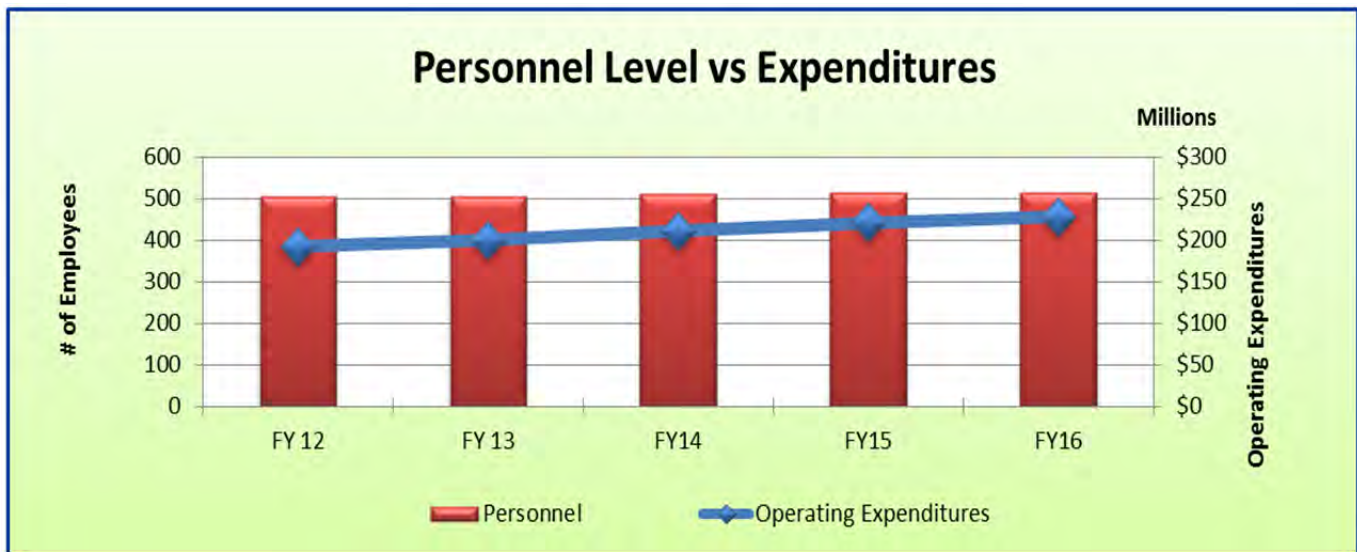
## POSITION CLASSIFICATIONS (continued)

GRADE	CLASS TITLE	CLASSIFICATION	SALARY SCHEDULE (\$)
22	Administrative Assistant	NB	49,233.60 - 72,862.40
22	Administrative Traffic Supervisor	NB	
22	Analyst	NB	
22	Business Partner	NB	
22	Canine Supervisor	NB	
22	Control Center Supervisor	NB	
22	Engineering Assistant Supervisor	B	
22	Financial Systems Technician	NB	
22	Grounds Supervisor	B	
22	Information Technology Coordinator	NB	
22	Lead Accountant	NB	
22	Lead Accounting Technician	B	
22	Lead Payroll Technician	NB	
22	Lead Records Management Technician	NB	
22	News Bureau Assistant	NB	
22	Portable Systems Technician	NB	
22	Registration Services Supervisor	NB	
22	Security Sergeant	B	
22	Senior Help Desk Specialist	NB	
22	Services Supervisor	B	
22	Staff Auditor	NB	
22	Systems Technician	NB	
22	Traffic Field Supervisor	NB	
22	Visitor Information Center Supervisor	NB	
22	Visitor Information Services Supervisor	NB	
23	Administrative Coordinator	NB	51,126.40 - 75,774.80
23	Contracts Administrator	NB	
23	Database Marketing Administrator	NB	
23	Digital Communications Specialist	NB	
23	Digital Marketing Coordinator	NB	
23	Executive Assistant	NB	
23	Executive Assistant to the Board	NB	
23	Leasing Administrator	NB	
23	Legal Assistant	NB	
24	Transportation Coordinator	NB	53,248.00 - 78,873.60
25	Building Engineer Supervisor	B	55,473.60 - 82,014.40
25	Communications Supervisor	B	
25	Electrician Supervisor	B	
25	Engineering Maintenance Supervisor	B	
25	Exterior Engineering Supervisor	B	
25	Facility Support Supervisor	B	
25	Fire Prevention Coordinator	B	
25	Graphics Supervisor	B	
25	HVAC Supervisor	B	
25	Life Systems Coordinator	B	
25	Mechanic/Welder Supervisor	B	
25	Plumber Supervisor	B	
25	Project Analyst	NB	
25	Registration Services Senior Supervisor	NB	
25	Research Analyst	NB	
25	Visitor Information Supervisor	NB	

# PERSONNEL ALLOCATION

## POSITION CLASSIFICATIONS (continued)

GRADE	CLASS TITLE	CLASSIFICATION	SALARY SCHEDULE (\$)
26	Digital Marketing Analyst	NB	57,595.20 - 85,342.40
26	Financial Analyst	NB	
26	Internal Auditor	NB	
26	Senior Research Analyst	NB	
29	CMMS Administrator	NB	64,771.20 - 95,992.00
29	Financial Systems Administrator	NB	
29	HR Information Systems Administrator	NB	
29	Human Resources Administrator	NB	
29	Programmer Analyst	NB	
29	Systems Administration Specialist	NB	
30	Executive Assistant to the President	NB	67,433.60 - 99,840.00
31	Senior Web Developer	NB	70,075.20 - 103,833.60
32	Network Supervisor	NB	72,862.40 - 107,910.40
32	Support Services Supervisor	NB	
32	Systems Development Supervisor	NB	
32	Telecommunications Supervisor	NB	
M5	Manager	M	55,619.20 - 86,091.20
M4	Manager	M	63,980.80 - 99,028.80
M3	Senior Manager	M	73,569.60 - 113,880.00
M2	Director	M	82,846.40 - 128,148.80
M1	Senior Director	M	91,520.00 - 141,336.00
E4	Vice President	E	104,457.60 - 187,740.80
E3	Senior Vice President	E	132,891.20 - 239,283.20
E2	Executive Vice President	E	142,812.80 - 255,174.40
E1	President/CEO	E	204,089.60 - 382,782.40

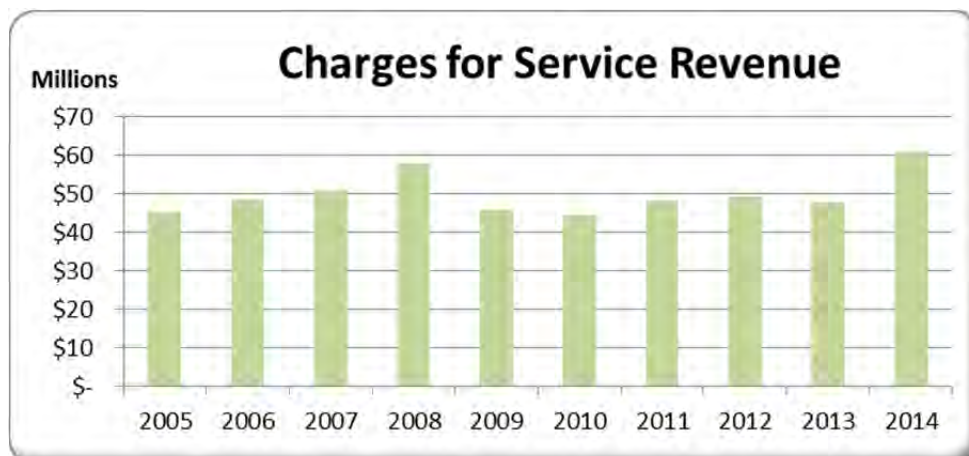
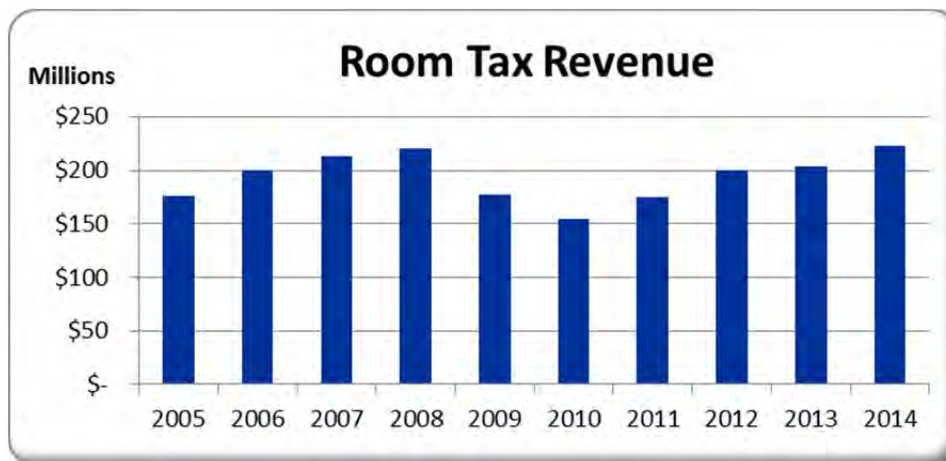


## STATISTICAL DATA

### GENERAL FUND REVENUES BY SOURCE LAST TEN FISCAL YEARS

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

Fiscal Year	Total Revenues	Room Taxes		Charges for Service		Gaming Fees		Interest & Other
2005	\$ 224,770,553	\$ 176,339,258	15%	\$ 45,056,357	21%	\$ 1,861,748	-3%	\$ 1,513,190
2006	253,172,521	200,086,827	13%	48,359,639	7%	1,963,608	5%	2,762,447
2007	269,118,610	213,256,076	7%	50,916,320	5%	1,949,332	-1%	2,996,882
2008	281,918,942	220,733,128	4%	57,689,079	13%	1,851,848	-5%	1,644,887
2009	225,143,479	176,726,992	-20%	45,640,631	-21%	2,101,166	13%	674,689
2010	200,737,367	154,046,265	-13%	44,535,733	-2%	1,960,431	-7%	194,938
2011	226,060,028	175,425,978	14%	48,158,659	8%	1,919,186	-2%	556,204
2012	250,820,583	199,592,498	14%	49,168,968	2%	1,813,548	-6%	245,569
2013	253,051,353	203,196,429	2%	47,846,895	-3%	1,831,589	1%	176,440
2014	285,635,383	222,781,385	10%	60,786,406	27%	1,710,108	-7%	357,484

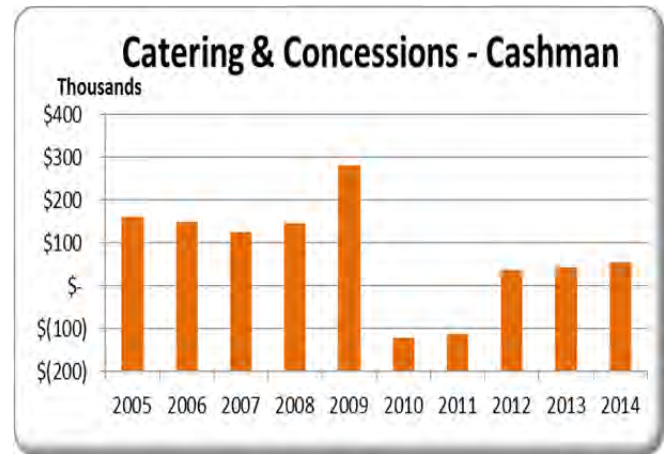
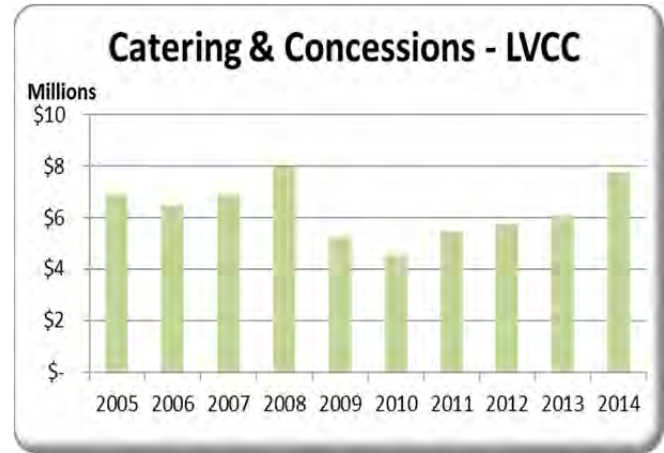
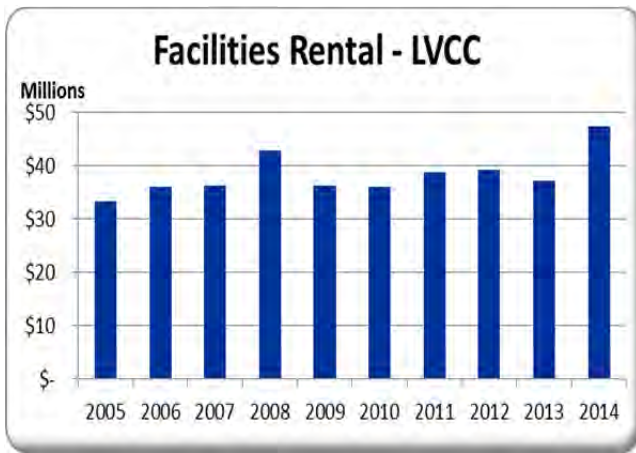


# STATISTICAL DATA

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

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

Fiscal Year	Total Revenues	CONVENTION CENTER		CASHMAN CENTER		Other Fees & Charges
		Facilities Rental	Catering & Concessions	Facilities Rental	Catering & Concessions	
2005	\$ 45,056,357	\$ 33,406,123	23%	\$ 6,899,231	27%	\$ 2,695,646
2006	48,359,639	36,089,748	8%	6,493,289	-6%	3,660,964
2007	50,916,320	36,280,156	<1%	6,917,274	7%	5,411,820
2008	57,689,079	42,873,520	18%	7,974,530	15%	4,594,221
2009	45,640,631	36,227,413	-16%	5,247,263	-34%	2,456,105
2010	44,535,733	36,002,880	-1%	4,547,121	-13%	2,596,351
2011	48,158,659	38,688,753	7%	5,468,941	20%	2,516,805
2012	49,168,968	39,256,965	1%	5,747,299	5%	2,412,021
2013	47,846,894	37,165,086	-5%	6,063,135	5%	2,803,458
2014	60,786,406	47,388,553	28%	7,748,847	28%	3,858,682



# STATISTICAL DATA

## GENERAL FUND EXPENDITURES BY SOURCE LAST TEN FISCAL YEARS

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

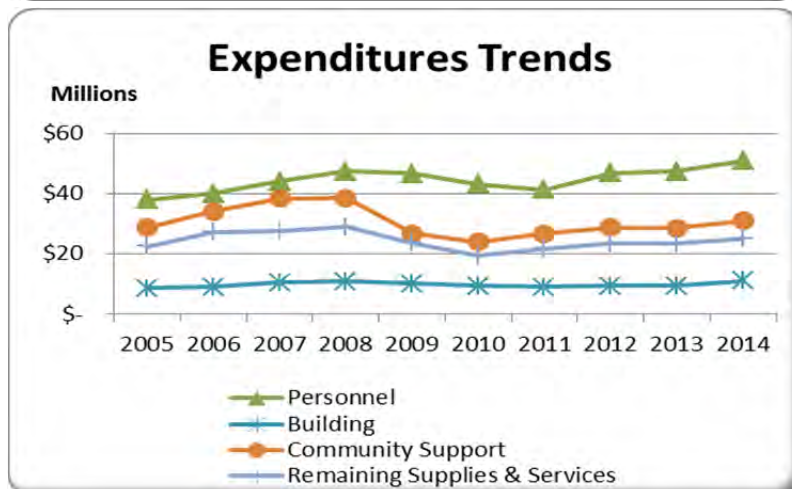
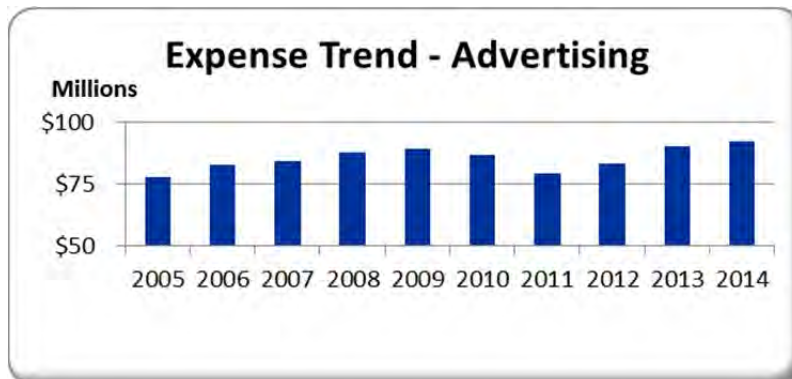
Fiscal Year	Total Expenditures	Personnel	Advertising	Building	Community Support	Remaining Supplies & Services
2005	\$ 176,076,252	\$ 37,988,620	\$ 78,027,753	\$ 8,712,917	\$ 28,753,093	\$ 22,593,869
2006	193,486,005	40,185,913	82,732,989	9,014,010	34,248,193	27,304,900
2007	205,278,234	44,145,739	84,506,694	10,474,091	38,416,171	27,735,539
2008	214,001,753	47,513,648	87,857,388	10,934,926	38,640,536	29,055,255
2009	196,747,731	46,804,234	89,342,627	10,151,104	26,802,232	23,647,534
2010	183,028,495	43,202,760	86,924,843	9,413,393	24,088,340	19,399,157
2011	178,389,411	41,324,899	79,423,380	9,041,566	26,842,989	21,756,577
2012	192,381,692	47,003,176	83,539,239	9,471,115	28,854,382	23,513,780
2013	199,569,062	47,428,784	90,466,753	9,467,068	28,736,573	23,469,884
2014	210,907,570	51,085,181	92,470,992	11,181,464	31,020,039	25,149,894

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

(B) Advertising includes only the services and supplies.

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

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

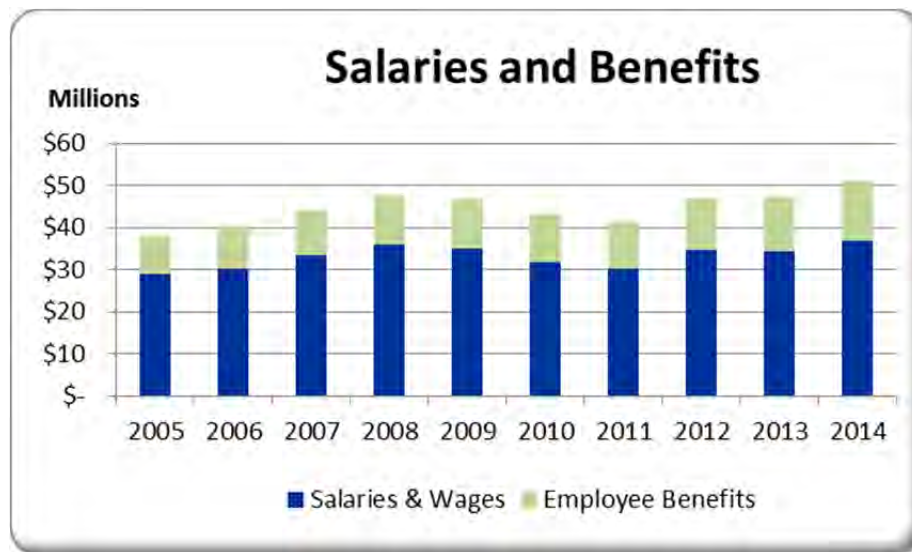


## STATISTICAL DATA

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

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

Fiscal Year	Personnel Expenditures	Salaries & Wages		Employee Benefits		Benefits as a Percent of Salaries
2005	\$ 37,988,620	\$ 28,746,860	2%	\$ 9,231,120	4%	32%
2006	40,185,913	30,285,223	5%	9,900,690	7%	33%
2007	44,145,739	33,251,674	10%	10,894,065	10%	33%
2008	47,513,648	35,931,995	8%	11,581,653	6%	32%
2009	46,804,234	34,897,735	-3%	11,906,499	3%	34%
2010	43,202,760	31,685,192	-9%	11,517,568	-3%	36%
2011	41,324,899	30,243,257	-5%	11,081,642	-4%	37%
2012	47,003,176	34,722,818	15%	12,280,358	11%	35%
2013	47,428,784	34,333,989	-1%	13,094,795	7%	38%
2014	51,085,182	36,890,086	7%	14,195,096	8%	38%



## STATISTICAL DATA

### USE OF FACILITIES LAST TEN FISCAL YEARS

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

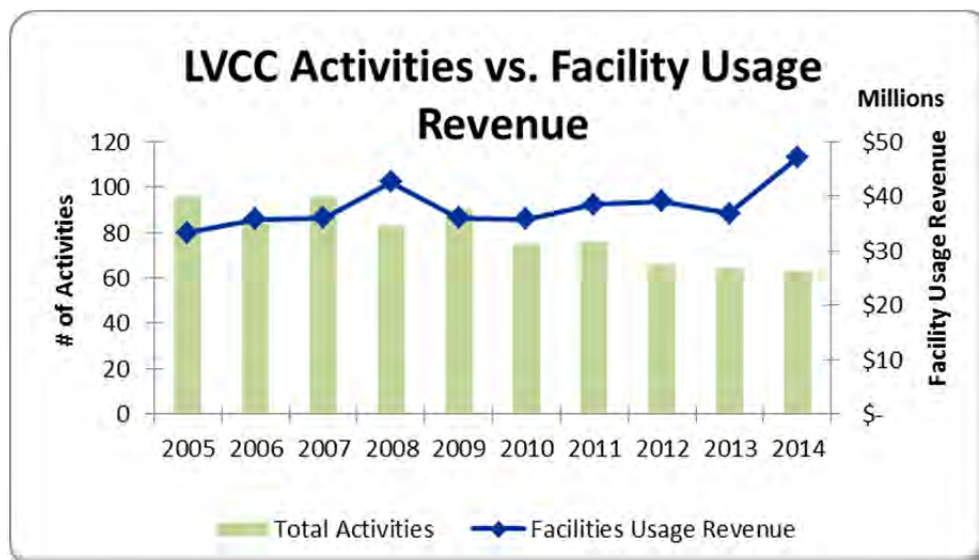
#### LAS VEGAS CONVENTION CENTER - BUILDING UTILIZATION

FISCAL YEAR	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
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

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

FISCAL YEAR	CONVENTIONS / TRADESHOWS	SPECIAL EVENTS	PUBLIC INVITED EVENTS	LOCAL MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
2009	68	11	4	7	90	\$ 35,951,249
2010	64	7	2	2	75	35,783,911
2011	60	8	3	5	76	38,483,619
2012	53	7	3	3	66	39,022,683
2013	47	9	7	1	64	36,854,055
2014	47	12	1	3	63	47,067,894

Source: Las Vegas Convention and Visitors Authority – Strategic Research & Analytics and Finance departments



## STATISTICAL DATA

### USE OF FACILITIES LAST TEN FISCAL YEARS (continued)

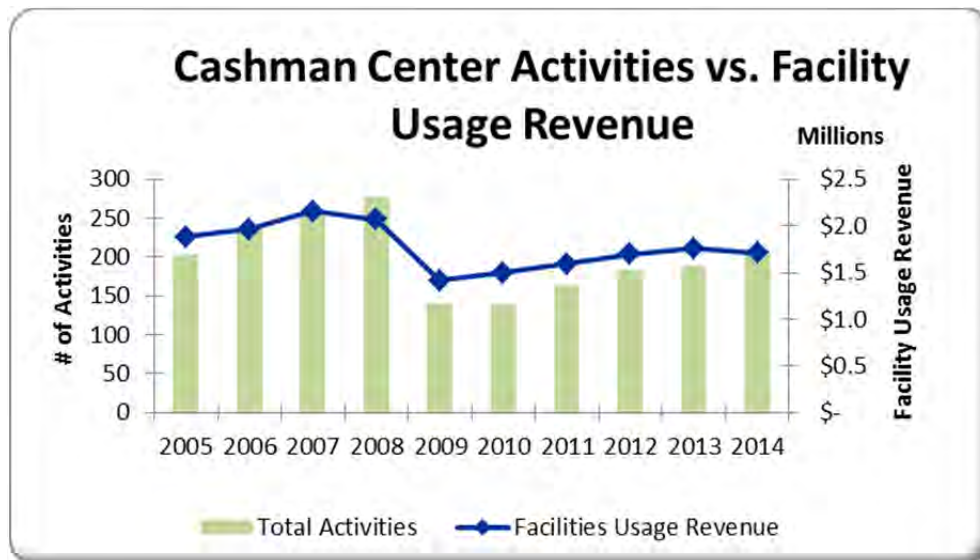
#### CASHMAN CENTER - BUILDING UTILIZATION

FISCAL YEAR	CONVENTIONS	EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
2005	6	135	62	203	\$ 1,884,378
2006	4	137	99	240	1,966,013
2007	4	158	95	257	2,157,445
2008	2	163	112	277	2,069,376

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

FISCAL YEAR	CONVENTIONS / TRADESHOWS	SPECIAL EVENTS	PUBLIC INVITED EVENTS	LOCAL MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
2009	0	11	91	38	140	\$ 1,412,766
2010	1	6	94	38	139	1,497,930
2011	1	3	124	36	164	1,592,040
2012	1	2	142	38	183	1,699,204
2013	2	3	149	35	189	1,760,894
2014	1	5	164	35	205	1,708,593

Source: Las Vegas Convention and Visitors Authority – Strategic Research & Analytics and Finance departments





**EXCERPT OF RENTAL RATES PER FACILITY**

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

LAS VEGAS CONVENTION CENTER

CONVENTION/TRADE SHOW AND PUBLIC EVENTS

When used for commercial exhibits, the cost per individual exhibit hall is either the minimum daily rate (ranges from \$6,350 to \$31,650) or \$.29 per net square foot, whichever is greater. Exhibit halls used for catered food functions or general sessions only are at no charge. The total number of move in/move out days equal to one (1) times the number of show days are at no charge. Additional move in/move out days are at 50% of the charged rate per day.

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

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

CASHMAN CENTER

CONVENTION/TRADE SHOW

Exhibit hall rates are based on \$0.29 per net square foot or \$7,110 minimum. The total days of move-in/move-out at no charge equal the number of actual show days. Extra move-in/move-out days are at 50% of the charged rate.

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

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

PUBLIC EVENT

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

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

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

Parking fees are currently \$4.00 per car per day with no in and out privileges. Beginning July 1, 2015 parking fees increase to \$5.00 per space per day with in and out privileges.

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

## STATISTICAL DATA

### DEMOGRAPHIC STATISTICS - CLARK COUNTY, NEVADA LAST TEN FISCAL YEARS

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

Per the Census Bureau, Clark County is the nation's 13<sup>th</sup> most populous county in the United States. The population in FY 2014 grew 1.9% compared to FY 2013.

City of Las Vegas, North Las Vegas and Henderson total population is 1,122,056 which makes up more than 50% of the total Clark County population of 2,069,450. Labor force at 2014 stands at 990,009 a slight decrease compared to 2013. Unemployment rate at 2014 is 7.90% which has continued to decline since 2010.

Entity	Incorporation Date	2014 Population	Square Miles (approx.) *
Clark County	1909	913,505	7,220
Las Vegas	1911	610,637	133
N. Las Vegas	1946	230,491	100
Henderson	1953	280,928	105
Boulder City	1958	15,627	208
Mesquite	1984	18,262	32

Source: population estimates - Nevada State Demographer, square miles from the Las Vegas Perspective.

Further statistics that reflect the local economy are shown below.

AS OF JUNE 30,	POPULATION (A)	LABOR FORCE (B)	UNEMPLOYMENT RATE (B)
2005	1,796,380	870,562	4.70%
2006	1,874,837	909,956	4.40%
2007	1,954,319	932,615	4.80%
2008	1,967,716	971,190	6.80%
2009	1,952,040	984,809	12.20%
2010	1,968,831	998,482	14.20%
2011	1,967,722	996,985	14.10%
2012	1,988,195	995,401	12.10%
2013	2,031,723	991,597	10.40%
2014	2,069,450	990,009	7.90%

Sources:

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

(B) December 31 labor force statistics and unemployment rates from the Nevada Dept. of Employment, Training & Rehabilitation – Information Development & Processing Division – Research & Analysis Bureau (figures rounded).

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

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



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

AS OF DEC 31,	MEDIAN HOUSEHOLD INCOME *	MEDIAN AGE * (C)	SCHOOL ENROLLMENT *
2005	47,320	47.9	304,444
2006	53,111	47.5	315,697
2007	53,704	50.1	323,037
2008	57,403	35.7	330,519
2009	58,148	35.3	323,607
2010	58,432	35.4	323,637
2012	50,962	36.2	325,179
2013	50,454	36.4	329,034
2014	n/a	n/a	n/a

\* Note: CY2014 Median Household Income, Median Age and School Enrollment are not available at the time of printing.

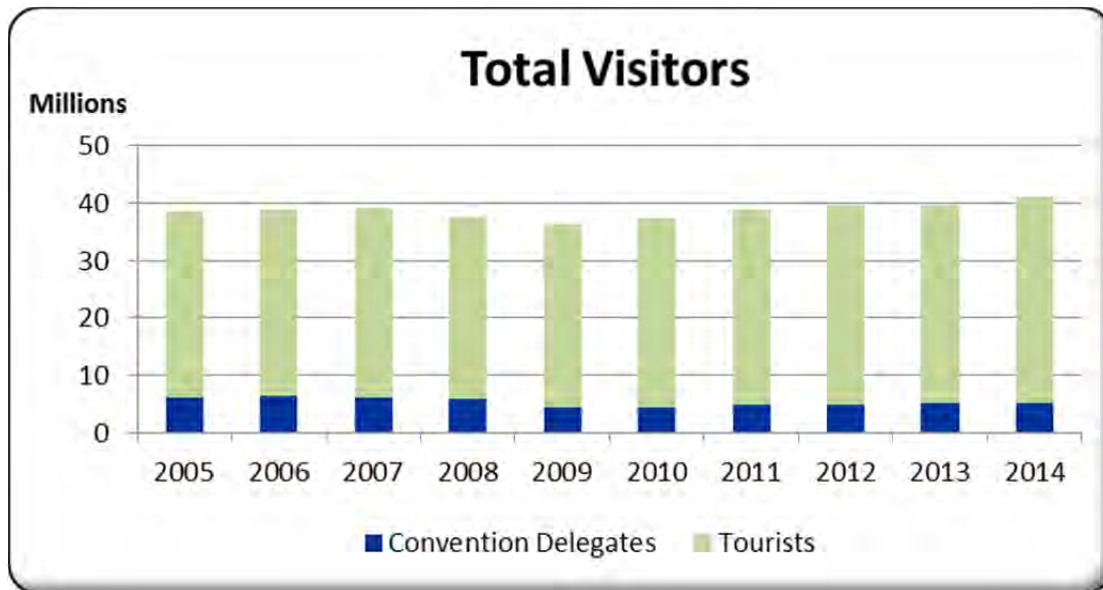
## STATISTICAL DATA

### VISITOR ANALYSIS LAST TEN CALENDAR YEARS

In its role of promoting Las Vegas as a travel destination, the LVCVA contributes to the growth of the entire local economy. The Las Vegas economy is heavily dependent on the hotel/gaming/recreation industry, which employs 27.3% of the labor force. The health of the hotel/gaming industry is directly related to the volume of visitors, presented below. In 2014, the total number of visitors to Las Vegas hit a record high of over 41 million an increase of 3.5% compared to 2013.

CALENDAR YEAR	CONVENTION DELEGATES	% OF TOTAL VISITORS	TOURISTS	% OF TOTAL VISITORS	TOTAL VISITORS	INCREASE / (DECREASE)
2005	6,166,194	16.00%	32,400,523	84.00%	38,566,717	3.20%
2006	6,307,961	16.20%	32,606,928	83.80%	38,914,889	0.90%
2007	6,209,253	15.80%	32,987,508	84.20%	39,196,761	0.70%
2008	5,899,725	15.74%	31,581,827	84.26%	37,481,552	-4.38%
2009	4,492,275	12.36%	31,859,194	87.64%	36,351,469	-3.02%
2010	4,473,134	11.98%	32,862,302	88.02%	37,335,436	2.71%
2011	4,865,272	12.50%	34,063,436	87.50%	38,928,708	4.27%
2012	4,944,014	12.44%	34,783,008	87.56%	39,727,022	2.05%
2013	5,107,416	12.88%	34,560,805	87.12%	39,668,221	-0.15%
2014	5,169,054	12.57%	35,957,458	87.43%	41,126,512	3.68%

Source: Las Vegas Convention and Visitors Authority, Marketing Division – Strategic Research & Analytics



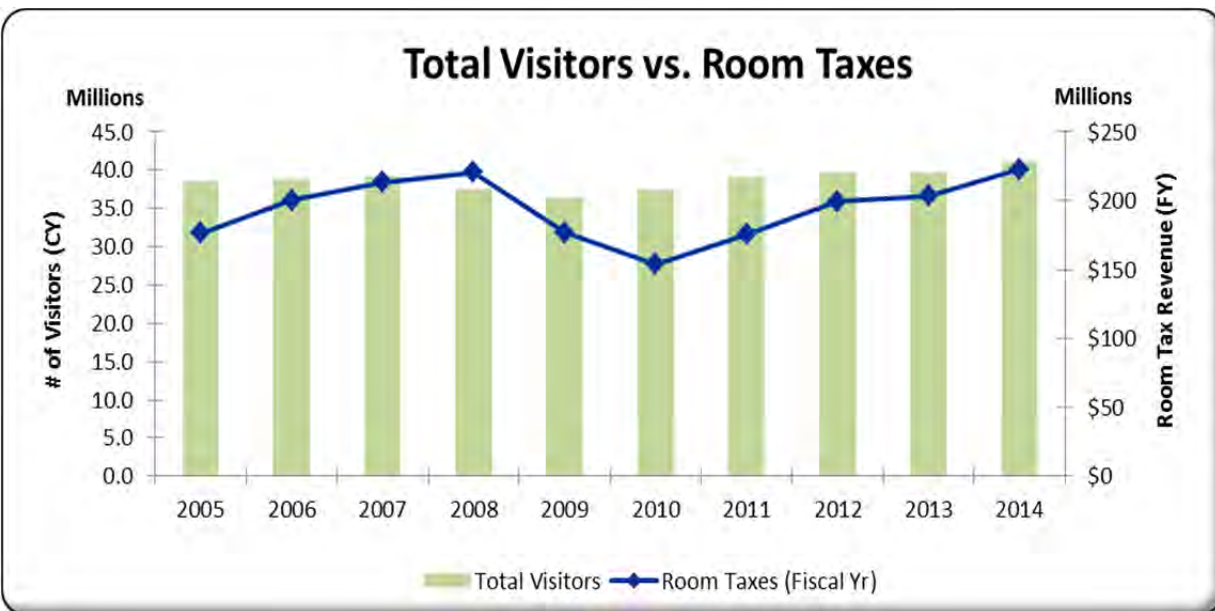
## STATISTICAL DATA

### VISITOR ANALYSIS LAST TEN CALENDAR YEARS (continued)

Strong visitor levels produce beneficial secondary effects in other industries as well, since visitors purchase a significant amount of goods and services while they visit the area. Visitors to Las Vegas in 2014 contributed nearly \$50.1 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	TOTAL VISITORS	INCREASE / (DECREASE)	GAMING REVENUES (000)	INCREASE / (DECREASE)	ROOM TAXES (Fiscal Year)	INCREASE / (DECREASE)
2005	38,566,717	3.20%	9,716,860	11.50%	176,339,258	15.20%
2006	38,914,889	0.90%	10,643,824	9.60%	200,086,827	13.50%
2007	39,196,761	0.70%	10,868,554	2.10%	213,256,076	6.60%
2008	37,481,552	-4.38%	9,796,723	-9.86%	220,733,128	3.51%
2009	36,351,469	-3.02%	8,838,235	-9.78%	176,726,992	-19.94%
2010	37,335,436	2.71%	8,908,630	0.80%	154,046,265	-12.83%
2011	38,928,708	4.27%	9,222,680	3.53%	175,425,978	13.88%
2012	39,727,022	2.05%	9,399,882	1.92%	199,592,498	13.78%
2013	39,668,221	-0.15%	9,676,458	2.94%	203,196,429	1.81%
2014	41,126,512	3.68%	9,554,002	1.64%	222,781,385	9.64%

Source: Las Vegas Convention and Visitors Authority, Marketing Division – Strategic Research & Analytics and Nevada State Gaming Control Board



## STATISTICAL DATA

### VISITOR DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

The Las Vegas Convention and Visitors Authority conducts and compiles various research information on visitors to gain a better understanding of the composition of the Clark County visitor and to tailor advertising campaigns. The median age is 45.2 with 44% of visitors between the ages of 21 to 39, 34% between 40 and 59, and 22% over 60. The majority of visitors are married and employed. Further statistics regarding visitors to Las Vegas are shown below:

AS OF DECEMBER 31,	GENDER		MEDIAN AGE	MARITAL STATUS			JOB CATEGORIES		
	Male	Female		Married	Single	Other*	Employed	Retired	Other**
2005	51%	49%	47.7	74%	16%	10%	67%	24%	9%
2006	52%	48%	48	79%	14%	7%	70%	24%	6%
2007	50%	50%	49	79%	14%	7%	67%	26%	7%
2008	51%	49%	50.6	80%	13%	7%	66%	28%	6%
2009	50%	50%	50	78%	15%	7%	65%	28%	7%
2010	50%	50%	49.2	79%	14%	7%	66%	27%	7%
2011	51%	49%	49	77%	15%	8%	66%	25%	9%
2012	51%	49%	44.8	75%	18%	7%	69%	19%	12%
2013	50%	50%	45.8	79%	15%	6%	67%	20%	13%
2014	49%	51%	45.2	80%	14%	6%	64%	20%	16%

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

\*Marital Status - Other includes separated, divorced or widowed.

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

AS OF DECEMBER 31,	UNITED STATES OF AMERICA				
	Foreign	Eastern States	Southern States	Midwestern States	Western States
2005	12%	9%	13%	14%	52%
2006	13%	8%	13%	14%	52%
2007	12%	9%	13%	14%	52%
2008	15%	8%	13%	12%	52%
2009	14%	7%	11%	12%	55%
2010	18%	6%	11%	12%	54%
2011	16%	6%	12%	11%	55%
2012	17%	7%	11%	11%	54%
2013	20%	6%	12%	10%	52%
2014	19%	7%	12%	9%	53%

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

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

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

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

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

## STATISTICAL DATA

### PRINCIPAL ROOM TAX PAYERS DECEMBER 31, 2014

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

	Rooms at December 31
MGM Grand	5,044
Luxor	4,400
Venetian	4,027
Aria	4,004
Excalibur	3,991
Bellagio	3,933
Caesar's	3,776
Circus Circus	3,767
Flamingo Las Vegas	3,460
Mandalay Bay	<u>3,211</u>
Total Top 10 Hotels	39,613
Total Jean/Primm	2,922
Other hotels/motels	<u>108,009</u>
Total Las Vegas metropolitan area	150,544
Total Laughlin	10,268
Total Mesquite	1,736
<b>Total Inventory of Rooms</b>	<b><u>162,548</u></b>

Source: Las Vegas Convention and Visitors Authority, Marketing Division – Strategic Research & Analytics  
Note: Other hotels/motels do not include timeshare properties.

## STATISTICAL DATA

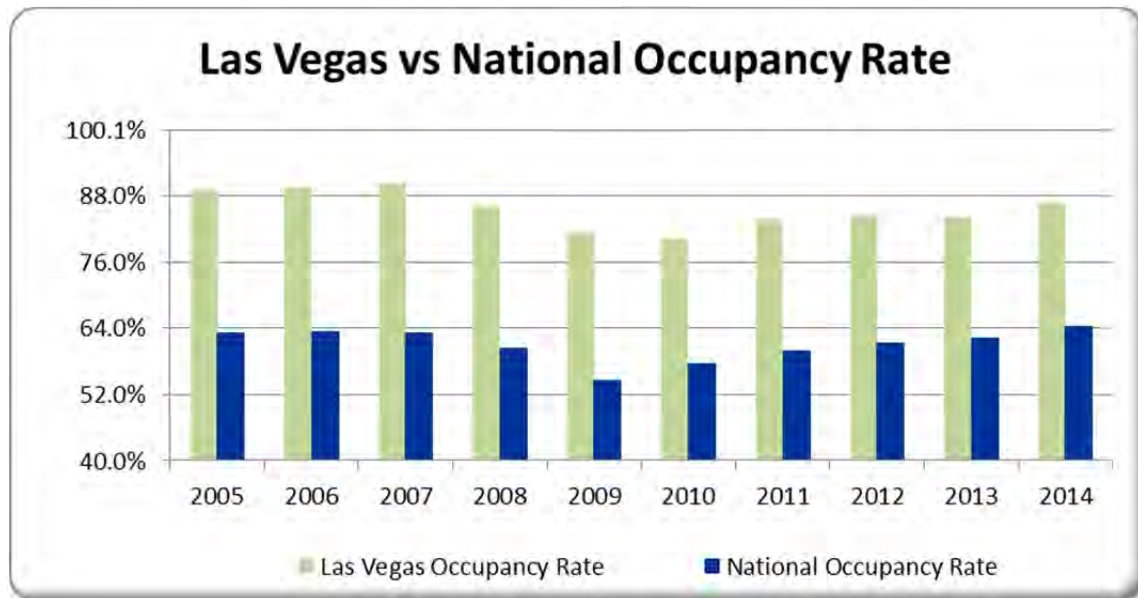
### OCCUPANCY RATE LAST TEN CALENDAR YEARS

In spite of the increasing availability of rooms, the occupancy rate for Las Vegas continues to grow, exceeding the national average by 22.4 points for calendar year 2014.

Calendar Year	Total Visitor Volume	Rooms Inventory*	Occupancy Percentage	Average Rooms Occupied Daily	Average Daily Rate	National Occupancy Percentage
2005	38,566,717	133,186	89.2%	118,802	\$ 103.12	63.1%
2006	38,914,889	132,605	89.7%	118,947	119.66	63.4%
2007	39,196,761	132,947	90.4%	120,184	132.09	63.2%
2008	37,481,552	140,529	86.0%	120,855	119.19	60.4%
2009	36,351,469	148,941	81.5%	115,196	93.19	55.1%
2010	37,335,436	148,935	80.4%	119,744	94.91	57.6%
2011	38,928,708	150,161	83.8%	125,905	105.11	60.1%
2012	39,727,022	150,481	84.4%	127,006	108.08	61.4%
2013	39,668,221	150,593	84.3%	126,950	110.72	62.3%
2014	41,126,512	150,544	86.8%	130,672	116.73	64.4%

Source: Las Vegas Convention and Visitors Authority, Marketing Division – Strategic Research & Analytics

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



# STATISTICAL DATA

## ROOM TAX RATE DISTRIBUTION BY JURISDICTION AS OF JUNE 30, 2015

Distributed to:  
 State of Nevada<sup>2</sup>  
 Clark County School District  
 Collecting Jurisdiction  
 County Transportation<sup>3</sup>  
 Fremont St. Experience<sup>4</sup>  
 LVCVA  
 Total Room Tax Rate

CLARK COUNTY		
Resort Hotels	Others Within 35 miles <sup>1</sup>	Others Outside 35 miles <sup>1</sup>
3 3/8	3 3/8	3 3/8
1 5/8	1 5/8	1 5/8
1	2	2
1	1	1
0	0	0
5	4	2
12	12	10

LAS VEGAS		
Down-town	Resort Hotels	Others
2 3/8 or 3 3/8	3 3/8	3 3/8
1 5/8	1 5/8	1 5/8
1	1	2
1	1	1
2 or 1	0	0
5	5	4
13	12	12

Distributed to:  
 State of Nevada<sup>2</sup>  
 Clark County School District  
 Collecting Jurisdiction  
 County Transportation<sup>3</sup>  
 LVCVA  
 Total Room Tax Rate

NORTH LAS VEGAS	
Resort Hotels	Others
3 3/8	3 3/8
1 5/8	1 5/8
1	2
1	1
5	4
12	12

HENDERSON	
Resort Hotels	Others
3 3/8	3 3/8
1 5/8	1 5/8
2	2
1	1
5	4
13	12

BOULDER CITY	
Resort Hotels	Others
3 3/8	3 3/8
1 5/8	1 5/8
0	0
1	1
6	4
12	10

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

<sup>1</sup> Reference is to distance from the Las Vegas Convention Center.

<sup>2</sup> Includes both the 3/8 of 1% for the Nevada Commission on Tourism enacted in 1983 and the 3% enacted by the State of Nevada in 2009. This applies only to counties whose population exceeds 300,000. (i.e. Clark and Washoe Counties only). The monies generated by this additional room tax are to fund education and other state programs.

<sup>3</sup> Enacted by the Clark County Commission in 1991.

<sup>4</sup> Enacted by the Las Vegas City Council in 1993. The Fremont Street Experience is a downtown revitalization project. This room tax applies only to properties within a specified geographic area.

## RESORT HOTEL DEFINITIONS BY JURISDICTION

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

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

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

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

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

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



## GLOSSARY

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

### ***Account Group***

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

### ***Accounting System***

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

### ***Accrual Basis Accounting***

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

### ***Activity***

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

### ***Air Line Lift***

The number of airline seats available to a specific destination during a specific period.

### ***Appropriation***

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

### ***Augmentation***

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

### ***BABS***

An abbreviation for Build America Bonds.

### ***Balanced Budget***

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

### ***Bond***

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

### ***Budget***

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

### ***Budget Document***

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

### ***Budget Message***

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

### ***Budgetary Control***

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

### ***Build America Bonds***

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

### ***CAFR***

An abbreviation for Comprehensive Annual Financial Report.

### ***Capital Asset***

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

### ***Capital Budget***

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

### ***Capital Expenditure (aka Capital Outlay)***

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

### ***Capital Improvement Plan***

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

### ***Capital Projects Fund***

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

### ***Capitalization Threshold***

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

### ***Cash Basis Accounting***

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

### ***CC***

An abbreviation for Cashman Center.

### ***CIP***

An abbreviation for capital improvement plan.

### ***CMMS***

An abbreviation for Computerized Maintenance Management Software.

### ***CMS***

An abbreviation for Contact Management system.

### ***Commercial Paper***

A short-term negotiable paper arising from business transactions.

### ***Contact Management System***

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

## GLOSSARY

### ***Coterminous***

In conjunction with term of office.

### ***CRM***

Abbreviation for Customer Relationship Management system.

### ***Customer Relationship Management***

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

### ***Debt Service Fund***

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

### ***Debt Service Requirements***

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

### ***Defeased***

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

### ***Department***

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

### ***Depreciation***

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

### ***Division***

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

### ***EAC***

An abbreviation for Exhibitor Appointed Contractor.

### ***EFT***

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

### ***Employee Benefits***

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

### ***Encumbrance***

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

### ***Expenditure***

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

### ***FAM***

An abbreviation for familiarization trip.

### ***Fiduciary Fund Type***

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

### ***Fiscal Year (FY)***

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

## GLOSSARY

### ***Fixed Asset***

See capital asset.

### ***FTE***

An abbreviation for full-time employee.

### ***FYE***

An abbreviation for fiscal year ending.

### ***Function***

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

### ***Fund***

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

### ***Fund Balance***

The excess of assets over its liabilities in a governmental fund.

### ***GAAP (Generally Accepted Accounting Principles)***

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

### ***General Fund***

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

### ***General Obligation Bonds***

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

### ***GFOA***

An abbreviation for Government Finance Officers Association.

### ***Goal***

A statement of broad direction, purpose, or intent.

### ***Governmental Fund Type***

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

### ***Grant***

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

### ***Green Items***

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

### ***Intranet***

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

## GLOSSARY

### ***Internal Service Fund***

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

### ***Inventory***

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

### ***LGBT***

Abbreviation for Lesbian, Gay, Bisexual and Transgender.

### ***LVCC***

Abbreviation for Las Vegas Convention Center.

### ***Las Vegas Territory***

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

### ***Line-Item Budget***

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

### ***Line of Credit***

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

### ***Long-Term Debt***

Debt with a maturity of more than one year after the date of issuance.

### ***Modified Accrual Accounting***

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

### ***NAC***

An abbreviation for Nevada Administrative Code.

### ***NASCAR***

An abbreviation for National Association for Stock Car Auto Racing.

### ***NDOT***

An abbreviation for Nevada Department of Transportation.

### ***NRS***

An abbreviation for Nevada Revised Statutes.

### ***Objective***

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

### ***OPEB***

An abbreviation for Other Post-Employment Benefits.

### ***Operating Budget***

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

## GLOSSARY

### ***Operating Transfer***

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

### ***Organizational Unit***

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

### ***Original Cost***

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

### ***Other Post-Employment Benefits***

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

### ***PERS***

An abbreviation for Public Employees Retirement System.

### ***P/R***

An abbreviation for public relations.

### ***Purchase Order***

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

### ***Resources***

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

### ***Revenue Bonds***

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

### ***Revenues***

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

### ***Salaries and Wages***

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

### ***Salvage Value***

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

### ***Services and Supplies***

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

### ***SMERF***

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

### ***Social Media***

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

### ***Tangible***

An item capable of being touched.

## GLOSSARY

***Upgauge***

Replacing lower seating capacity aircraft equipment with higher seating capacity aircraft equipment.

***Useful Life***

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

***Weighted Net Gain***

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



**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

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