LAS VEGAS CONVENTION AND VISITORS AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015
LAS VEGAS, CLARK COUNTY, NEVADA

CONVENTION AND
VISITORS AUTHORITY

Comprehensive Annual Financial Report
For The Year Ended June 30, 2015

Prepared by the Finance Department
Under the supervision of
Rana D. Lacer, Senior Vice President of Finance
and
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September 25, 2015

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

We are pleased to present this Comprehensive Annual Financial Report (CAFR) for the Las Vegas Convention and Visitors Authority (LVCVA) for the year ended June 30, 2015.

The Finance Department prepared these financial statements and assumes responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the Finance Department established a comprehensive internal control framework that is designed to provide reasonable assurance that the LVCVA's assets are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that the cost of maintaining internal controls should not exceed the benefits derived and that management is required to evaluate the cost and benefits by using estimates and judgments. All internal control evaluations occur within this framework. We believe the LVCVA's internal controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Piercy Bowler Taylor & Kern, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of Nevada, has audited the LVCVA's basic financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the LVCVA for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that the LVCVA's basic financial statements for the fiscal year ended June 30, 2015, are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States (GAAP). The independent auditor's report is presented as the first two pages of the financial section of this CAFR.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report. It provides an analytical overview to accompany the basic financial statements. This letter of transmittal is intended to complement the MD&A and other information contained in this report and should be read in conjunction with it.

REPORTING ENTITY

This CAFR includes all funds of the LVCVA. The LVCVA is unique, as it does not operate as a typical membership-based convention and visitors bureau. It is a governmental agency established by state law, funded primarily by room tax revenues and the governing body is composed of an autonomous Board of Directors (the Board). This fourteen-member board is comprised of eight public officials representing Clark County and its incorporated cities, and six private sector representatives who are nominated by the Las Vegas Metro Chamber of Commerce and Nevada Resort Association to represent the hotel industry and general business interests.

The LVCVA's mission statement is:

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

The LVCVA is charged with the dual purpose of attracting visitors and operating its two convention facilities efficiently. Our primary responsibility is to market and brand Las Vegas and Southern Nevada as a travel destination. Extended destinations include Laughlin, Mesquite, Boulder City and Primm. Internationally, the LVCVA has representative offices in Australia, Brazil, Canada, China, France, Germany, Ireland, Japan, Mexico, South Korea, India and the United Kingdom, Las Vegas' number one overseas market. International travel, as a percentage of overall visitation, has grown over the last five years from 14% in 2009 to 19% in 2014. International visitors contributed 29% of total visitor spending in calendar year 2014.

While resorts advertise and market their individual properties, the LVCVA markets and brands the destination as a whole.

The LVCVA integrates its famous branding campaign –

"What Happens Here Stays Here" ™

– with sales, marketing and public relations activities, as well as special events, to attract visitors. In addition to marketing the destination, it operates the Las Vegas Convention Center (LVCC) and Cashman Center to generate business travel for meetings and conventions. While leisure travel makes up the majority of visitors, business travel is a vital component of our market and represented 13% of annual visitation to Southern Nevada in calendar year 2014. Convention attendance remained steady during FY 2015.

Las Vegas was recognized for the 21st consecutive year as the No. 1 destination of the Trade Show News Networks (TSNN) Top 250 Trade Shows in the United States for calendar year 2014. Las Vegas hosted 60 of the largest 250 tradeshows, more than the next two destinations combined and up 13% over 2013.

FACILITIES

Las Vegas Convention Center

The LVCC opened with the World Congress of Flight in 1959. Today, it is one of the busiest and most functional facilities in the world - a 3.2 million square foot facility located within a short distance of more than 100,000 guest rooms. The center is well known among industry professionals for its versatility. In addition to approximately 2 million square feet of exhibit space, 144 meeting rooms handle seating capacities ranging from 20 to 7,500. A grand lobby and registration area efficiently link exhibit halls and meeting rooms, and allow simultaneous set-up, break-down and exhibiting of multiple events. The LVCC hosted more than 50 conventions and tradeshows during FY 2015. Some of the largest conventions held here annually include: MAGIC International, International CES, Specialty Equipment Marketing Association (SEMA), and National Association of Broadcasters (NAB). The LVCC attracted an estimated 1.4 million total attendees during FY 2015. The LVCC can host nearly any event imaginable, from the largest conventions to international sporting events and full-scale concerts. During FY 2015, the LVCVA completed an expansion and upgraded to its technology. The upgrades include increased internet bandwidth, which is over double the bandwidth of any other convention center in North America, and new wireless internet access points that more than triple the prior capacity. These allow for unrivaled wireless internet service throughout the 3.2 million square foot facility.

Cashman Center

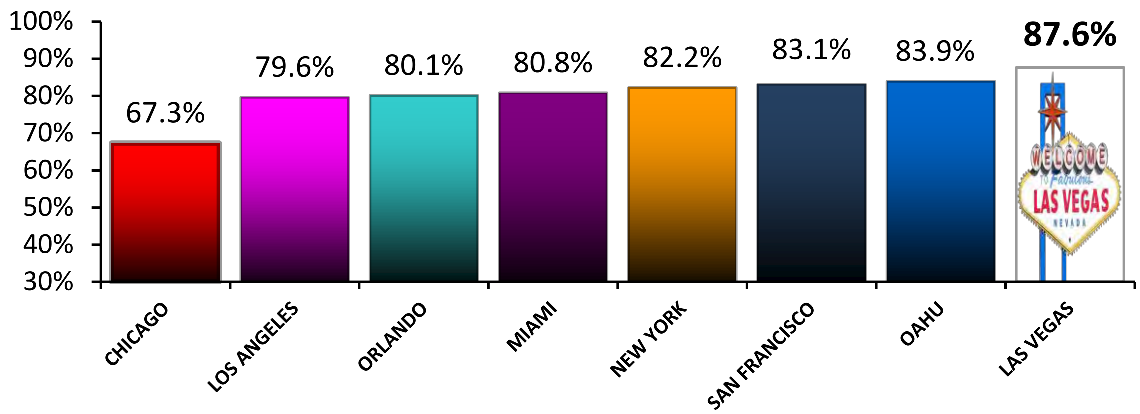
Cashman Center, which opened in 1983, is a multi-use facility encompassing 483,000 square feet on a 55-acre site near downtown Las Vegas. The facility includes 98,100 square feet of exhibit space, 14 meeting rooms, a 1,898 seat state-of-the-art theatre, over 2,500 spaces for parking, and a 10,000 seat baseball stadium which is the home of the Las Vegas 51s, AAA affiliate of the New York Mets. The center is used frequently for local events, but also has hosted national events.

ECONOMIC CONDITION

On a national level, Brand USA, the national destination marketing organization, gained five-year reauthorization with bipartisan support from Congress, paving the way for national strategies to continue attracting international visitors to the U.S. This is a positive boost that delivers powerful economic impact for all 50 states and creates American jobs. Las Vegas will continue to partner with Brand USA to ensure Southern Nevada attracts its share of international travel growth driven by these efforts. Additionally, other macro indicators continued trends of moderate growth, including the S&P 500 and Consumer Confidence Index. Employment, the Consumer Price Index and Travel Price Index rose as well as US hotel occupancy and average daily room rate (ADR).

At a local level, Las Vegas resort and casino sector and other local businesses continued to reinvest in the destination and its future during FY 2015. Las Vegas continued to engage visitors with new amenities including expansive property renovations and new shopping, dining, entertainment and nightlife options to captivate and persuade visitation. With these new features, Las Vegas continues to be one of the most exciting destinations for leisure and business travel with the highest concentration of hotel rooms in a central area. Due to a focus on renovations, room inventory stayed relatively flat. Seventeen of the largest twenty hotels in the United States are located in Las Vegas. Clark County room inventory was over 160,000, with just over 149,000 rooms in the Las Vegas metropolitan area. Las Vegas also broke its prior visitor record with more than 41.1 million visitors to the destination during the 2014 calendar year which is a 3.7% increase from 2013. Calendar 2015 visitation is also tracking above the prior year with a 2% increase to date. Although room inventory remained virtually unchanged, the increased visitation boosted room occupancy by approximately 1% over last year at this time. Room occupancy in the Las Vegas area consistently exceeds other major resort destinations and historically outpaces the US average by over 20 percentage points each year.

Calendar Year to Date Occupancy Rate: June 30, 2015



Sources: Smith Travel and LVCVA Strategic Research and Analytics Department

Revenues

Room tax is the LVCVA's primary revenue source. Key components of this revenue stream are room inventory, average daily taxable room rental rate (ADR) and occupancy rates. The FY 2015 final budget for room tax anticipated growth of 3% over FY 2014 results. However, actual FY 2015 room tax results achieved its highest level in LVCVA history, outpacing budget projections and increasing nearly 7% over FY 2014. The results reflect the continued strength of the destination and its recovery. Combined general fund room tax and gaming fees revenue increased from $225 million in FY 2014 to $241 million in FY 2015. Economic stabilization, consumer confidence and targeted ad campaigns continued to increase visitation and ADR throughout FY 2015.

Total revenues in the general fund exceeded the budget and outpaced the prior year by approximately 4%. Increases were largely attributable to room tax; offsetting an anticipated decrease in facility fees due to the cyclical rotation of shows in the building, including the effect of CONEXPO-CON/AGG, a large construction trade show held every three years that boosted FY 2014 amounts.

MAJOR INITIATIVES IN FY 2015

During FY 2015, the LVCVA completed a real estate asset purchase of the Riviera Hotel and Casino. The property added 26.4 acres to the LVCC campus and represents a major benchmark to progress the Las Vegas Convention Center District (LVCCD) vision. The site is a catalyst for the future as it provides space for a new exhibit hall, which is the first phase of the LVCCD, and it connects the LVCVA campus to Las Vegas Boulevard "the Strip". Once cleared and paved, the site will be used for outdoor exhibits and other client needs until construction of the new exhibit hall begins. More detail on the LVCCD is included under Long Term Financial Planning.

Continued growth in the revenue base during FY 2015 allowed the LVCVA to once again allocate resources to sustain our operational excellence and ensure the facility's future competitiveness. The LVCVA continued to update the LVCC appearance by paving and upgrading just over 5 acres of land purchased last year for use as parking and outdoor exhibit space, renovating an administrative entrance, as well as updating the look of all visitor information centers to give the campus a more aesthetically pleasing appearance to visitors.

Marketing

The Marketing Division proactively sought new partnerships and opportunities to extend the Las Vegas brand message and drive new and repeat visitation to increase visitor volume to the destination. From integrated media programs to innovative sales initiatives, successfully executed programs kept the destination top of mind. Extensive research played a primary role in increasing visitor demand and helped build greater insights around our customers and the constantly evolving traveler. Industry Relations and Sales hosted impactful in-market events with global reach such as Destination Marketing Association International (DMAI) 100th Annual Convention, CAPA Americas Aviation Summit, CVENT Connect Annual Meeting, and Boyd International Aviation Forecasting Meeting.

Other significant initiatives include:

- Leisure
    - Holistic marketing approach supported Las Vegas reaching the record-breaking 41 million visitor milestone.
    - Created 32 dynamic custom and long-form digital videos to support the mid-funnel content strategy. Videos featured 28 properties which showcased 76 unique venues and/or attractions.
    - Social footprint on consumer facing channels increased 34% year over year, with the greatest increase coming from emerging social media networks (Vine 100%, Tumblr, 100%, Pinterest, 42 % and Instagram 2,404%).
    - Generated nearly 28,000 stories about Las Vegas (domestic and international), which resulted in over 22 billion impressions worth $2.3 billion in publicity value.
    - Launched "Vegas Season," a comprehensive summer marketing campaign to drive visitation during slower months. The Vegas Season Tour stopped in four cities and generated 489 million impressions worth over $50 million in publicity value.
    - Executed various pop-up events and activations with partners such as the Sony Crackle concert with Imagine Dragons, Krewella (DJ) Takeover in Chicago with Pandora, an in-flight concert with Southwest Airlines and more.
    - Welcomed high profile media events such as Billboard Music Awards, Vegas Uncork'd by Bon Appetit, Latin GRAMMY Awards and the NHL Awards.
    - Launched VisitLaughlin.com, a new responsive design website for Laughlin, NV.
    - Developed two tri-destination golf familiarization tours that introduced 14 group planners to golf experiences at Primm, Boulder City and Laughlin.
- Business
    - VegasMeansBusiness.com, the LVCVA's meeting planner focused website, increased web visits by 5.7% year over year.
    - Developed and launched 61 new responsive design email communication templates to increase response rates and enhance overall communication with our business partners.
    - The Host Committee engaged the business and resort community to welcome 45+ major conventions and special events, and continued to educate locals on the importance of tourism to the economy.
- International
    - Developed and conducted social media training course programs for six LVCVA international offices and successfully launched Facebook pages in Canada, Mexico, UK, Germany, Australia, and Brazil.
    - Continued to globalize LasVegas.com by providing additional translation capabilities for new languages including Korean, Japanese and Chinese (Simplified).
    - Hosted 44 group media familiarization tours representing 22 countries from 13 LVCVA offices, resulting in 34.9 billion impressions.

- Continued a successful partnership with Brand USA and received additional international exposure through select advertising programs.

- Research
  - 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.
  - 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.
  - Conducted a pilot "Idea Hub" research program to serve as an ongoing customer feedback mechanism where leisure travelers give initial reactions on ideas or concepts for the resort community.
- Airline Development
  - Increased total Las Vegas seat capacity by 2.5%; domestic capacity is up 1.5% while international is up 14.6%. The estimated annualized economic impact for air service for FY15 is projected to hit $754 million, a 67% increase over FY14.
  - Launched new or significantly increased air service in twenty six (26) markets representing 639,000 new inbound seats for the year.

Fiscal Accountability and New Accounting Standards

Finance staff continued to review the design and compliance effectiveness of the LVCVA's internal policies and procedures and external reporting adherence to GAAP and Governmental Accounting Standards. This included a review of government finance industry best practices and review of several new GASB statements. This fiscal year the LVCVA implemented GASB Statements No. 68, reporting of pension liabilities; Statement 69, recording of combinations and disposals of governments and Statement No. 71, further clarification of Statement 68. The newly implemented standards are discussed in more detail in Note 1 to the financial statements. GASB statements slated for future implementation are discussed in Note 3 to the financial statements.

LONG-TERM FINANCIAL PLANNING

Strategic planning has been a key focus of the LVCVA over the last decade. Finance staff updated long-term operating forecasts to ensure alignment with the LVCVA's strategic objectives, including the enhancement of the global Las Vegas brand as a destination for serious business as well as fun. The primary objectives of the advertising programs are to promote domestic and international visitation for leisure activities, and emphasize the importance of the meetings and convention industry.

In FY 2015, the LVCVA focused on planning and preliminary stages of the LVCCD expansion and renovation project to ensure the continued long-term success of the LVCVA and Las Vegas as a destination. Planning began in FY 2013 and embodies the overarching vision for the LVCC and surrounding neighborhood. Preparation for the LVCCD includes programming and design, the development of an overall budget, land acquisition and the identification of resources to support the program.

There are four major phases in the LVCCD program: The first phase included the acquisition of sufficient land parcels contingent to the current campus to provide a footprint for facility expansion. This was successfully accomplished with the purchase of the Riviera Hotel and Casino in FY 2015. Phase One will continue during FY 2016 with the demolition and site preparation of that parcel. Phase One is budgeted at $250 million and all components are being funded through current debt capacity supported by existing revenue streams.

Phase Two includes a major expansion of the LVCC. This will add additional indoor and outdoor exhibit space, meeting rooms, additional parking, pre-function space, new food and beverage outlets and support and service spaces. Phase Three consists of renovation and additions to the current facility. This includes upgrades to existing exhibit halls, meeting rooms, restrooms and entrances with upgraded technology, lights and design. This phase will also provide additional meeting rooms, new food and beverage outlets as well as an enclosed connector between the current halls. Phase Four encompasses future improvements, including additional exhibit hall space, a media center, general session space, a production kitchen, parking structure and an outdoor plaza on Las Vegas Boulevard.

Phasing the project with the construction of the new exhibit hall in Phase Two allows us to provide space for our current trade shows while existing facilities are closed for renovation during Phase Three. The budget for Phases Two, Three and Four is up to $2 billion and will require new revenue streams and resources sufficient to finance the program while maintaining the LVCVA's strong debt coverage rates.

The LVCVA believes it is important to maintain a balance between planning for recurring resources to sustain core operations and financial planning for a multi-year major capital program. The preparation of a long term financial forecast was an integral part of planning for the LVCCD. The aggregation of future intended outlays and anticipated revenues enabled an assessment of overall financial implications, including additional funding requirements, to be readily identified.

With the assistance of financial experts, a comprehensive long range pro forma was developed which forecasts our anticipated sources and uses of funds through FY 2030. The pro forma baseline included moderate growth assumptions for all current revenues and operating activities, as well as requirements to meet existing debt obligations. Forecasts for new facility use revenue growth was added, with offsets for anticipated operating costs from the expanded facility, including personnel, supplies, and services. Finally, the pro forma incorporated new debt financing requirements for all phases of the LVCCD. The final analysis has been used to estimate the level of new funding required to support the program, without sacrificing our commitment to our core mission.

Should new revenue sources be authorized at a level that generates inadequate funding to support a financing program, the total project budget would be affected and the scope would be revised.

DEBT ADMINISTRATION

Debt Issuance Compliance Policy

The LVCVA realizes the importance of complying with federal and other regulatory requirements regarding the issuance and ongoing management of its debt. The LVCVA's debt issuance compliance policy establishes the requirements and procedures for ensuring compliance with federal laws relating to issuance and post issuance monitoring of tax-exempt bonds and taxable direct pay bonds. The policy is intended to define compliance practices including compliance actions, records management, disclosures requirements, and process continuity within the Finance Department and the executive management of the LVCVA.

Debt Overview

Each month the LVCVA transfers money from the general fund to the debt service fund so it's available to pay the principal and interest payments for outstanding debt issues due on January 1 and July 1. The reserves in the debt service fund at June 30, 2015, were sufficient to pay principal and interest due on July 1, 2015. Outstanding bonded debt and debt service reserves at June 30, 2015, are shown as:

	Rating S&P	Rating Moody's	Outstanding Debt	Reserves Restricted for Repayment of Debt Principal	Net Outstanding Debt
04/05 Revenue Bonds	A+	A1	$ 14,100,000	$ 14,100,000	$ -
05/07 Refunding Bonds*	AA	Aa1	8,680,000	2,755,000	5,925,000
11/07 Revenue Bonds	A+	A1	43,560,000	1,105,000	42,455,000
07/08 General Obligation Bonds*	AA	Aa1	23,530,000	560,000	22,970,000
2010A General Obligation Bonds*	AA	Aa1	70,770,000	-	70,770,000
2010B General Obligation/Refunding Bonds*	AA	Aa1	44,885,000	2,320,000	42,565,000
2010C General Obligation Bonds*	AA	Aa1	155,390,000	-	155,390,000
2010D General Obligation Bonds*	AA	Aa1	4,125,000	4,125,000	-
2010E Revenue Bonds	AA	A1	81,925,000	1,665,000	80,260,000
2012 General Obligation Bonds*	AA	Aa1	23,975,000	1,035,000	22,940,000
2014 General Obligation Bonds*	AA	Aa1	50,000,000	-	50,000,000
2014A Subordinate Revenue Bond/Line of Credit	n/a	n/a	70,200,000	-	70,200,000
2015 General Obligation Bonds*	AA	Aa1	181,805,000	-	181,805,000
			$ 772,945,000	$ 27,665,000	$ 745,280,000

* Issued through Clark County.

The outstanding debt issues of the LVCVA include general obligation bonds, taxable direct pay Build America Bonds and revenue bonds. Since the LVCVA's inception in 1955, room taxes and other revenues have provided sufficient funding for debt service with no effect on operations. Property taxes have never been used to finance debt service or any other expenditure.

In December 2014, the LVCVA issued its Series 2014A, Subordinate Revenue Bonds, which included a credit agreement with JPMorgan to provide a non-revolving credit line of $275 million. The bonds and the credit agreement are collectively referred to as the "Line of Credit." These bonds were issued to provide short term financing for the ability to act quickly when presented with opportunities to acquire land related to the first phase of the LVCCD. A total of $187 million has been drawn for the purpose of acquiring the Riviera property. During the year, the LVCVA issued refunding bonds to partially refund the Line of Credit, the 4/05 Revenue Bonds and the 5/07 General Obligation Bonds aggregating $181.8 million. The current outstanding principal on the credit line is $70.2 million, with the ability to draw an additional $88 million. Additional information regarding long-term debt can be found in Note 8 on pages 33 through 37.

ACCOUNTING SYSTEMS AND BUDGETARY CONTROLS

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

The final budget is fully integrated on July 1 with the LVCVA's accounting system. The statutory level of budgetary control is at the function level; in reality, control is maintained at the line item level through the use of a purchase order and encumbrance system. An encumbrance is recorded in the accounting system when a purchase order is issued.

Budget variance reports are distributed to the Board on a regular basis. Adjustments to the budget are accomplished through an augmentation process, which requires adoption by a majority vote of the Board at a regular meeting to increase appropriations above levels originally approved. This formal resolution procedure adheres to the process prescribed by NRS.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the LVCVA for its CAFR for the year ended June 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to the program standards. The CAFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The LVCVA has received the Certificate of Achievement for the last 31 consecutive years (fiscal years ended 1984-2014). We believe that our current CAFR continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

The preparation of this report involved the dedicated work of staff in the Finance Department with the support and cooperation of every division. We welcome inquiries concerning this report and the finances of the LVCVA.

Respectfully submitted,

Rossi Ralenkotter
President/CEO

Rana D. Lacer, CPA, CGMA
Sr. Vice President of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

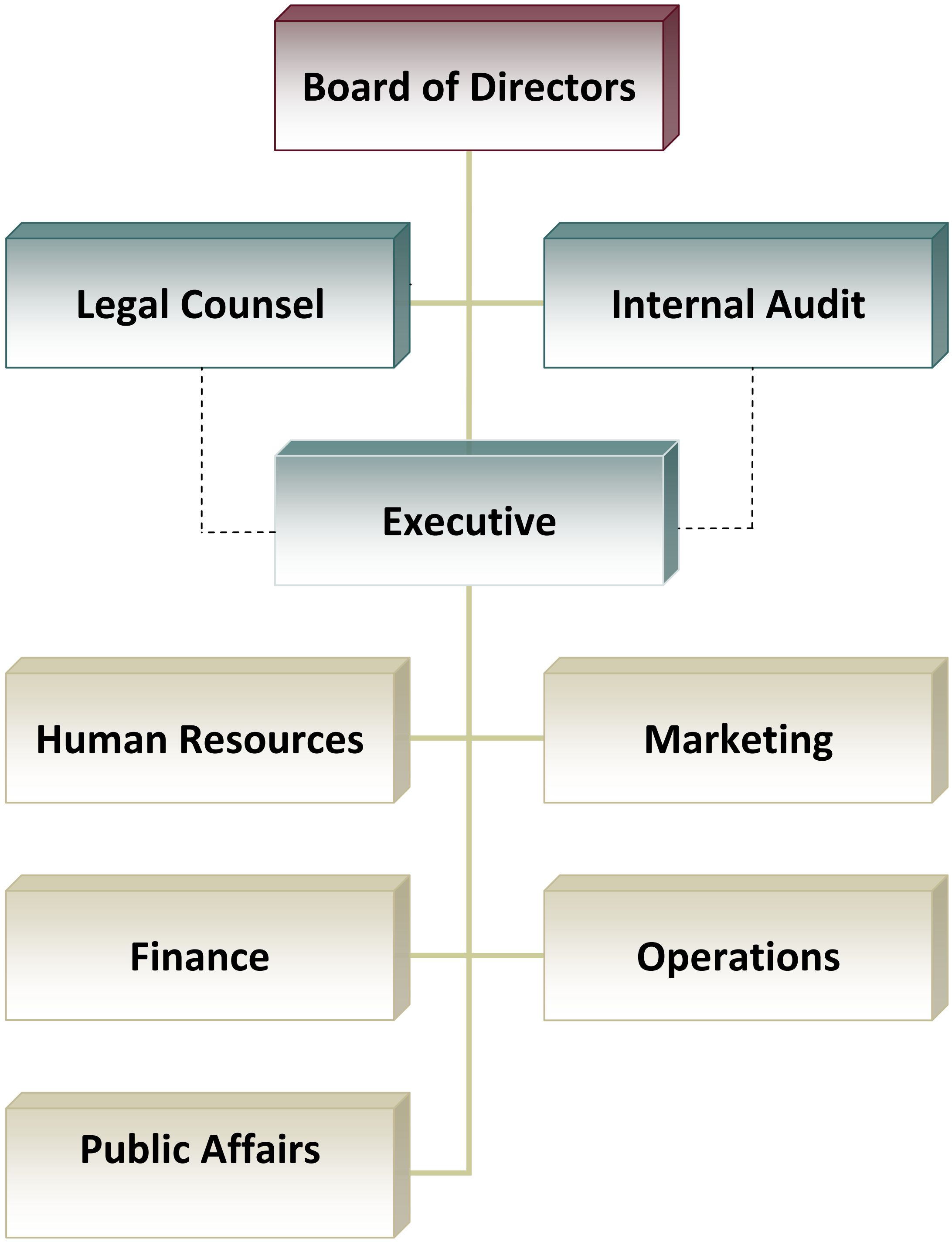
Las Vegas Convention and Visitors Authority, Nevada

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
ORGANIZATION CHART
As of June 30, 2015



LAS VEGAS CONVENTION AND VISITORS AUTHORITY PRINCIPAL OFFICIALS

The Las Vegas Convention and Visitors Authority is governed by a Board of Directors consisting of fourteen members. Eight members are elected officials of either Clark County or one of its incorporated cities. The Las Vegas Metro Chamber of Commerce (CC) and Nevada Resort Association (NRA) nominate three each of the remaining six members. As of June 30, 2015, members of the Board included:

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

CHUCK BOWLING
Vice Chair
Representing resort hotel
Nominated by NRA
Term: Jun 2005 – Jun 2017

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

TOM JENKIN
Treasurer
Representing resort hotel
Nominated by CC
Term: Dec 2003 – Jun 2017

TOM COLLINS
Commissioner
Representing Clark County
Term: Jan 2005 – Aug 2015

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 2015

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

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

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

KRISTIN MCMILLAN
Representing other commercial
Nominated by CC
Term: May 2011 – Jun 2017

GEORGE RAPSON
Councilman
Representing City of Mesquite
Term: Jul 2011 – Jun 2017

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

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

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
EXECUTIVE STAFF

The LVCVA Board of Directors serves as a policy-making body and employs a President to serve as Chief Executive Officer. As of June 30, 2015, the LVCVA executive committee consisted 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

Dawn Christensen
Vice President
Public Affairs

Michael Goldsmith
Vice President
International Marketing

Chris Meyer
Vice President
Global Business Sales

Caroline Coyle
Vice President
Brand Strategy

Luke Puschnig
Vice President
Legal Counsel

Hugh Sinnock
Vice President
Customer Experience

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

FINANCIAL SECTION

P B T K
PIERCY BOWLER
TAYLOR & KERN
Certified Public Accountants
Business Advisors

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas Convention and Visitors Authority (the LVCVA) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the LVCVA's basic financial statements as listed in the table of contents.

An audit performed in accordance with applicable professional standards is a process designed to obtain reasonable assurance about whether the LVCVA's basic financial statements are free from material misstatement. This process involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the LVCVA's preparation and fair presentation of the basic financial statements to enable the design of audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LVCVA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the basic financial statements.

Management's Responsibility for the Financial Statements. Management is responsible for the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility. Our responsibility is to express an opinion on the basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion. In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the LVCVA as of and for the year ended June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters. Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress for postemployment benefits other than

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pensions, schedule of proportionate share of the net pension liability, schedule of contributions to pension plan and budgetary comparison information on pages 3-13 and 50-53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information. Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the LVCVA's basic financial statements. The introductory section, other supplementary information, as listed in the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*. In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2015, on our consideration of the LVCVA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LVCVA's internal control over financial reporting and compliance.

Piercy Bowler Taylor + Kern

Las Vegas, Nevada
September 25, 2015

Management's Discussion and Analysis

As management of the Las Vegas Convention and Visitors Authority (the LVCVA), we offer readers of the LVCVA's financial statements this narrative overview and analysis of the LVCVA's financial performance for the fiscal year (FY) ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the letter of transmittal, which can be found on pages i to ix of this report.

FINANCIAL HIGHLIGHTS

- In FY 2015, total government-wide revenues grew approximately $7.7 million, which is the fifth consecutive year of growth. Room taxes and gaming fees increased $16.5 million which is a 7.3% increase over the prior year and is the highest in history. This is largely attributed to increased average daily room rate (ADR) and visitation for the destination. Charges for services decreased from the prior year due to a cyclical show rotation schedule.
- One of the most significant accomplishments during FY 2015 was the LVCVA's purchase of 26.4 acres of land for $187.5 million as part of the Las Vegas Convention Center District (LVCCD) expansion and renovation project. The real estate asset purchase of the Riviera Hotel and Casino site is contingent to the current facilities and located on the Las Vegas Strip.
- In FY 2015 the LVCVA issued its Series 2014A, Subordinate Revenue Bonds, commonly referred to as the "Line of Credit" to secure access to $275 million for costs associated with the LVCCD. The LVCVA drew $187 million to purchase of the Riviera Hotel and Casino. Subsequently, LVCVA partially refunded three bonds, including a portion of the line of credit, with $181.8 million in general obligation bonds. As a result, LVCVA's total outstanding bonds payable increased from $623.7 million in FY 2014 to $773 million in FY 2015.
- Implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68 required beginning net position to be reduced by $63 million to report the LVCVA's allocated share of the net pension liability for the Public Employees' Retirement System (PERS).

In FY 2015 net position increased to ($17.5) million as compared to ($47.9) million at the end of FY 2014. The increase in the current year is primarily attributable to increased room and gaming tax revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

Comprehensive Annual Financial Report

Introductory Section	General information on the government structure, services and environment
Financial Section	Independent Auditors' Report Management's Discussion and Analysis Government-wide Financial Statements Governmental Fund Financial Statements Proprietary Fund Financial Statements Notes to the Financial Statements Required Supplementary Information Individual Fund Financial Schedules
Statistical Section	Trend data and non-financial data
Additional Report of the Independent Auditors	Independent Auditors' Report

Although the Comprehensive Annual Financial Report (CAFR) is comprised of various sections, the LVCVA's basic financial statements are presented in four components:

(1) Government-wide financial statements

(2) Governmental fund financial statements

(3) Proprietary fund financial statements

(4) Notes to the financial statements

GOVERNMENT-WIDE FINANCIAL STATEMENTS

These two financial statements are designed to provide readers with a broad overview of the LVCVA's finances in a manner similar to private-sector business.

The *statement of net position* is, in substance, the balance sheet. It includes not just current assets and liabilities and deferred inflow and outflows, but also capital assets and long-term debt. All funds are included in this statement. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the LVCVA is improving or deteriorating.

The *statement of activities* is the operating statement for the government as a whole. It is based on full accrual accounting rather than the traditional modified accrual. Depreciation and amortization of capital assets is recognized as an expense, as are compensated absences, postemployment benefits other than pensions (OPEB) and an allocated share of PERS' net pension liability. The format of the statement has an unfamiliar appearance and it focuses on the net cost of a government's individual functions and is intended to answer the question "How much did it cost and how is it being paid for?"

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

PROPRIETARY FUND FINANCIAL STATEMENTS

Following the governmental fund financial statements is a section containing the proprietary fund financial statements. The LVCVA uses an internal service fund to accumulate monies in reserve for its OPEB liabilities. Because this service benefits governmental rather than business type functions, it is included within the governmental activities in the government-wide financial statements. Proprietary funds use the accrual basis of accounting, which focuses on the determination of net position, operating income, changes in net position, and cash flows.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 through 49 of this report.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* found on pages 50-53, including a schedule of OPEB funding progress, LVCVA's allocated share of the PERS net pension liability, contributions to the PERS pension plan, and general fund budgeted and actual revenues, expenditures, and changes in fund balance.

CONDENSED COMPARATIVE DATA

ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

The LVCVA's net position, on the government-wide basis, increased $30.4 million from the previous year. This is attributed to increased room tax revenues and moderate increases in expenses from the prior period.

CHANGES IN NET POSITION	FY 2014 (restated)	FY 2015
Net position – beginning	$ (10,982,988)	$ (47,859,652)
Revenues	292,733,038	300,395,620
Expenses	266,586,080	270,037,854
Change in net position (+/-)	26,146,958	30,357,766
Adjustment (GASB 68 - see Note 1)	(63,023,622)	-
Net position – ending (as adjusted)	$ (47,859,652)	$ (17,501,886)

Net position was $15.1 million at June 30, 2014. Implementation of GASB No. 68 required an adjustment to net position of ($63) million for the LVCVA's allocated share of the PERS net pension liability, restating net position to ($47.9) million at June 30, 2014. See Note 1 on page 26 for additional information. A large portion of net position reflects the LVCVA's investment in capital assets, less debt that was used to acquire those assets. Restricted net position is reported separately to show legal constraints from debt covenants or other restrictions that limit the LVCVA's ability to use those assets for day-to-day operations.

NET POSITION				
		June 30, 2014 (restated)		June 30, 2015
Current and other assets	$	234,222,320	$	278,937,127
Capital assets		486,206,676		661,194,403
Total assets		720,428,996		940,131,530
Deferred outflows of resources		12,932,141		12,671,406
Current and other liabilities		79,897,215		109,288,318
Long-term liabilities		701,323,574		846,457,678
Total liabilities		781,220,789		955,745,996
Deferred inflows of resources		-		14,558,826
Net position				
Net investment in capital assets		170,537,604		177,523,930
Restricted		66,143,854		68,091,853
Unrestricted		(284,541,110)		(263,117,669)
Total net position	$	(47,859,652)	$	(17,501,886)

Total net position is ($17.5) million. Capital assets increased by $175 million which was primarily a result of purchasing the Riviera Hotel and Casino on the Las Vegas Strip. The corresponding addition of long-term liabilities was only $145.1 million, mainly due to debt issued to fund capital acquisitions in FY 2015.

REVENUES

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

All revenues that do not qualify as general revenues are reported as *program revenues*.

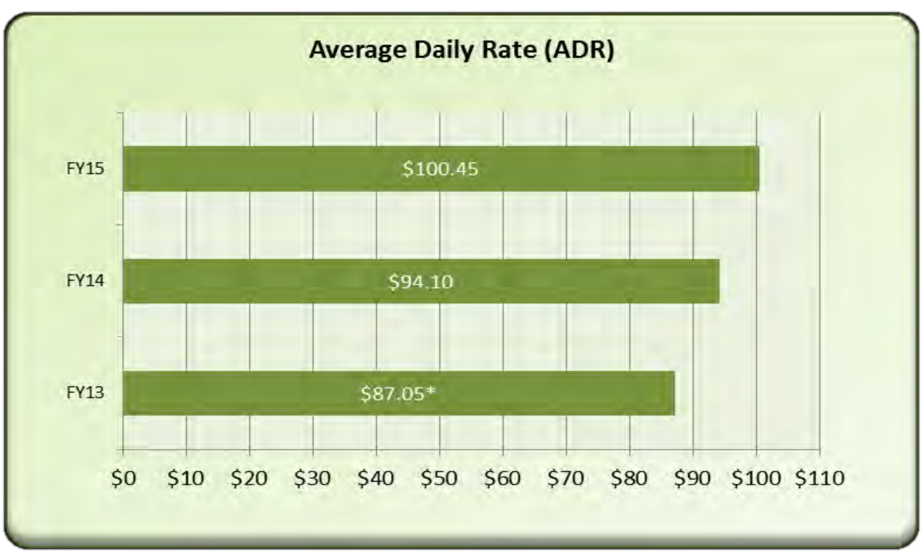
Program revenues are those directly generated by a function or activity of the government. For example, the cost of operating and maintaining the Las Vegas Convention Center (LVCC) and Cashman Center (CC) is reported in the Operations function. Revenues are generated as a direct result of the operation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

Total revenues for FY 2015 amounted to $300.4 million, a 2.6% increase over FY 2014.

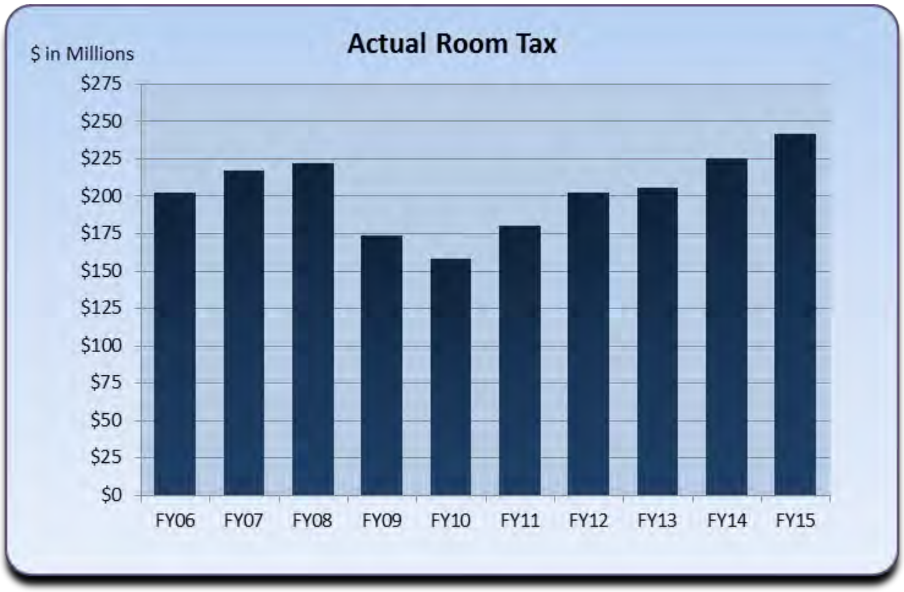
	FY 2014	FY 2015
General revenues		
Room taxes and gaming fees	$ 225,381,804	$ 241,853,713
Interest and investment earnings	623,522	630,303
Miscellaneous	796,149	676,657
Total general revenue	226,801,475	243,160,673
Program revenues		
Operations	58,975,878	51,140,971
Marketing	2,203,419	1,347,798
General government	4,752,266	4,746,178
Total program revenues	65,931,563	57,234,947
Total revenues	$ 292,733,038	$ 300,395,620

FY 2015 represented the fifth consecutive year of growth on a year-over-year basis for room tax revenues. After a substantial 9.8% increase in FY 2014, room tax revenues in FY 2015 continued to show positive growth of 7.3% over the prior period. Room tax is based on the number of lodging rooms available, occupancy rate and the average daily taxable room rental rate (ADR). Room inventory in Clark County was relatively flat during the fiscal year. Average occupancy increased to 85.8% from 86.4% in FY 2014. The increase is attributable to the increase in visitor volume. In calendar year 2014, the greater Las Vegas area occupancy rate exceeded the national average by 22 percentage points.

The most volatile factor in calculating room taxes is 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 since shown consistent improvement since the end of the recession, up 15.4% over FY 2013. In FY 2015 ADR was $100.45, a 6.7% increase over the $94.10 result in FY 2014. Government-wide room taxes and gaming fees provided $241.9 million during FY 2015, an increase of $16.5 million from the previous fiscal year's total of $225.4 million. LVCVA expects a modest increase in ADR to continue as the global economy improves.



* Updated prior year for additional accuracy.



Clark County (the County) and the incorporated cities within the County levy room tax on all transient lodging establishments. The rate of tax levied varies from 12% to 13% for resort hotels and from 10% to 13% on other lodging facilities. In general, the tax is distributed as follows:

2% - 6%	LVCVA
1 5/8%	Clark County School District
0% - 2%	Collecting government – general fund
1%	Clark County – transportation
3/8%	State of Nevada – promotion of tourism
2% - 3%	State of Nevada – education and other state programs

The LVCVA received $241.9 million in room taxes and gaming fees, from the collecting entities. The majority was generated in Clark County and totaled $223 million (92.2%). The City of Las Vegas was the second largest collector of room taxes and gaming fees, at $12.1 million (5.0%). The other incorporated cities of North Las Vegas, Henderson, Boulder City and Mesquite combined to provide the remaining 2.8%.

FACILITY OPERATIONS	FY 2014	FY 2015
Charges for services	$ 58,617,620	$ 51,055,290
Expense	65,679,224	60,243,766
Net expense	$ (7,061,604)	$ (9,188,476)

In FY 2015, facility charges for services reflected a decrease of 12.9% from the prior year, due primarily to a cyclical rotation of shows in the LVCC; specifically CONEXPO-CON/AGG, a large construction trade show held every three years was held in FY 2014. Total expenses to operate the facilities were $60.2 million in FY 2015, including depreciation and amortization. The majority of the decrease in expense from the prior year is related to the repositioning of multiple cost centers, from Operations to Marketing which totaled approximately $4.1 million.

EXPENSES

Total government-wide expenses by function were as follows:

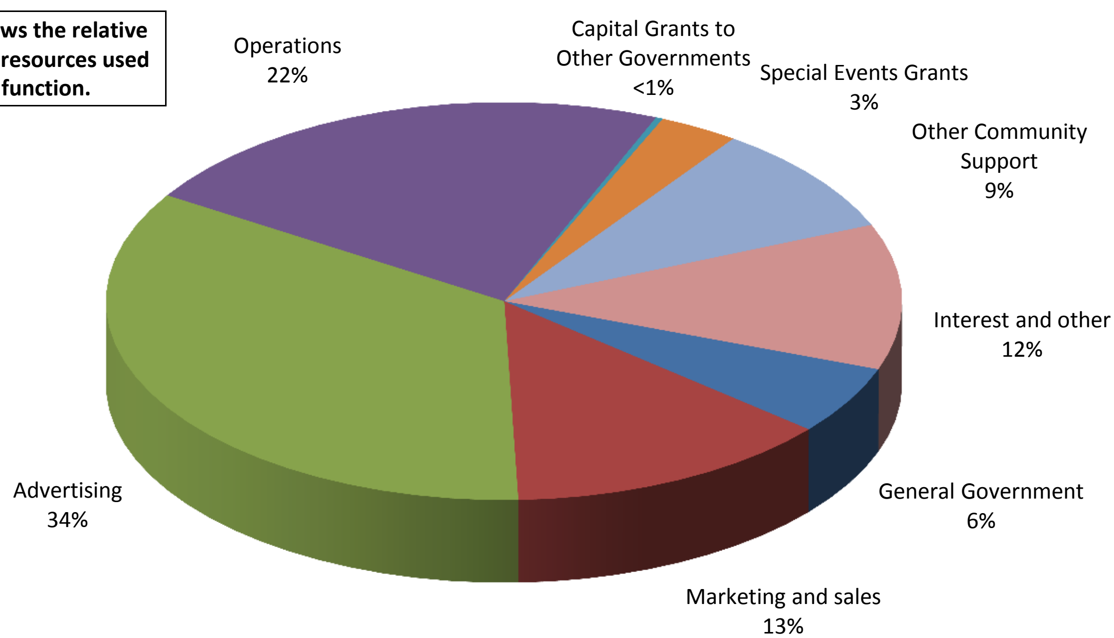
	FY 2014	FY 2015
General government	$ 15,015,841	$ 15,074,906
Marketing:		
Advertising	92,470,992	93,148,972
Marketing and sales	29,014,920	35,909,452
Special events grants	8,570,890	8,765,599
Operations	65,679,224	60,243,766
Community support and grants:		
Capital grants to other governments	402,017	785,468
Other community support	22,538,180	24,185,372
Interest and other	32,894,016	31,924,319
	$ 266,586,080	$ 270,037,854

In FY 2015, expenditures increased moderately at 1.3%. Other community support increased the most at $1.6 million or 7.3% as compared to FY 2014. Community Support includes a fee returned to the collecting government entities of room taxes and gaming fees. It equals 10% of the total room taxes and gaming fees collected in the County; and therefore, fluctuates in alignment with the related room tax revenue changes.

As noted previously, certain cost centers moved during FY 2015 from Operations to Marketing. Additional increases in these divisions as a whole were primarily due to personnel salary and benefit programs as well as increased funding for advertising programs to support the LVCVA mission.

Expenses in capital grants to other governments is the result of a legislative mandate requiring the LVCVA to contribute funds to the Nevada Department of Transportation (NDOT) for critical transportation projects essential to providing access to the recreational and tourism facilities in Clark County (the County). Use each year is based on NDOT progress.

This chart shows the relative proportion of resources used by each function.



OVERALL FINANCIAL POSITION

FY 2015 was our fifth consecutive year of recovery from the recession. The LVCVA is focused on planning and preliminary stages of the LVCCD expansion and renovation project to ensure the continued long-term success of the LVCVA and Las Vegas as a destination. The LVCVA remains vigilant to maintain fiscal sustainability through conservative budgeting and continuous monitoring of actual financial results and economic trends at the local, state and national level. This provides the LVCVA the ability to react swiftly to changing conditions that could impact revenues and/or operating activities. The LVCVA is dedicated to the preservation of adequate fund balances to meet operating cash flow requirements and to satisfy debt service obligations.

FUND ANALYSIS

The fund balance in the general fund decreased slightly while the capital projects fund increased significantly during FY 2015.

	General Fund	Capital Projects Fund
Fund balance - beginning	$ 34,720,321	$ 87,298,289
Fund balance - ending	33,587,181	102,557,696
(Decrease)/Increase in fund balance	$ (1,133,140)	$ 15,259,407
Percent change	-3.3%	17.5%

The original budget for FY 2015 called for a decrease in the general fund balance of $21.1 million; budgeting ending fund to 4.2% of operating expenditures. The actual FY 2015 decrease was only $1.1 million. Revenues exceeded budget by $11 million and expenditures were lower by $6.8 million due to conservative budgeting. These items coupled with a reduction in transfers out make up the $20 million variance between actual and budgeted general fund balance.

The capital projects fund ending fund balance increased by $15.3 million compared to the budgeted decrease of $7.9 million. The variance of $23.2 million is partially due to NDOT funds that were not used due to delays in timing of their construction project. These amounts are expected to be used in the next fiscal year. In addition, minimal LVCCD funds were expended during the fiscal year for planning activities. The majority of the LVCCD funds will be used once the design and engineering stage progresses.

GENERAL FUND BUDGETARY HIGHLIGHTS

The FY 2015 budget was originally developed forecasting 4.0% growth in room tax revenues over the original FY 2014 budget. During the year, actual room tax revenues grew by 7.3%, the highest collection in our history. As a result of higher than anticipated beginning fund balance and strong revenue results, the budget was augmented in November 2014 to allocate funds to operating needs; primarily for marketing and advertising, as it is directly tied to our core mission. Augmentation also allocated transfers out for capital needs including the LVCCD and reserves, sustaining our commitment to preserving the LVCVA's financial integrity.

The tables below summarize the changes in both revenues and expenditures budget.

GENERAL FUND CHANGES IN BUDGETED REVENUES AND TRANSFERS

	Original Budget	Revisions	Final Budget
Room taxes and gaming fees	$ 223,550,000	$ 8,000,000	$ 231,550,000
Charges for service	49,503,400	1,000,000	50,503,400
Interest and other	188,500	-	188,500
Transfers in	81,500	-	81,500
Proceeds from sale of assets	30,000	-	30,000

GENERAL FUND CHANGES IN BUDGETED EXPENDITURES AND TRANSFERS

	Original Budget	Revisions	Final Budget
General government	$ 15,004,800	$ 1,737,600	$ 16,742,400
Marketing:			
Advertising	91,000,000	3,100,000	94,100,000
Marketing and sales	28,780,000	7,740,300	36,520,300
Special events grants	9,030,000	(80,000)	8,950,000
Operations	45,366,800	(4,029,000)	41,337,800
Community support:			
Other community support	25,633,900	(1,978,900)	23,655,000
Transfers out	61,673,912	20,500,000	82,173,912

Actual general fund revenues, transfers in and proceeds from the sale of fixed assets totaled $293.4 million which is $11.0 million higher than the final budget. Total actual general fund expenditures and transfers out totaled $294.5 million, about $18.0 million more than the original budget, but lower than the final budget by $9.0 million. These results are largely due to conservative budgeting practices, which are founded in the strategy of budgeting revenues cautiously while budgeting expenditures aggressively.

CAPITAL ASSETS

Capital assets additions totaled $194.8 million, which includes $188.2 million in land acquisitions. The Riviera Hotel & Casino on the Las Vegas Strip was purchased in February 2015 for $187.5 million. The LVCVA's investment in capital assets as of June 30, 2015 totaled $661.2 million (net of accumulated depreciation and amortization), which is an increase of 36% from FY 2014. Depreciation and amortization expense for the year was approximately $17.1 million. More detailed information on capital assets can be found in Note 5 on page 31.

CAPITAL ASSETS (net of depreciation)		
	June 30, 2014	June 30, 2015
Land	$ 207,930,856	$ 396,102,617
Intangibles	100,000	100,000
Construction in progress	2,365,549	3,036,147
Buildings	248,767,498	238,148,956
Improvements	22,328,748	19,804,747
Furniture and equipment	4,714,025	4,001,936
	$ 486,206,676	$ 661,194,403

LONG-TERM DEBT

At June 30, 2015, the LVCVA had total outstanding bonded debt of $773 million. Of this amount, $563.1 million was general obligation bonds additionally secured by specified revenue sources and $209.8 million was revenue bonds. Furthermore, of the total outstanding debt the LVCVA is reporting, $274.4 million was for the purpose of providing funds to NDOT for transportation projects within the Southern Nevada resort corridor in compliance with a 2007 legislative mandate.

In FY 2015 the LVCVA issued its Series 2014A, Subordinate Revenue Bonds, commonly referred to as the "Line of Credit" to secure access to $275 million for costs associated with the LVCCD. The LVCVA drew $187 million to purchase of the Riviera Hotel and Casino. Subsequently, LVCVA partially refunded three bonds, including a portion of the line of credit, with $181.8 million in general obligation bonds. At June 30, 3015 approximately $70.2 million remain outstanding on the line of credit and $88 million is available to draw. You can find more detailed information on long-term debt in Note 8 on pages 33 to 37.

	General Obligation Bonds	Revenue Bonds	Total
	(In Thousands)		
Principal balance - beginning	$ 405,445	$ 218,280	$ 623,725
Principal payments	(24,090)	(195,495)	(219,585)
New Issuances	181,805	187,000	368,805
Principal balance - ending	$ 563,160	$ 209,785	$ 772,945

INTERNAL SERVICE FUND

In FY 2013, the LVCVA established an internal service fund to accumulate resources to be held in a reserve to offset the liability for postemployment benefits. Transfers from the general fund to the OPEB reserve fund are incorporated into the annual budget process based on the current revenue streams and the goal of fully funding the outstanding liability. The target for fully funding is 10 years from the establishment of the OPEB reserve fund. Transfers of $3 million were made in FY 2013 and FY 2014, and $3.5 million was transferred in FY 2015.

ADDITIONAL FINANCIAL INFORMATION

The LVCVA's financial statements are designed to present users (citizens, taxpayers, customers and investors) with a general overview of the LVCVA's finances and to demonstrate accountability. If you have any questions about the report or need additional financial information, please contact:

LVCVA Senior Vice President of Finance
3150 Paradise Road
Las Vegas, NV 89109
(702) 892-2990
Or, please visit our website at:
www.lvcva.com/who-we-are/funding-and-finance/

BASIC FINANCIAL STATEMENTS

Government-Wide

Assets:		
Cash, cash equivalents and investments	$	197,439,357
Receivables:		
Room taxes and gaming fees		44,577,076
Accounts		7,254,786
Interest		70,048
Prepaid and other items		4,380,926
Inventory		449,710
Purchase deposit		24,765,224
Capital and intangible assets,		
Non-depreciable		399,238,764
Depreciable, net of accumulated depreciation and amortization		261,955,639
Total assets		940,131,530
Deferred outflows of resources:		
Deferred charges on refunding		3,545,147
Deferred resources related to pension		9,126,259
Total deferred outflows of resources		12,671,406
Liabilities:		
Accounts payable		23,070,446
Accrued payroll and related items		3,106,398
Due to other governments		8,877,869
Deposits		180,830
Unearned revenue		254,001
Interest payable		16,198,103
Other		25,365,225
Noncurrent liabilities:		
Due within one year:		
Capital lease obligation		114,439
Bonds payable		27,665,000
Compensated absences payable		4,456,007
Due in more than one year:		
Capital lease obligation		5,698
Bonds payable		745,280,000
Unamortized bond premiums and discounts		17,629,698
Compensated absences payable		1,904,011
Post-employment benefits other than pensions payable		25,186,055
Net pension liability		56,452,216
Total liabilities		955,745,996
Deferred inflows of resources:		
Deferred obligation related to pension		14,558,826
Net position:		
Net investment in capital assets		177,523,930
Restricted for:		
Capital grants to other governments		18,486,568
Debt service		49,605,285
Unrestricted:		
Related to non-capital debt (See Note 3)		(274,069,633)
Related to capital projects		84,071,128
Other		(73,119,164)
Total net position	$	(17,501,886)

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

Function/Program	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:				
General government	$ 15,074,906	$ -	$ 4,746,178	$ (10,328,728)
Marketing:				
Advertising	93,148,972	-	-	(93,148,972)
Marketing and sales	35,909,452	1,347,798	-	(34,561,654)
Special events grants	8,765,599	-	-	(8,765,599)
Operations	60,243,766	51,055,290	85,681	(9,102,795)
Community support and grants:				
Capital grants to other governments	785,468	-	-	(785,468)
Other community support	24,185,372	-	-	(24,185,372)
Interest on long-term debt	30,719,411	-	-	(30,719,411)
Bond issuance costs	1,204,908	-	-	(1,204,908)
Total governmental activities	$ 270,037,854	$ 52,403,088	$ 4,831,859	(212,802,907)

General revenues:	
Room taxes and gaming fees	241,853,713
Interest and investment earnings	630,303
Miscellaneous	676,657
Total general revenues	243,160,673
Change in net position	30,357,766
Net position - beginning (as previously reported)	15,163,970
Adjustment (Note 1)	(63,023,622)
Net position - beginning (as adjusted)	(47,859,652)
Net position - ending	$ (17,501,886)

BASIC FINANCIAL STATEMENTS

Governmental Funds

	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:				
Cash, cash equivalents and investments	$ 30,485,138	$ 103,121,924	$ 54,267,573	$ 187,874,635
Receivables:				
Room taxes and gaming fees	44,577,076	-	-	44,577,076
Accounts	6,117,773	1,137,013	-	7,254,786
Interest	151	27,476	21,585	49,212
Due from other funds	78,362	-	-	78,362
Inventory	449,710	-	-	449,710
Prepaid and other items	4,323,303	57,623	-	4,380,926
Purchase deposit	-	24,765,224	-	24,765,224
Total assets	$ 86,031,513	$ 129,109,260	$ 54,289,158	$ 269,429,931
Liabilities:				
Accounts payable	$ 22,421,119	$ 649,327	$ -	$ 23,070,446
Accrued payroll and related items	3,106,398	-	-	3,106,398
Due to other governments	6,921,856	-	-	6,921,856
Due to other funds	-	-	78,362	78,362
Unearned revenue	254,001	-	-	254,001
Customer deposits	180,830	-	-	180,830
Other	-	24,765,224	-	24,765,224
Total liabilities	32,884,204	25,414,551	78,362	58,377,117
Deferred inflows of resources:				
Unavailable revenue	19,560,128	1,137,013	-	20,697,141
Fund balances:				
Nonspendable	4,773,013	57,623	-	4,830,636
Restricted	6,932,104	47,893,151	49,605,285	104,430,540
Committed	1,028,925	52,704,493	4,605,510	58,338,928
Assigned	15,889,000	1,902,429	-	17,791,429
Unassigned	4,964,139	-	-	4,964,139
Total fund balances	33,587,181	102,557,696	54,210,795	190,355,672
Total liabilities, deferred inflows of resources, and fund balances	$ 86,031,513	$ 129,109,260	$ 54,289,157	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital and intangible assets used in the governmental activities are not current financial resources; and therefore, are not reported in the funds (See Note 2)	661,194,403
Certain assets are not available to pay for current period expenditures; and therefore, are not recorded or are deferred in the funds:	
Room taxes and gaming fees - earned but unavailable	19,560,128
Other community support	(1,956,013)
Other revenue - earned but unavailable	1,137,013
Deferred resources related to pension	9,126,259
The internal service fund is used by management to fund the future other post-employment benefit costs. The net position of the internal service fund is reported with governmental activities.	9,585,558
Certain liabilities are not due and payable in the current period; and therefore, are not reported in the funds:	
Accrued compensated absences	(6,360,018)
Post-employment benefits other than pensions	(25,186,055)
Net effect of difference in the treatment of long-term debt and related items (See Note 2)	(803,347,791)
Accrued pollution remediation	(600,000)
Net pension liability	(56,452,216)
Deferred obligation related to pension	(14,558,826)
Net position, governmental activities	$ (17,501,886)

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended June 30, 2015

	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues:				
Room taxes and gaming fees	$ 241,045,645	$ -	$ -	$ 241,045,645
Charges for services	51,968,374	-	-	51,968,374
Interest and investment earnings	188,829	213,192	138,329	540,350
Federal grant subsidy	-	-	4,746,178	4,746,178
Miscellaneous	4,527	672,130	-	676,657
Total revenues	293,207,375	885,322	4,884,507	298,977,204
Expenditures:				
Current:				
General government	14,322,106	-	-	14,322,106
Marketing:				
Advertising	93,148,972	-	-	93,148,972
Marketing and sales	34,725,317	-	-	34,725,317
Special events grants	8,765,599	-	-	8,765,599
Operations	39,453,977	-	-	39,453,977
Community support and grants:				
Capital grants to other governments	-	785,468	-	785,468
Other community support	24,104,565	-	-	24,104,565
Capital outlay:				
Capitalized assets	-	192,515,195	-	192,515,195
Non-capitalized assets	-	1,304,615	-	1,304,615
Debt service:				
Principal	-	108,770	24,800,000	24,908,770
Interest	-	11,867	32,754,480	32,766,347
Principal retirement	-	-	116,800,000	116,800,000
Payment to refunded debt escrow agent	-	-	66,009,105	66,009,105
Debt issuance costs	-	-	1,204,908	1,204,908
Total expenditures	214,520,536	194,725,915	241,568,493	650,814,944
Excess (deficiency) of revenues over (under) expenditures	78,686,839	(193,840,593)	(236,683,986)	(351,837,740)
Other financing sources (uses):				
Transfers in	132,853	21,500,000	54,988,725	76,621,578
Transfers out	(79,988,725)	-	(132,853)	(80,121,578)
Proceeds from the sale of assets	35,893	600,000	-	635,893
Issuance of debt	-	187,000,000	181,805,000	368,805,000
Premium on debt issuance	-	-	16,018,110	16,018,110
Payment to refunded debt escrow agent	-	-	(14,931,332)	(14,931,332)
Total other financing sources (uses)	(79,819,979)	209,100,000	237,747,650	367,027,671
Net change in fund balances	(1,133,140)	15,259,407	1,063,664	15,189,931
Fund balances - beginning	34,720,321	87,298,289	53,147,131	175,165,741
Fund balances - ending	$ 33,587,181	$ 102,557,696	$ 54,210,795	$ 190,355,672

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

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2015

Net change in fund balances - total governmental funds		$ 15,189,931
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures and do not report donated capital assets. However, in the statement of net position, assets with an initial, individual cost that meets LVCVA's capitalization threshold are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation and amortization expense.		
Capital outlays (asset additions)	$ 192,515,195	
Depreciation and amortization expense, including disposed assets	(17,613,148)	
Donated capital assets	85,681	174,987,728
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,242,782
The issuance of long-term debt (*i.e.* , bonds and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred in the statement of net position and amortized over the term of the related debt.		
Issuance of debt	(368,805,000)	
Payment to refunded debt escrow agent	80,940,437	
Premium on debt issuance	(16,018,110)	
Amortization of debt premiums and discounts	6,025,202	
Amortization of refunding charges	(4,138,031)	
Accrued interest expense	159,766	
Repayment/retirement of debt principal	141,708,770	(160,126,966)
Some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures in the governmental funds.		
Compensated absences	(1,256,800)	
Postemployment benefits other than pensions	(3,726,894)	
Net pension liability	14,775,806	
Deferred resources related to pension	921,859	
Deferred obligation related to pension	(14,558,826)	
Pollution remediation	(600,000)	
Grants and special events - payable to other governments	(80,807)	(4,525,662)
The internal service fund is used by management to fund future other post-employment benefit costs. The change in net position of the internal service fund is reported with governmental activities.		3,589,953
Change in net position of governmental activities		$ 30,357,766

BASIC FINANCIAL STATEMENTS

Proprietary Fund

Statement of Net Position
Proprietary Fund
June 30, 2015

	Governmental Activities
	Internal Service Fund
Assets:	
Current assets:	
Cash and cash equivalents	$ 149,373
Investments	9,415,349
Interest receivable	20,836
Total assets	9,585,558
Net position:	
Unrestricted	$ 9,585,558

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

	Governmental Activities
	Internal Service Fund
Nonoperating revenues (expenses):	
Interest and investment earnings	$ 89,953
Income before transfers	89,953
Transfers in	3,500,000
Change in net position	3,589,953
Net position - beginning	5,995,605
Net position - ending	$ 9,585,558

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

	Governmental Activities
	Internal Service Fund
Cash flows from noncapital financing activities:	
Transfers in	$ 3,500,000
Cash flows from investing activities	
Purchase of investments	(5,998,720)
Proceeds on called/matured investments	2,500,000
Interest on investments	68,276
Net cash used in investing activities	(3,430,444)
Net increase in cash and cash equivalents	69,556
Cash and cash equivalents, beginning	79,817
Cash and cash equivalents, ending	$ 149,373
Noncash investing and non-capital financing activities	
Interest on investments	$ 618
Unrealized gain/(loss)	13,540

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

BASIC FINANCIAL STATEMENTS

Notes to the Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

REPORTING ENTITY

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

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

The Las Vegas Convention Center District (LVCCD) expansion and renovation project was developed and conceptually approved by the board in fiscal year (FY) 2013. Project execution will occur in phases and may take nearly a decade to complete, with an estimated total expense of $2.3 billion dollars. Completion of the entire scope of the proposed project is dependent on identifying sufficient revenue streams to support the anticipated debt requirements which would require stakeholder support and legislative approval.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide financial statements display information about the reporting government as a whole. In order to present an accurate financial picture, the effects of interfund activity have been eliminated. The purpose of the statement of activities is to allow financial statement users to determine operating results of the LVCVA in its entirety over a period of time. It demonstrates the degree to which the direct expenses are offset by program revenues.

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

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

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

Governmental fund financial statements are used to account for essentially the same functions reported in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the FY.

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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses. Internal service funds may be used to account for all or a portion of a government's risk financing activities. The LVCVA's only proprietary fund is an internal service fund. Established in FY 2013, the fund is to account for resources held for future payment of post-employment benefits through transfers from the general fund.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

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

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

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

The financial transactions of the LVCVA are recorded in individual funds. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets and deferred outflows, liabilities and deferred inflows, fund balance, revenues, expenditures and other funding sources (uses).

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

The LVCVA reports the following major governmental funds:

General Fund

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

Capital Projects Fund

- Accounts for capital expenditures for furniture, equipment, and improvements or additions to land, and buildings financed by general government resources.

- Accounts for capital grants to other governments, which are for the express purpose of capital construction activities by the other government.

Debt Service Fund

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

4/05 Revenue Bonds	5/07 General Obligation Refunding
12/07 Revenue Bonds	7/08 (NDOT) General Obligation Bonds
2010 A (NDOT/BABs) General Obligation Bonds	2010B (NDOT) General Obligation/Refunding Bonds
2010 C (NDOT/BABs) General Obligation Bonds	2010D (NDOT) General Obligation Bonds
2010E Refunding Revenue Bonds	2012 General Obligation Bonds
2014 General Obligation Bonds	2014A Subordinate Revenue Bonds/Line of Credit
2015 General Obligation/Refunding Bonds	

The LVCVA reports the following proprietary fund:

Internal Service Fund

- Used by the LVCVA to accumulate monies in reserve for other post-employment benefits liabilities.

DEPOSITS AND INVESTMENTS

Cash and cash equivalents are defined as demand deposit accounts, petty cash, money market demand accounts and certificates of deposits with original maturities of three months or less.

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

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

RECEIVABLES AND PAYABLES

Transactions between funds that are outstanding at year end are reported as "due to/from other funds" within the fund financials statements. For government-wide and proprietary fund financial statements, receivables and related revenues are recognized as soon as they are earned, whereas for governmental fund financial statement purposes, receivables and related revenues are recognized when earned and are both measurable and available. Room taxes and gaming fees receivable, the LVCVA's major revenue source, are considered measurable and available when they can be collected within 30 days after year end. On governmental financial statements, room taxes and gaming fees received more than 30 days after year end are now classified as deferred inflows, per GASB Statement No. 65.

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

PREPAID ITEMS AND INVENTORY

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. In the fund financial statements, prepaid items are recorded as expenditures when consumed rather than when purchased.

Inventory is primarily comprised of promotional items and is recorded at cost using the first-in/first-out (FIFO) method. The cost of such inventories is recorded as expenditures when consumed rather than when purchased.

CAPITAL ASSETS

Capital assets, which include property, equipment (including some under capital leases), and intangibles, are accounted for in the government-wide financial statements. All purchased capital assets are valued at historical cost net of impairment adjustments, if any. Donated assets are valued at their estimated fair value on the date of gift. Additions or improvements and other capital outlays that significantly extend the useful life of an asset or that significantly enhance the functionality of an asset are capitalized.

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

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

- Assets with a unit acquisition cost greater than $10,000.
- Bulk purchases with a total combined cost greater than $25,000.

Depreciation and amortization on exhaustible assets and intangibles is recorded in the statement of activities, while accumulated depreciation and amortization is reflected in the statement of net position. Depreciation and amortization is computed on a straight-line basis over the following estimated useful lives and for buildings and land improvement using a half-year convention:

ASSET DESCRIPTION	USEFUL LIFE (YEARS)
Buildings	50
Major land improvements, leasehold improvements and building improvements. Leasehold improvements are limited to the shorter of useful life or lease term.	10
Furniture/fixtures, and the following equipment items: baseball equipment, carts, communication equipment (mobile), forklifts, heavy equipment, set-up equipment, power tools, risers, tables, telephones, test equipment, turf equipment, typewriters, vacuums, and word processing equipment.	10
Equipment items in the following categories: camera equipment, cleaning equipment, copiers, fax machines, MATV equipment, mowers, refuse equipment, mobile sound equipment, tools, turnstiles, vehicles, and other equipment.	5-15
Computers, printers, and software	3

Intangibles assets with indefinite lives are not amortized, but rather are evaluated annually for continued compliance with applicable requirements.

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

COMPENSATED ABSENCES

Personal time off (PTO) is a benefit that provides employees greater flexibility in the use of time off with pay. Employees who do not complete the introductory period of two months forfeit all accrued PTO and are not entitled to pay-out on accrued PTO. Upon separation from the LVCVA, regular employees having less than three years of service are entitled to receive 60% of their unused PTO balance. Employees having in excess of three years of service are entitled to payment of a maximum of 300 hours (500 hours for non-bargaining/non-management employees) at 100% with the remaining PTO balance paid on an increasing percentage based on years of service to the LVCVA. Management and executive employees having less than two years of service are entitled to payment for their unused PTO balance at a rate of 60% and are entitled to 100% for more than two years of service. For management and executive non-bargaining employees hired on or after July 1, 2007, PTO will accrue and can be carried over from fiscal year to fiscal year to a maximum of 1,040 hours. Any amount of PTO over 1,040 hours as of the last pay period ending in June each year is paid to the employee on the first pay period of the new fiscal year at the employee's hourly pay rate as of June 30.

EMPLOYEE HEALTH BENEFITS

The LVCVA provides fully paid health insurance benefits to its full-time employees. The LVCVA participates in an interlocal agreement with Clark County and various other local entities in order to obtain the most cost effective monthly rates. The programs available to active employees are the Clark County Self-Funded Group Medical and Dental Benefits Plan (CCSF), a cost-sharing multiple-employer plan, and Health Plan of Nevada (HPN), a fully-insured health maintenance organization

(HMO) plan. LVCVA is obligated to pay its monthly share of the CCSF charges incurred and a contractually determined premium for HPN.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM NEVADA (PERS) DEFINED BENEFIT PENSION PLAN

The LVCVA participates in PERS, a cost-sharing multiple-employer defined benefit plan (the System) and is required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* as amended. The underlying financial information used to prepare the pension allocation for the LVCVA is based on PERS financial statements, which are prepared in accordance with GAAP that apply to governmental accounting for fiduciary funds. This includes measuring the LVCVA's net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Effective July 1, 2007, the LVCVA implemented the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. In accordance with the transition rules of that statement, the LVCVA elected to apply its measurement and recognition requirements on a prospective basis and set its beginning net OPEB obligation at zero for the year ended June 30, 2008. The annual OPEB cost reported in the accompanying financial statements is equal to the annual required contributions (ARC) of the LVCVA, calculated using an actuarial valuation based upon the same methods and assumptions applied in determining the plan's funding requirements. The OPEB obligation at June 30, 2015, is determined by adding the annual OPEB cost to the OPEB obligation at the beginning of the year and deducting any contributions to the plan during the year.

In a proactive measure to address the OPEB liability, the LVCVA created an internal service fund in FY 2013. Its purpose is to accumulate resources through yearly budget transfers from the general fund for the LVCVA's OPEB liability. The LVCVA has targeted a ten-year period to fund the current and expected liability. This is an intermediate funding step and does not constitute an OPEB contribution for actuarial reporting. Rather, such actions are regarded as earmarking of employer assets to reflect our current intent to apply those assets to finance the cost of benefits at some time in the future; and therefore, does not offset or reduce the liability recorded for OPEB.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, a separate section is reported for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The unamortized deferred refunding charges (the difference between the reacquisition price and the net carrying amount of the defeased debt) qualifies for reporting in this category as well as items related to pensions.

In addition to liabilities, a separate section is reported for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Revenues that are unavailable to satisfy current obligations qualify for reporting in this category as well as obligations related to pensions.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums, discounts and deferred refunding charges are recorded and amortized over the life of the bonds. Under GASB Statement No. 65, beginning with FY 2014 bond issuances costs are expensed as incurred.

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

ACCOUNTING CHANGES / RESTATEMENT

The LVCVA implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in FY 2015. The stated intent of the statement is to improve financial reporting by state and local governments by "providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency of pension liability." This statement requires governments to show an allocated portion of multi-employer cost-sharing pension funds' liability in which they participate. It had a profound effect on the net position of the LVCVA's government-wide financial statements. As of June 30, 2014, the LVCVA's allocated portion of the net pension liability was $63,023,622 and accordingly, beginning net position has been reduced by that amount. Restated beginning net position is a deficiency of $47,859,652. As of June 30, 2015, the LVCVA's allocated portion of the net pension liability was $56,452,216. See Note 10 for additional information.

The LVCVA implemented GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, in FY 2015. This statement addresses how to account for and report mergers, acquisitions, transfers or disposals of a government's operations. Such implementation had no effect the financials of the LVCVA.

The LVCVA also implemented GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, in this reporting year as part of its GASB 68 implementation. It provides direction on reporting the beginning balance of a liability where an expense has not yet been reported. See Note 10 for additional information.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

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

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds and net positions – governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that "capital and intangible assets used in the governmental activities are not current financial resources; and therefore, are not reported in the funds." The details of this $661,194,403 difference are as follows:

Depreciable and amortizable capital and intangible assets	$	508,195,269
Accumulated depreciation and amortization		(246,239,630)
Depreciable and amortizable capital and intangible assets, net		261,955,639
Non-depreciable and non-amortizable capital and intangible assets		399,238,764
Net adjustment to increase *fund balance – total governmental funds* to arrive at *net position – governmental activities*	$	661,194,403

Another element of that reconciliation is long-term liabilities, including bonds, deferred refunding charges, accrued interest that are not due and payable in the current period, as well as related items; and therefore, are not reported in the funds. The details of this $803,347,791 difference are as follows:

Bonds payable, due in more than one year	$	745,280,000
Bonds payable, due within one year		27,665,000
Capital lease obligation, due within one year		114,439
Capital lease obligation, due in more than one year		5,698
Unamortized bond premiums and discounts		17,629,698
Unamortized refunding charges		(3,545,147)
Interest payable		16,198,103
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	803,347,791

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with GAAP for all of the LVCVA's governmental and proprietary funds. Requests for current year transfers and following year appropriations are submitted by divisions and sections for review and approval. As required by the NRS, the tentative budget documents are filed with the Nevada Department of Taxation and the County Clerk by April 15. 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 approved budget is fully integrated on July 1 with LVCVA's accounting system. All appropriations lapse at the end of the fiscal year.

NRS 354.626 prohibits expenditures in excess of appropriations at the function level, which is the legal level of budgetary control. Budget transfers are reviewed by the Finance Department for budget availability and conformance with policies and the NRS. Three types of budget transfers are permitted by the NRS:

- Functional budget transfers are defined as transfers within the same function (*i.e.* general government, marketing, global business district (formerly operations), and community support) and same fund (*i.e.* general fund, capital projects fund). Transfers $250,000 and under are approved by the Senior Vice President of Finance; else the President/CEO's approval is required.
- Intra-fund budget transfers are defined as transfers between different functions, but within the same fund. The approval level is the same as functional transfers and the Board is advised of these transfers.
- Inter-fund or contingency budget transfers are defined as transfers between different funds and require prior approval of the Board.

Augmentations (increasing total appropriations) are accomplished by formal Board action. During the year, funds were re-appropriated to honor encumbrances that lapsed at June 30, 2014. All amendments made to the original budget were as prescribed by law.

For FY 2015, expenditures for the Community Support function exceed its budgeted amount by $449,565. This is not considered a violation of NRS 354.626 as the excess consists of statutorily required payments to another government resulting from an increase in exempt revenue that was not anticipated during the preparation of the budget.

UNRESTRICTED NET POSITION

Total unrestricted net position at June 30, 2015, was ($263,117,669). The components of unrestricted net position were as follows:

- Outstanding non-capital debt obligation of ($274,069,633) related to the LVCVA's obligation to the Nevada Department of Transportation (NDOT) for critically needed transportation projects (see Note 8).

- Cumulative results of all past years' operations of ($73,119,164) with $84,071,128 specifically identified for ongoing capital projects.

NEW PRONOUNCEMENTS

Statement No. 72 was issued by GASB in February 2015, effective for periods beginning after June 15, 2015, which means FY 2016 for the LVCVA. This Statement is *Fair Value Measurement and Application*. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The LVCVA will evaluate and implement this statement in FY 2016.

GASB issued, in June 2015, Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68.* This statement is primarily intended to provide guidance related to pension plans not covered by GASB Statement No. 68. It also extends the approach to accounting and reporting established in Statement No. 68. This statement is effective for periods beginning after June 15, 2015, which will mean FY 2016 for the LVCVA. The LVCVA will evaluate the reporting changes and clarifications to GASB No. 68 during and implement in FY 2016.

GASB issued Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and Statement No. 75 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* in June 2015. These statements replace GASB No. 43, No. 47 and No. 57 as well as other prior guidance. These statements establish new accounting and financial reporting requirements for governments whose employees are provided with OPEB. It also includes specific recognition and disclosure requirements for various OPEB plans. The LVCVA does not currently administer OPEB funds through a trust. The LVCVA is currently evaluating what effect, if any, GASB No. 74 or No. 75 will have on its reporting in FY 2017.

GASB issued Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, in June 2015. It is effective for period beginning after June 15, 2015, which is FY 2016 for the LVCVA. This statement does not address any specific reporting requirement; rather it discusses levels of authority that governments should use in applying requirements. It supersedes Statement No. 55, and amends Statement No. 62. GASB No. 76 establishes GASB Statements as Category A, which is the highest level of reporting authority for state and local governments, and Category B sources in the absence of Category A requirements. Category B includes GASB Technical Bulletins; GASB Implementation Guides; and literature of the AICPA cleared by the GASB. The LVCVA will review current reporting practices in relationship to this new hierarchy to confirm that the LVCVA is reporting properly.

GASB issued Statement No. 77 *Tax Abatement Disclosures* in August 2015. This statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. This statement also requires governments that enter into tax abatement agreements to disclose other information about the agreements. This statement requires LVCVA to complete its review and implementation in FY 2017.

NOTE 4. CASH AND INVESTMENTS:

The LVCVA maintains a cash and investment pool that is available for use by all of its funds. At June 30, 2015, this pool is displayed in the statement of net position and governmental funds balance sheet as "cash, cash equivalents and investments" and in the internal service fund statement of net position as "cash and cash equivalents" and "investments". The LVCVA accounts for its debt issuance proceeds portfolio separately in the capital projects funds.

At year end, the LVCVA's cash, cash equivalents and investment balances consisted of the following:

Cash and cash equivalents:	
Cash on hand	$ 19,200
Deposits in bank	116,588,582
Investments (U.S. Agencies and LGIP)	80,831,575
	$ 197,439,357

At year end, the LVCVA's carrying amount of deposits was $116,588,582, and the bank balance was $116,655,724.

According to the NRS, the LVCVA monies must be deposited in federally insured banks, credit unions, or savings and loan associations in the State. The LVCVA is authorized to use demand accounts, time accounts, and certificates of deposits. The NRS do not specifically require collateral for all demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable LVCVA investments described below, except that the NRS permits longer terms and include securities issued by municipalities within the State. The LVCVA's deposits are fully covered by the federal depository insurance or collateralized at 102% by securities held by the LVCVA's agent in the LVCVA's name.

LGIP is an external investment pool administered by the State of Nevada's Treasurer, with oversight by the State's Board of Finance. The LVCVA deposits monies with the State Treasurer to be pooled with monies of other local governments for investment in the LGIP fund. The LGIP operates in accordance with all applicable NRS and the fair value of its shares is the same as the reported value of the shares. LGIP financial statements may be obtained from the State Treasurer's Office, 101 N. Carson Street Suite 4, Carson City, NV 89701.

As of June 30, 2015, the LVCVA had the following investments:

			Investments by Maturities			
	Original Cost	Fair Value	Less than 1 Year	1 - 5 Years	Accrued Interest	Total Value
U.S. Agencies	$ 36,723,982	$ 36,636,962	$ 16,995,472	$ 19,641,490	$ 62,629	$ 36,699,591
LGIP	44,194,613	44,194,613	44,194,613	-	7,419	44,202,032
Total	$ 80,918,595	$ 80,831,575	$ 61,190,085	$ 19,641,490	$ 70,048	$ 80,901,623

CONCENTRATION OF CREDIT RISK

The NRS and the LVCVA's investment policy limits investment instruments by credit risk. All of the LVCVA's investments in commercial paper must to be rated P-1 by Moody's Investor Service and A-1 by Standard and Poor's. The LVCVA's money market investments must be invested in those funds rated by a nationally recognized rating service as AAA or its equivalent and that invest only in securities issued by the Federal Government, U.S. Agencies, or REPOs fully collateralized by such securities. The LVCVA's investments in U.S. Agencies, which are implicitly guaranteed by the U.S. Government must be all rated AAA or its equivalent by a nationally recognized rating service. The LGIP does not have a credit rating.

To limit exposure to concentrations of credit risk, the LVCVA's investment policy limits investment in U.S. Agencies to 80%, money market mutual funds to 30%, Deposits, Repurchase Agreements and Overnight Investments to 60%, LGIP to 40%, Certificates of Deposit to 5%, and Commercial Paper to 20% of the entire portfolio at the time of investment. As of June 30, 2015, 25% of the LVCVA's investments, including cash equivalents, were classified in U.S. Agencies, 45% in Demand Deposits, and 30% in the LGIP.

The LVCVA's investment in U.S. Agencies was comprised of securities issued by the Federal Home Loan Bank (41%), the Federal Home Loan Mortgage Corporation (19%), the Federal National Mortgage Association (32%), and the Federal Farm Credit Bank (8%).

INTEREST RISK:

The LVCVA manages its exposure to the declines in fair value by limiting the maturities of its investments to five years or less. Some of the U.S. Agency investments have call options or prepayment risk, which, if exercised, could shorten the maturity of these investments.

CUSTODIAL CREDIT RISK:

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the LVCVA will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At year end, the LVCVA did not have any significant custodial credit risk.

NOTE 5. CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2015, was as follows:

Description	Balance at June 30, 2014	Increases	Decreases	Balance at June 30, 2015
Capital assets not being depreciated or amortized:				
Land	$ 207,930,856	$ 188,171,761	$ -	$ 396,102,617
Intangibles	100,000	-	-	100,000
Construction in progress	2,365,549	2,890,603	(2,220,005)	3,036,147
Total capital assets not being depreciated or amortized	210,396,405	191,062,364	(2,220,005)	399,238,764
Capital assets being depreciated or amortized:				
Buildings	444,550,780	1,809,129	(3,584,459)	442,775,450
Intangibles	157,117	-	(18,715)	138,402
Improvements other than buildings	46,257,915	1,519,191	(429,359)	47,347,747
Furniture and equipment	18,433,799	423,561	(923,690)	17,933,670
Total capital assets being depreciated or amortized	509,399,611	3,751,881	(4,956,223)	508,195,269
Accumulated depreciation or amortization:				
Buildings	(195,783,282)	(12,018,668)	3,175,456	(204,626,494)
Intangibles	(157,117)	-	18,715	(138,402)
Improvements other than buildings	(23,929,167)	(3,967,983)	354,150	(27,543,000)
Furniture and equipment	(13,719,774)	(1,087,821)	875,861	(13,931,734)
Total accumulated depreciation or amortization	(233,589,340)	(17,074,472)	4,424,182	(246,239,630)
Net capital assets being depreciated or amortized	275,810,271	(13,322,591)	(532,041)	261,955,639
Governmental activities capital assets, net	$ 486,206,676	$ 177,739,773	$ (2,752,046)	$ 661,194,403

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

General government	$ 54,517
Marketing	72,402
Operations	16,947,553
	$ 17,074,472

NOTE 6. INTERFUND TRANSACTIONS:

The following schedule details the amounts due from/to other funds at June 30, 2015:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service Fund	$ 78,362

The outstanding balances between funds result mainly from the delayed time period between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) interest on investments in the debt service fund that is earned and transferred back to the general fund.

Fund transfers are legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. For the year ended June 30, 2015, transfers between funds were as follows:

		Transfers Out	
	Transfers In	General Fund	Debt Service Fund
General Fund	$ 132,853	$ -	$ 132,853
Capital Project Fund	21,500,000	21,500,000	-
Internal Service Fund	3,500,000	3,500,000	-
Debt Service Fund	54,988,725	54,988,725	-
	$ 80,121,578	$ 79,988,725	$ 132,853

NOTE 7. LEASES:

OPERATING LEASES

The LVCVA has non-cancelable operating leases for office space, parking spaces, computers, copiers and other equipment. Total rental costs for such leases were $177,267 for the year ended June 30, 2015. Future minimum lease payments for these leases are as follows:

Year Ending June 30,	
2016	$ 299,701
2017	295,912
2018	300,123
2019	304,154
2020	311,857
2021-2025	1,438,930
2026	70,305
Total	$ 3,020,982

CAPITAL LEASES

On September 1, 2013, the LVCVA entered into a $334,547 capital lease for computer equipment, which was capitalized as furniture and equipment. Amortization expense for FY 2015 was $111,516 and total accumulated amortization was also $204,445. As of June 30, 2015, the net value of this capital lease is $130,102. Total lease payments for FY 2015 were $117,217.

The LVCVA entered into a five year capital lease in April 2013 for $14,942 to purchase a copier which was capitalized as furniture and equipment. Amortization expense for FY 2015 was $2,988 and the total accumulated amortization was $6,724. The net value at June 30, 2015 was $8,218. Total lease payments for FY 2015 were $3,420. Future minimum lease payments are as follows:

Year Ending June 30,		
2016	$	120,637
2017		3,420
2018		2,565
		126,622
Less portion of payment representing interest		(6,485)
Present value of minimum lease payments	$	120,137

NOTE 8. LONG-TERM DEBT:

LVCVA issues general obligation and revenue bonds to fund land and other improvement, acquisition, and construction of capital assets consisting primarily of meeting and exhibit and support facilities at the Las Vegas Convention Center. In addition, the LVCVA, pursuant to legislative directive provided $300,000,000 of funding to the NDOT for transportation projects and issued general obligation bonds in this regard ($274,395,000 outstanding at June 30, 2015). The amount paid to NDOT through June 30, 2015 is $281.5 million.

Eleven of the LVCVA’s outstanding bonds are general obligation bonds of Clark County, Nevada, acting by and through the LVCVA.

Clark County Nevada acts as the guarantor of these general obligation bonds, as defined in GASB Statement No. 70. The bonds are primarily secured by ad valorem taxes and are additionally secured by net pledged revenues of the LVCVA, primarily room taxes on hotels and motels in Clark County, Nevada. No requirements for repayment by the LVCVA to the County exist if ad valorem taxes had to be used. It has been the practice of the LVCVA never to resort to the use of ad valorem taxes for debt service, but rather to use only net pledged revenues derived from operations. In FY 2015, room taxes and gaming fees of $241 million exceeded four times the amount necessary to pay the $57.6 million of principal and interest payments during the fiscal year. In fact, as of June 30, 2015, no ad valorem tax revenues have been allocated to the LVCVA for any purpose, including guarantee debt payments. No change in this practice is contemplated in the future.

The following is a summary of terms and balances for general obligation / pledged revenue bonds payable at June 30, 2015:

$38,200,000 - 5/07 Refunding Bonds due in annual installments through FY 2022. Semi-annual interest from 4 - 5.5%	$ 8,680,000
$26,455,000 - 7/08 (NDOT) Bonds due in annual installments through FY 2028. Semi-annual interest from 4 - 5%	23,530,000
$70,770,000 - 2010A (NDOT/BABs) Bonds due in annual installments through FY 2020. Semi-annual interest from 6.55 - 6.75%	70,770,000
$53,520,000- 2010B (NDOT/Refunding) Bonds due in annual installments through FY 2027. Semi-annual interest from 2 - 5%	44,885,000
$155,390,000- 2010C (NDOT/BABs) Bonds due in annual installments through FY 2039. Semi-annual interest from 4 - 7%	155,390,000
$18,515,000 - 2010D (NDOT) Bonds due in annual installments through FY 2016. Semi-annual interest from 3 - 5%	4,125,000
$24,990,000 - 2012 General Obligation Bonds due in annual installments through FY 2033. Semi-annual interest from 2 - 4%	23,975,000
$50,000,000 - 2014 General Obligation Bonds due in annual installments through FY 2044. Semi-annual interest from 2 - 5%	50,000,000
$181,805,000 - 2015 General Obligation Bonds due in annual installments through FY 2045. Semi-annual interest from 2 - 5%	181,805,000
	$ 563,160,000

REVENUE BONDS

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

Line of Credit

In December 2014, the LVCVA issued its Series 2014A, Subordinate Revenue Bonds, which included a credit agreement with JPMorgan to provide a non-revolving credit line of $275 million. The bonds and the credit agreement are collectively referred to as the "Line of Credit." These bonds were issued to provide short-term financing primarily for acquiring land related to the first phase of the LVCCD. The Line of Credit is non-revolving and subordinated to the other revenue bonds. During FY 2015, $187 million was drawn for the purpose of acquiring the Riviera property and shortly thereafter $116.8 million was refunded. The current outstanding principal on the Line of Credit is $70.2 million, with the ability to draw an additional $88 million. It became effective on December 5, 2014, and matures on December 2, 2016.

The interest rate on drawn funds is based upon the product of the one month London Interbank Offered Rate (LIBOR) times 70% times an applicable spread which is based on LVCVA's credit rating times the greater of 1 or 1 less the maximum federal corporate tax rate times 1.53846. The applicable spread is currently 52.5 basis points (bps) and remains in effect as long as the LVCVA maintains a credit rating of A1 for Moody's, or A+ for S&P. This rate would increase to 67.5 bps for an A2 or A rating, respectively, and 92.5 bps for an A3 or A- rating, respectively. Similarly, lower ratings by Moody's and / or S&P

would result in progressively higher increases. Interest is due and paid monthly. The interest rate on the remaining amount available to draw is also based on the credit rating of the LVCVA, currently 22.5 bps, progressively increasing, if LVCVA's rating were to decrease and is payable quarterly.

The average interest rate on the principal during the first eight months has been 65 basis points, and this figure was used to calculate the estimated interest on the drawn balance for future periods. If the average interest rate and balances drawn and outstanding stayed the same, the LVCVA would pay $456,318 in FY 2016, and $191,278 in FY 2017 in interest for the $70,200,000 obligation. The interest on the undrawn balance of $88,000,000 would be $198,000 in FY 2016, and $82,997 in FY 2017. These estimates have been included in the interest and principal schedules below. A 1% increase in the floating interest rate would increase costs on the current outstanding balance by $702 thousand.

The agreement contains a provision allowing the LVCVA to convert any unpaid balance of drawn funds to a term loan on December 2, 2016, with equal semi-annual payments of principal over a 3 year term. The interest rate would be 1% plus the higher of Prime Rate plus 1.5%, Federal Effective Rate plus 2.0%, or the rate of 7.5%.

The following is a summary of revenue bonds payable at June 30, 2015:

$118,745,000 - 4/05 Revenue Bonds due in annual installments through FY 2020. Semi-annual interest from 3 - 5.25%	$ 14,100,000
$50,000,000- 11/07 Revenue Bonds due in annual installments through FY 2037. Semi-annual interest from 4 - 6%	43,560,000
$81,925,000- 2010E Revenue Bonds due in annual installments through FY 2041. Semi-annual interest from 4 - 5.5%	81,925,000
$70,200,000- 2014A Subordinate Revenue Bond/Line of Credit non-revolving variable rate indexed at one month LIBOR plus 22.5 basis points	70,200,000
	$ 209,785,000

	General Obligation / Pledged Revenue Bonds		Revenue Bonds		All Bonds	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 10,795,000	$ 27,035,763	$ 16,870,000	$ 7,206,236	$ 27,665,000	$ 34,241,999
2017	24,940,000	28,266,192	73,080,000	6,337,543	98,020,000	34,603,735
2018	26,060,000	27,083,600	3,000,000	5,944,174	29,060,000	33,027,774
2019	27,210,000	25,836,957	3,120,000	5,818,724	30,330,000	31,655,681
2020	28,490,000	24,511,620	3,255,000	5,688,043	31,745,000	30,199,663
2021-2025	91,475,000	108,961,626	18,540,000	26,192,178	110,015,000	135,153,804
2026-2030	97,790,000	83,096,848	23,460,000	21,162,088	121,250,000	104,258,936
2031-2035	105,340,000	55,257,544	30,200,000	14,396,761	135,540,000	69,654,305
2036-2040	106,525,000	22,558,834	32,645,000	5,643,561	139,170,000	28,202,395
2041-2045	44,535,000	4,398,200	5,615,000	154,413	50,150,000	4,552,613
	$ 563,160,000	$ 407,007,184	$ 209,785,000	$ 98,543,721	$ 772,945,000	$ 505,550,905

ARBITRAGE REBATE AND DEBT COVENANT REQUIREMENTS

The Federal Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the LVCVA. Under this Act, an amount may be required to be rebated to the United States Treasury (called "arbitrage") for interest on the bonds to qualify for exclusion from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date. As of the most recent such date, the LVCVA's management believes that there is no rebatable arbitrage amount due. Future calculations might result in adjustments to this determination. In addition, certain LVCVA long-term debt obligations are subject to restrictive debt covenants, including certain revenue levels and revenue/expense ratios and LVCVA's line of credit contains default interest and acceleration provisions. LVCVA management believes it to be in compliance with such covenants.

DEBT REFUNDING AND DEFEASANCE

The LVCVA issued 2015 General Obligation/Refunding Bonds during the fiscal year. This refunding was used for the partial defeasance of three existing bonds. It included both current and advanced refundings. Net proceeds from this new issuance were used to pay $64.25 million of outstanding principal towards the 4/05 Revenue Bond, $13.74 million toward the 5/07 General Obligation Refunding Bond and $116.80 million as a principal reduction of the 2014A Revenue Bond/Line of Credit.

The line of credit was paid on the closing date along with $104,306 in accrued interest. Remaining defeased amounts were placed in an irrevocable trust account to provide for all future debt payments on the old bonds. At June 30, 2015, $72,370,000 of defeased bonds remained outstanding and a trust account had a balance of $80,940,437. Accordingly, the trust assets and the liabilities for the defeased bonds are not included in the LVCVA financial statements.

The 2015 General Obligation/Refunding Bond included a $16,018,110 premium and $973,190 in refunded bond interest. Cost of issuance was $1,204,908, including $483,814 in underwriting fees. This refunding produced a total saving of $6.76 million and the LVCVA realized a present value savings of just over $6.52 million. A deferred amount on refunding of $2,955,437 was recognized and will be amortized over the remaining life of the old debt.

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

	Interest paid During the Year	Beginning Balance, July 1, 2014	Additions	Reductions	Ending Balance, June 30, 2015
BONDS					
General Obligation/Pledged Revenue Bonds					
5/07 Refunding Bonds	$ 1,145,988	$ 25,045,000	$ -	$ (16,365,000)	$ 8,680,000
7/08 General Obligation Bonds	1,123,285	24,070,000	-	(540,000)	23,530,000
2010A General Obligation Bonds	4,721,166	70,770,000	-	-	70,770,000
2010B General Obligation/Refunding Bonds	2,094,275	47,130,000	-	(2,245,000)	44,885,000
2010C General Obligation Bonds	9,910,195	155,390,000	-	-	155,390,000
2010D General Obligation Bonds	304,375	8,050,000	-	(3,925,000)	4,125,000
2012 General Obligation Bonds	716,923	24,990,000	-	(1,015,000)	23,975,000
2014 General Obligation Bonds	1,793,735	50,000,000	-	-	50,000,000
2015 General Obligation Bonds	-	-	181,805,000	-	181,805,000
Revenue Bonds					
4/05 Revenue Bonds	4,303,987	91,735,000	-	(77,635,000)	14,100,000
11/07 Revenue Bonds	2,128,835	44,620,000	-	(1,060,000)	43,560,000
2010E Revenue Bonds	4,140,383	81,925,000	-	-	81,925,000
2014A Subordinate Revenue Bond/Line of Credit	371,335	-	187,000,000	(116,800,000)	70,200,000
Unamortized premiums and discounts		7,636,790	16,018,110	(6,025,202)	17,629,698
Subtotal Bonds	32,754,482	631,361,790	384,823,110	(225,610,202)	790,574,698
OTHER LIABILITIES					
Compensated absences	-	5,103,217	5,468,527	(4,211,726)	6,360,018
Capital lease obligations	-	228,907	-	(108,770)	120,137
Postemployment benefits other than pensions	-	21,459,161	3,726,894		25,186,055
Net pension liability	-	71,228,022	7,987,420	(22,763,286)	56,452,156
Subtotal other liabilities	-	98,019,307	17,182,841	(27,083,782)	88,118,366
	$ 32,754,482	$ 729,381,097	$ 402,005,951	$ (252,693,984)	$ 878,693,064

The portion of each long-term liability that is due in FY 2016 is shown below:

	Principal	Interest
BONDS		
General Obligation/Pledged Revenue Bonds		
5/07 Refunding Bonds	$ 2,755,000	$ 379,575
7/08 General Obligations Bonds	560,000	1,101,285
2010A General Obligations Bonds	-	4,721,166
2010B General Obligations Bonds	2,320,000	2,025,800
2010C General Obligations Bonds	-	9,910,195
2010D General Obligations Bonds	4,125,000	103,125
2012 General Obligations Bonds	1,035,000	696,423
2014 General Obligations Bonds	-	2,076,349
2015 General Obligations Bonds	-	6,021,845
Revenue Bonds		
4/05 Revenue Bonds	14,100,000	370,125
12/07 Revenue Bonds	1,105,000	2,074,710
2010E Revenue Bonds	1,665,000	4,107,083
2014A Subordinate Revenue Bonds/Line of Credit	-	654,318
	27,665,000	34,241,999
OTHER LIABILITIES		
Compensated absences	4,456,007	-
Capital lease obligation	114,439	6,198
	$ 32,235,446	$ 34,248,198

The general fund has been used in prior years to liquidate compensated absences, net pension obligations and other post-employment obligations.

NOTE 9. RISK MANAGEMENT:

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

NOTE 10. EMPLOYEE RETIREMENT PLAN:

Plan Description

The LVCVA participates in a cost-sharing, multiple-employer, defined benefit public employees' retirement system (the System) which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered by a seven member board (PERS Board) who are appointed by the governor and its purpose is to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability. The LVCVA exercises no control over PERS. NRS 286.110 states that "The respective participating public employers are not liable for any obligations of the system."

Benefits Provided

Benefits, as required by the NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits. Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier.

The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by authority of NRS 286.575 - .579, which for members entering the system before January 1, 2010, is equal to the lesser of:

1) 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or

2) The average percentage increase in the Consumer Price Index (or other PERS Board approved index) for the three preceding years.

In any event, a member's benefit must be increased by the percentages in paragraph 1, above, if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (or other PERS Board approved index) for the period between retirement and the date of increase. For members entering the system on or after January 1, 2010, the post-retirement increases are the same as above, except that the increases do not exceed 4% per year.

Vesting

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted towards to eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer. The LVCVA elected the EPC plan.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due. The System receives an actuarial valuation on an annual basis for determining the prospective funding contribution rates required to fund the System on an actuarial reserve basis. The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

For the fiscal years ended June 30, 2014 and 2015, the Statutory Employer/employee matching rate was 13.25% for Regular and 20.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 25.75% for Regular and 40.50% for Police/Fire. Contributions to the pension plan from the LVCVA were $8,204,400 and $8,618,472 for the years ended June 30, 2014 and 2015 respectively.

Effective July 1, 2015, the required contribution rates for regular members will be 14.5% and 28.0% for employer/employee matching and EPC, respectively. The required contribution rates for police/fire members will remain the same.

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Contributions for employer pay dates that fall within PERS fiscal year ending June 30, 2014, are used as the basis for determining each employer's proportionate share of the collective pension amounts. The LVCVA's allocated portion was calculated at 0.54167%. The LVCVA recorded a liability of $56,452,216 for its portion of the net pension liability at June 30, 2015.

Changes in the LVCVA's net pension liability were as follows:

Reconciliation of Net Pension Liability	
Beginning Net Pension Liability	$ 71,228,022
Pension Expense	7,479,633
Employer Contributions	(8,204,400)
New Net Deferred (Inflows)/Outflows	(14,051,039)
Recognition of Prior Deferred (Inflows)/Outflows	-
Ending Net Pensions Liability	$ 56,452,216

The LVCVA recognized pension expense of $7,479,633 for the year ended June 30, 2015. The LVCVA reported deferred outflows and inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,701,549
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	-	11,857,277
Changes in proportion and differences between actual contributions and proportionate share of contributions	507,787	-
LVCVA contributions subsequent to measurement date	8,618,472	-
	$ 9,126,259	$ 14,558,826

At June 30, 2014, the average expected remaining service life is calculated at 6.70 years.

The $8,618,472 of deferred outflows for contributions made by the LVCVA to PERS subsequent to the measurement date will be recognized as a reduction to net pension liability in the year ending June 30, 2016. Other amounts listed as deferred outflows and deferred inflows of resources related to pensions will be recognized as follows:

Year end June 30,	
2016	$ 3,318,354
2017	3,318,354
2018	3,318,354
2019	3,318,354
2020	457,425
After	320,198

Included in accounts payable at June 30, 2015, the LVCVA had $886,499 payable to PERS, equal to the required contribution for the month of June 2015 which was subsequently paid in accordance with applicable due dates in July and August 2015.

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	3.50%
Payroll growth	5.00%, including inflation
Investment rate of return	8.00%
Discount rate	8.00%
Productivity pay increase	0.75%
Projected salary increases	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.5%, depending on service Rates include inflation and productivity increases
Consumer price index	3.50%

At June 30, 2014, assumed mortality rates and projected life expectancies for selected ages were as follows:

Regular Members				
	Mortality Rates		Expected Years of Life Remaining	
Age	Males	Females	Males	Females
40	0.10%	0.05%	41.1	44.4
50	0.17%	0.12%	31.6	34.7
60	0.55%	0.42%	22.4	25.4
70	1.82%	1.39%	14.3	17.0
80	5.65%	3.79%	7.7	10.1

Police/Fire Members				
	Mortality Rates		Remaining	
Age	Males	Females	Males	Females
40	0.10%	0.06%	40.2	42.5
50	0.19%	0.15%	30.7	32.8
60	0.63%	0.54%	21.5	23.6
70	2.02%	1.72%	13.5	15.5
80	6.41%	4.63%	7.1	9.0

These mortality rates and projected life expectancies are based on the following:

- For non-disabled male regular members – RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA
- For non-disabled female regular members – RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year
- For all non-disabled police/fire members – RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set forward one year
- For all disabled regular members and all disabled police/fire members – RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years

Actuarial assumptions used in the June 30, 2014 valuation were based on the results of the experience review completed in 2013.

Valuation of Plan Assets-Investment Policy

The policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following target allocation policy was adopted as of June 30, 2014:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic Equity	42%	5.50%
International Equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%
	100%	

* These geometric return rates are combined to produce the long-term expected rate of return by adding the long-term expected inflation rate of 3.5%.

Discount Rate

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2014 and 2013. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2014, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments (8%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2014 and 2013.

Pension Liability Discount Rate Sensitivity

The following presents LVCVA's proportionate share of the net pension liability of the System as of June 30, 2014, calculated using the discount rate of 8.00%, as well as what the LVCVA's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1- percentage-point higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Discount Rate (8.0%)	1% Increase (9.00%)
Net Pension Liability-LVCVA portion	$87,789,372	$56,452,216	$30,403,063

Pension Plan Fiduciary Net Position

PERS issues a stand-alone CAFR that includes financial statements and required supplementary information for the plan. Additional information about the System's fiduciary net position is available at www.nvpers.org under Quick Links – Publications, or

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

NOTE 11. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):

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

PLAN DESCRIPTION

In accordance with NRS, retirees of the LVCVA may continue insurance through existing plans, if enrolled as an active employee at the time of retirement. The two programs that are available to active employees and retirees are the Clark County Self-Funded Group Medical and Dental Benefits Plan (CCSF), a cost-sharing multiple-employer defined benefit plan, and Health Plan of Nevada (HPN), a fully-insured health maintenance organization (HMO) plan.

The CCSF and HPN plans are not administered as a qualifying trust or equivalent arrangement, as defined by GASB Statement No. 45, and are included in Clark County's CAFR as an internal service fund (the Self-Funded Group Insurance Fund). The CCSF report may be obtained by writing Clark County, Nevada, PO Box 551210, 500 S. Grand Central Parkway, Las Vegas, Nevada 89155-1210.

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

FUNDING POLICY

For the CCSF and HPN plans, contribution requirements of plan members and the LVCVA are established and may be amended through negotiations between the LVCVA and Clark County. In some years, the LVCVA has made additional contributions, as determined by the CCSF Executive Board, under terms of the agreement. Retirees in the CCSF and HPN programs receive no direct subsidy from the LVCVA. Retiree loss experience is pooled with active loss experience for the purpose of setting rates. The difference between the true claim cost and the blended premium is an implicit rate subsidy that creates an OPEB cost for the LVCVA. Based on the FY 2015 actuarial report, the LVCVA has 53 PEBP retires, 100 non-PEBP retirees, 5 surviving spouses and 491 active employees in the CCSF and HPN plans. The LVCVA currently pays for postemployment healthcare benefits on a pay-as-you-go basis.

At the September 13, 2011, Board of Directors meeting, revisions to the LVCVA's Financial Management Policy were approved to establish a funding plan for its OPEB obligations. In FY 2013, the LVCVA established an internal service fund to accumulate resources to be held in reserve to pay its future liability for postemployment benefits. Transfers from the general fund to the OPEB reserve fund have been incorporated into the annual budget process based on the current revenue streams and the goal of fully funding the outstanding liability. The target for fully funding is 10 years from the establishment of the OPEB reserve fund.

The LVCVA is required to pay the PEBP an explicit subsidy, based on years of service, for retirees enrolled in this plan. In 2015, retirees were eligible for a minimum subsidy of $116 per month after 5 years of service with a Nevada state or local government entity. The maximum subsidy of $636 per month is earned after 20 years of combined service with an eligible entity. The subsidy is set by the Nevada State Legislature.

Annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the LVCVA's annual OPEB cost for the year, the amount contributed to the plan, and the changes in the LVCVA's net OPEB obligation.

	CCSF and HPN	PEBP	Total
Annual required contribution (ARC)	$ 4,452,632	$ 311,490	$ 4,764,122
Interest on net OPEB obligation	805,994	56,385	862,379
Adjustment to the ARC	(1,071,520)	(74,960)	(1,146,480)
Annual OPEB cost (expense)	4,187,106	292,915	4,480,021
Contributions made	(559,894)	(193,233)	(753,127)
Increase in net OPEB obligations	3,627,212	99,682	3,726,894
Net OPEB obligation - beginning of the year	21,246,349	212,812	21,459,161
Net OPEB obligation - end of the year	$ 24,873,561	$ 312,494	$ 25,186,055

The LVCVA's annual OPEB cost, the percentage of annual cost contributed and net OPEB obligation for fiscal years 2013-2015 were as follows:

	Fiscal year ended June 30,	Annual OPEB Cost	Percent of OPEB Cost Contributed	Net OPEB Obligation
CCSF and HPN	2013	$ 3,822,256	10.7%	$ 17,732,115
	2014	3,968,846	11.5%	21,246,349
	2015	4,187,106	13.4%	24,873,561
PEBP	2013	412,238	56.2%	94,670
	2014	328,525	64.0%	212,812
	2015	292,915	66.0%	312,494

FUNDED STATUS AND FUNDING PROGRESS

The funded status of the plans as of the most recent actuarial valuation date was as follows:

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a percentage of Covered Payroll
CCSF and HPN						
7/1/2014	$ -	$ 39,266,548	$ 39,266,548	0%	$ 33,467,565	117%
PEBP						
7/1/2014	$ -	$ 5,386,309	$ 5,386,309	0%	N/A*	N/A*

*PEBP is a closed plan; and therefore, there are no current employees covered by the PEBP.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan participants) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the LVCVA and the plan members. Bi-annual actuarial reports and mid-period adjustments to such estimates reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Significant methods and assumptions were as follows:

	CCSF, HPN and PEBP
Actuarial valuation date	July 1, 2014
Actuarial cost method	Entry age normal, level dollar amount
Amortization method	30 years, open, level dollar amount
Remaining amortization period	30 years remaining as of July 1, 2014
Asset valuation	N/A, no assets in trust
Actuarial assumptions:	
Investment rate of return	4%
Projected salary increases	N/A
Cost of living adjustments	N/A
Healthcare inflation rates	PPO and HMO – 7.0% in 2015/2016, grading down 0.25% per year until reaching an ultimate rate of 5.0%.

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

NOTE 12. CLASSIFICATION OF NET POSITION AND FUND BALANCES:

FUND BALANCE CLASSIFICATIONS:

In February 2009, the GASB issued Statement No. 54*, Fund Balance Reporting and Government Fund Type Definitions*, effective for periods beginning after June 15, 2010. Under GASB Statement No. 54, fund balances are required to be reported in classifications based on the following LVCVA definitions:

Nonspendable Fund Balance – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. These classifications include inventories, prepaid items, assets held for sale and long-term receivables.

Restricted Fund Balance – Includes constraints placed on the use of these resources that are either externally imposed by creditors (such as debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance – Includes amounts that can only be used for a specific purpose because of a formal action (resolution or board approval both of which are considered to be equally binding) by the government's highest level of decision-making authority, which is the LVCVA's Board of Directors. Those constraints remain binding unless removed or changed in the same manner employed to previously commit those resources.

Assigned Fund Balance – Includes amounts that are constrained by the LVCVA's intent for specific purposes, but do not meet the criteria to be classified as restricted or committed. The LVCVA Board of Directors has provided such authority to express intent in policy FIN-25 to the President/CEO and the Senior Vice President of Finance. Constraints imposed on the use of assigned amounts can be removed without formal Board action.

Unassigned Fund Balance – This is the residual classification of the general fund. This is fund balance that has not been reported in any other classification. The general fund is the only fund that can report a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as a result of overspending for specific purposes for which amounts have been restricted, committed or assigned.

SPENDING PRIORITIZATION IN USING AVAILABLE RESOURCES:

When both restricted resources and other resources (*i.e*. committed, assigned, and unassigned) can be used for the same purposes, the LVCVA financial management policy considers restricted resources to be spent first.

When committed, assigned, and unassigned resources can be used for the same purpose, the flow assumption in the LVCVA budget is to spend in the sequence of committed resources first, assigned second, and unassigned last.

GENERAL FUND BALANCE POLICY:

Based on Nevada Administrative Code 354.650-660, a minimum fund balance of 4.0% of budgeted general fund operating expenditures must be maintained. The LVCVA begins each new fiscal year operating from beginning fund balance for six weeks based on the timing of the first "new" years' room tax collections. Six weeks is approximately 12% of budgeted operating expenditures. Thus, in order to ensure that the LVCVA has sufficient cash on hand to meet all of its financial obligations in a timely manner and to ensure that essential services are not disrupted in times of fluctuating revenues, the LVCVA's fiscal practice is to target an ending fund balance between 4% and 16% to prepare for potential variances in economic conditions without detriment to operations.

The fund balances by component at June 30, 2015, were:

	General Fund	Capital Project Funds	Debt Service Funds
Non-Spendable			
Inventory	$ 449,710	$ -	$ -
Prepaid items	4,124,089	57,623	-
Other	199,214	-	-
Restricted			
Capital project programs	-	29,406,583	-
Debt service programs	-	-	49,605,285
Collection allocation	6,921,857	-	-
Nevada Department of Transportation	-	18,486,568	-
LV.com	10,247	-	-
Committed			
Capital project programs	-	52,704,493	-
Debt service programs	-	-	4,605,510
Operating budget	1,028,925	-	-
Assigned			
Marketing and advertising	2,879,000	-	-
Capital project programs	11,000,000	1,902,429	-
General government	175,000	-	-
Operations	845,000	-	-
Community support	490,000	-	-
Internal service fund	500,000		
Unassigned	4,964,139	-	-
	$ 33,587,181	$ 102,557,696	$ 54,210,795

NOTE 13. COMMITMENTS AND CONTINGENCIES:

In FY 2012 and FY 2013, the economy began to stabilize and has helped to stabilize the LVCVA's current operations. In FY 2014, the LVCVA showed higher than expected increases in its primary revenue stream, room tax. This trend has continued in FY 2015 with even greater than expected revenues. However, Nevada's economy and the LVCVA's future operation cannot be predicted at this time.

The LVCVA often carries cash and cash equivalents on deposits with financial institutions in excess of federally-insured limits, and the risk of losses that may be sustained as a result of uninsured deposits in the event of a future failure of a financial institution if any, is not subject to estimation at this time.

CONTRACTS AND COMMITMENTS

ADVERTISING AGENCY

R&R Partners (R&R) is the official advertising and marketing communications agency for the LVCVA. The company develops marketing plans for both long-term and short-term initiatives and works with the LVCVA in the areas of consumer marketing, business and convention marketing, international marketing and extended destination marketing. Beginning in July 2015, compensation is 6.5% of gross billed (6.95% of the net) amounts for commission on media and external production and services, plus an agency service fee of $580,000 per month for fiscal year 2016. In addition R&R will receive a content creation services fee of up to $708,333 per month for twelve month starting July 1, 2015. Other reimbursable expenses will be billed at net (production, travel, administration). The current contract term is through June 2018 with an optional two-year extension, which can be terminated by either party with 90 days' notice. The LVCVA, through R&R, also sponsors various special events which bring people to Las Vegas. Some of these involve multi-year contracts. The sponsorship contract commitments at June 30, 2015 were $1.4 million for FY 2016 and $1 million for FY 2017 and 2018.

INTERNATIONAL OFFICES

The LVCVA is party to contracts for international office representation in Australia, Canada, Germany, Ireland, France, India, Mexico, United Kingdom, Brazil, Japan, China, and South Korea. The 2-year contracts were approved at the May 13, 2014, Board of Directors meeting. The contract's value for FY 2016 is $2.1 million and can be terminated immediately, with cause, by written notice. New contracts will be negotiated during 2016.

NATIONAL FINALS RODEO

In January 2014, and amended in August 2014, the LVCVA entered into an agreement with Professional Rodeo Cowboys Association (PRCA), through Las Vegas Events, to provide annual payments of $2.2 million as an annual sponsorship fee for the National Finals Rodeo, with the possibility of adding another event with an additional sponsorship fee of $287,000. The contract is for 10 years, ending in FY 2024.

TECHNOLOGY SERVICES AGREEMENT

In August 2013, the LVCVA entered into an agreement with Cox Nevada Telcom (Cox) for telecommunications services for the Las Vegas Convention Center, Cashman Center and other various buildings belonging to the LVCVA. Cox was obligated to invest at least $9.5 million of telecommunication infrastructure improvements to the LVCVA's facilities, over the life of the agreement which ends on September 28, 2020. As of June 30, 2015, the total investment made by Cox was $10,193,101. The investment shall be owned by the LVCVA at the end of the term. If early termination occurs the LVCVA is obligated to reimburse Cox for a portion of their investment ($8,226,284 if termination occurred June 30, 2015). This is considered a contingent liability which is not recorded in the LVCVA financial statements.

ESCROW ACCOUNT

In February 2015, the LVCVA completed a real estate asset purchase, the Riviera Hotel and Casino site. The purchase agreement included a requirement that the LVCVA place $27.5 million in escrow to be drawn down by the seller to pay for costs associated with the business closure. The hotel and casino ceased operations in May 2015. Proceeds from the liquidation sale of furniture and fixtures were also placed into the escrow account per the purchase agreement. Any undrawn funds after 5 years revert back to the LVCVA. As of June 30, 2015, $3.3 million was drawn from the account, leaving $24.8 million remaining in escrow. Subsequent cash draws related to the closing, including one that occurred in July 2015 for $17.5 million, are estimated to use the remaining amount of the escrow funds. Accordingly, the entire amount of the escrowed funds remaining is considered part of the purchase price of the land and the undisbursed balance at June 30, 2015, is reflected as a liability.

PRESIDENTIAL/VICE PRESIDENTIAL DEBATE

On September 23, 2015, the Board of Directors approved up to $4 million in expenditures to host the Presidential/Vice Presidential Debate in Las Vegas during the fall of 2016. The LVCVA, in conjunction with the University of Nevada Las Vegas, submitted a bid to host one of the 2016 debates and was awarded the opportunity to host the final debate between the presidential candidates in October 2016. The estimated expenditure includes a host fee of $2 million and event program and production costs of $2 million.

OTHER OBLIGATIONS

The LVCVA has no long-term obligation to fund other organizations, for example, Las Vegas Events. However, we acknowledge these other organizations do engage in long-term sponsorship commitments.

In August 2008, the LVCVA and the City of Las Vegas (City) signed a non-binding memorandum of understanding (MOU) regarding the potential transfer of operations and ownership of Cashman Center facilities from the LVCVA to the City. This MOU provides for negotiation of a final transfer agreement between the two parties, and until such time the LVCVA is obligated to operate and maintain the property. Among other provisions, this final transfer agreement must include a professional baseball stadium and facilities on the current property or constructed at another property prior to transfer. This agreement is currently extended until August 2016. The final transfer agreement must also be approved by the LVCVA Board of Directors and the City Council. To date, no such agreement has been presented for approval.

CONSTRUCTION CONTRACTS AND OTHER SIGNIFICANT COMMITMENTS

The LVCVA is a party to several contracts and commitments relating to construction projects and services related to the LVCVA's facilities and land. At June 30, 2015, such contracts, in the capital projects fund, totaled approximately $5,649,103 with an estimated outstanding balance of $1,606,891. Other significant commitments in the general fund with an outstanding balance totaled approximately $4,308,866. As of June 30, 2015, the LVCVA Board has approved staff to host future events in the destination budgeted at approximately $839,000.

LEGAL MATTERS

The LVCVA is the defendant in various legal actions. It is the opinion of the LVCVA's management and legal counsel that they will not result in any material liabilities to the LVCVA other than disclosed below. The LVCVA does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when the services are rendered.

There is ground water contamination in one of the parking areas of the LVCC. Management believes it is probably that the LVCVA will be named as a responsible party for remediation activities; and therefore, has recorded a $600,000 pollutions remediation liability on the government-wide financials using the expected cash flow technique for future remediation costs. This estimate is based on preliminary analysis which could change over time due to continued investigation, actual remediation actions performed, future regulator rulings, changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation effort.

There are also potential environmental issues associated with the purchase of the 26 acre Riviera Hotel and Casino site and improvements. The building is expected to be demolished and the environmental remediation will be incorporated into the demolition plan. At this time the LVCVA does not have a measurable estimate of the cost of remediation. Voluntary remediation capital costs will be capitalized when preparing the land for its intended use. Therefore, a pollution remediation liability has not been accrued.

In August 2015 the LVCVA board approved a budget of $42 million for the demolition and clearing of the Riviera land. The process will include the investigation, remediation planning, disposal and abatement of all hazardous material from the structures and site in accordance with all State and Federal regulations, statutes and laws.

NOTE 14. ROOM TAX REVENUE:

Revenue for the LVCVA is primarily provided by a 10%-13% room tax imposed on lodging establishments in Clark County, Nevada. The division of this tax is presented below:

	Total	LVCVA	Clark County School District	Clark County Transportation	Taxing Entity	State of Nevada
Resort hotels	12%-13%	5%-6%	1 5/8%	1%	0%-1%	3 3/8%
Other hotel and motels	10%-13%	2%-5%	1 5/8%	1%	0%-2%	2 3/8% - 3 3/8%

As provided for by NRS 244A.645, up to 10% of the total room taxes and gaming fees received by the LVCVA may be paid back to the county and incorporated cities. The LVCVA has an agreement with these entities that determines the individual split of these amounts collected, which cannot exceed 10% of the total amounts remitted to the LVCVA. The total recognized as other community support was $24,185,371 in FY 2015.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

Postemployment Benefits Other Than Pensions

SCHEDULE OF SHARE OF NET PENSION LIABILITY

Pensions

SCHEDULE OF SHARE OF NET PENSION LIABILITY

Pensions

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

General Fund

This fund is the primary operating fund, which accounts for the accumulation of financial resources of the LVCVA; except for those required to be accounted for in a separate fund.

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
CCSF and HPN						
7/1/2010	---	$ 40,177,231	$ 40,177,231	0%	$ 28,609,549	140%
7/1/2012	---	40,159,887	40,159,887	0%	30,228,041	133%
7/1/2014	---	39,266,548	39,266,548	0%	33,467,565	117%
PEBP						
7/1/2010	---	$ 7,094,936	$ 7,094,936	0%	N/A*	N/A*
7/1/2012	---	6,363,081	6,363,081	0%	N/A*	N/A*
7/1/2014	---	5,386,309	5,386,309	0%	N/A*	N/A*

* PEBP is a closed plan; and therefore, there are no current employess covered by the PEBP.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Schedule of Proportionate Share of the PERS Net Pension Liability
For the Year Ended June 30, 2014, and the Last 9 Fiscal Years*

	2014
LVCVA proportion of net pension liability	0.54167%
LVCVA proportionate share of net pension liability	$ 71,228,022
LVCVA's covered employee payroll [1]	$ 34,581,656
LVCVA's proportionate share of the net pension liability as a percentage of LVCVA's covered employee payroll	49%
Plan fiduciary net position as a percentage of total pension liability	76%

[1] Covered employee payroll, as per GASB No. 68, includes payroll categories that are not consistant with statutory contribution requirements to the pension plan.

*Only one year of historical data available since this is the first year of GASB Statement 68 Implementation.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Schedule of Contributions to PERS Pension Plan
For the Year Ended June 30, 2015 and the Last 9 Fiscal Years*

	2014	2015
Contractually required contribution	$ 8,204,400	$ 8,618,472
Contributions in relation to the contractually required contribution	$ 8,204,400	$ 8,618,472
Contribution deficiency	-	-
LVCVA's covered employee payroll [1]	$ 34,581,656	$ 36,496,833
Contributions as a percentage of covered employee payroll		24%

[1] Covered employee payroll, as per GASB No. 68, includes payroll categories that are not consistant with statutory contribution requirements to the pension plan.

*Only two years of historical data available since this is the first year of GASB Statement 68 Implementation.

Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual

General Fund

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Room taxes and gaming fees	$ 223,550,000	$ 231,550,000	$ 241,045,645	$ 9,495,645
Charges for services	49,503,400	50,503,400	51,968,374	1,464,974
Interest and investment earnings	182,800	182,800	188,829	6,029
Miscellaneous	5,700	5,700	4,527	(1,173)
Total revenues	273,241,900	282,241,900	293,207,375	10,965,475
Expenditures:				
Current:				
General government	15,004,800	16,742,400	14,322,106	2,420,294
Marketing:				
Advertising	91,000,000	94,100,000	93,148,972	951,028
Marketing and sales	28,780,000	36,520,300	34,725,317	1,794,983
Special events	9,030,000	8,950,000	8,765,599	184,401
Operations	45,366,800	41,337,800	39,453,977	1,883,823
Community support :				
Other community support	25,633,900	23,655,000	24,104,565	(449,565)
Total expenditures	214,815,500	221,305,500	214,520,536	6,784,964
Excess of revenues over expenditures	58,426,400	60,936,400	78,686,839	17,750,439
Other financing sources (uses):				
Transfers in	81,500	81,500	132,853	51,353
Transfers out	(61,673,912)	(82,173,912)	(79,988,725)	2,185,187
Proceeds from the sale of assets	30,000	30,000	35,893	5,893
Total other financing sources (uses):	(61,562,412)	(82,062,412)	(79,819,979)	2,242,433
Net change in fund balances	(3,136,012)	(21,126,012)	(1,133,140)	19,992,872
Fund balances - beginning	34,720,321	34,720,321	34,720,321	-
Fund balances - ending	$ 31,584,309	$ 13,594,309	$ 33,587,181	$ 19,992,872

NOTE 1. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS:

For the year ended June 30, 2015, no significant events occurred that would have affected or changed the benefits provision, size or composition of those covered by the other post-employment benefit plans, or actuarial methods and assumptions used in the actuarial valuation report dated July 1, 2014.

The actuarial accrued liability and unfunded actuarial accrued liability involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. These estimates are subject to continual revisions.

Additional information related to postemployment benefits other than pensions can be found in Note 11 to the financial statements on pages 42 through 45 of this report.

NOTE 2: PERS PENSION PLAN:

For the year ended June 30, 2015, no significant events occurred that would have affected or changed the benefits provision, size or composition of those covered by the pension plan, or actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2014.

Additional information related to postemployment benefits other than pensions can be found in Note 10 to the financial statements on pages 38 through 42 of this report.

NOTE 3. BUDGET INFORMATION:

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

Additional budgetary information can be found in Note 3 to the financial statements on page 28 through 29 of this report.

INDIVIDUAL FUND INFORMATION

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

Governmental Funds

Capital Projects Fund

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

Debt Service Fund

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

Proprietary Fund

Internal Service Fund

This fund is used to accumulate monies in reserve for future payment of other post-employment benefits liabilities.

Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual

Capital Projects Fund

For the Year Ended June 30, 2015

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues:				
Interest and investment earnings	$ 118,600	$ 118,600	$ 213,192	$ 94,592
Miscellaneous	-	-	672,130	672,130
Total revenues	118,600	118,600	885,322	766,722
Expenditures:				
Capital outlay:				
Land	1,955,000	209,298,072	187,490,547	21,807,525
Land improvements	-	2,115,800	2,321,792	(205,992)
Buildings	608,000	2,834,800	2,170,835	663,965
Furniture and equipment	461,400	801,400	506,918	294,482
Construction in progress	59,700,000	6,704,487	25,103	6,679,384
Noncapitalized assets		880,000	1,304,615	(424,615)
Capital grants to other governments	12,012,100	6,756,264	785,468	5,970,796
Debt service				
Principal	-	130,000	108,770	21,230
Interest	-	-	11,867	(11,867)
Total expenditures	74,736,500	229,520,823	194,725,915	34,794,908
Deficiency of revenues under expenditures	(74,617,900)	(229,402,223)	(193,840,593)	35,561,630
Other financing sources (uses):				
Transfers in	1,000,000	21,500,000	21,500,000	-
Issuance of debt	-	200,000,000	187,000,000	(13,000,000)
Proceeds from the sale of assets	-	-	600,000	600,000
Total other financing sources (uses)	1,000,000	221,500,000	209,100,000	(12,400,000)
Net change in fund balances	(73,617,900)	(7,902,223)	15,259,407	23,161,630
Fund balances - beginning	87,298,289	87,298,289	87,298,289	-
Fund balances - ending	$ 13,680,389	$ 79,396,066	$ 102,557,696	$ 23,161,630

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual

Debt Service Fund

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Interest and investment earnings	$ 81,500	$ 81,500	$ 138,329	$ 56,829
Federal grant subsidy	2,560,488	2,560,488	4,746,178	2,185,690
	2,641,988	2,641,988	4,884,507	2,242,519
Expenditures:				
4/05 Revenue Bond				
Principal	13,390,000	13,390,000	13,390,000	-
Interest	4,303,988	4,303,988	4,303,988	-
5/07 Refunding Bond				
Principal	2,625,000	2,625,000	2,625,000	-
Interest	1,145,987	1,145,987	1,145,987	-
11/07 Revenue Bond				
Principal	1,060,000	1,060,000	1,060,000	-
Interest	2,128,836	2,128,836	2,128,836	-
7/08 General Obligation Bond (NDOT)				
Principal	540,000	540,000	540,000	-
Interest	1,123,285	1,123,285	1,123,285	-
2010A General Obligation Bond (NDOT/BABs)				
Interest	4,721,166	4,721,166	4,721,166	-
2010B General Obligation (NDOT)/Refunding Bond				
Principal	2,245,000	2,245,000	2,245,000	-
Interest	2,094,275	2,094,275	2,094,275	-
2010C General Obligation Bond (NDOT/BABs)				
Interest	9,910,195	9,910,195	9,910,195	-
2010D General Obligation Bond (NDOT)				
Principal	3,925,000	3,925,000	3,925,000	-
Interest	304,375	304,375	304,375	-
2010E Revenue Refunding Bond				
Interest	4,140,383	4,140,383	4,140,383	-
2012 General Obligation Bond				
Principal	1,015,000	1,015,000	1,015,000	-
Interest	716,923	716,923	716,923	-
2014 General Obligation Bond				
Interest	1,793,735	1,793,735	1,793,735	-
2014A Subordinate Revenue Bond (Line of Credit)				
Interest	6,244,439	3,011,639	371,332	2,640,307
Principal retirement		116,800,000	116,800,000	-
Payment to refunded debt escrow agent	-	66,009,105	66,009,105	-
Debt issuance costs	-	1,188,616	1,204,908	(16,292)
Total expenditures	63,427,587	244,192,508	241,568,493	2,624,015
Deficiency of revenues under expenditures	(60,785,599)	(241,550,520)	(236,683,986)	4,866,534
Other financing sources (uses):				
Transfers in	57,173,912	57,173,912	54,988,725	(2,185,187)
Transfers out	(81,500)	(81,500)	(132,853)	(51,353)
Refunding bonds issued	-	181,805,000	181,805,000	-
Premium on refunding bonds	-	16,018,110	16,018,110	-
Payment to refunded debt escrow agent	-	(15,019,230)	(14,931,332)	87,898
Total other financing sources (uses):	57,092,412	239,896,292	237,747,650	(2,148,642)
Net change in fund balances	(3,693,187)	(1,654,228)	1,063,664	2,717,892
Fund balances - beginning	53,147,131	53,147,131	53,147,131	-
Fund balances - ending	$ 49,453,944	$ 51,492,903	$ 54,210,795	$ 2,717,892

Schedule of Revenues, Expenses and Change in Net Position - Budget and Actual

Internal Service Fund

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Non-operating revenues (expenses):				
Interest and investment earnings	$ 38,700	$ 38,700	$ 89,953	$ 51,253
Income before transfers	38,700	38,700	89,953	51,253
Transfers in	3,500,000	3,500,000	3,500,000	-
Change in net position	3,538,700	3,538,700	3,589,953	51,253
Net position - beginning	5,995,605	5,995,605	5,995,605	-
Net position - ending	$ 9,534,305	$ 9,534,305	$ 9,585,558	$ 51,253

STATISTICAL SECTION

Statistical Section
(unaudited)

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

Financial Trends

These schedules contain trend information to help the reader understand how the LVCVA's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the LVCVA's most significant local revenue source, room tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the LVCVA's current levels of outstanding debt and the LVCVA's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the LVCVA's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the LVCVA's financial report relates to services the LVCVA provides and the activities it measures.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(amounts expressed in thousands [3])
(unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Primary government										
Net investment in capital assets	$ 143,282	$ 136,713	$ 136,347	$ 183,400	$ 189,393	$ 161,799	$ 156,090	$ 163,258	$ 170,538	$ 177,524
Restricted:										
Capital grants to other governments				13,281	68,705	97,234	30,181	19,612	19,244	18,487
Debt service	17,502	16,684	20,423	48,584	51,058	34,276	43,659	44,555	46,900	49,605
Unrestricted:										
Related to non-capital debt				(26,455)	(125,655)	(299,100)	(293,465)	(287,360)	(281,084)	(274,070)
Related to capital projects	51,330	84,605	115,136	77,250	56,272	37,552	44,172	39,793	68,054	84,071
Other [1] [2]	30,826	46,539	56,094	15,861	12,677	19,740	15,038	9,159	(71,511)	(73,119)
Total primary government net position [1]	$ 242,940	$ 284,541	$ 328,000	$ 311,921	$ 252,450	$ 51,501	$ (4,325)	$ (10,983)	$ (47,859)	$ (17,502)

[1] Retroactive restatement of balances for implementation of GASB No. 65 in FY 2014.

[2] Retroactive restatement of balance for implementation of GASB No. 68 in FY 2014.

[3] Amounts expressed in thousands or millions may not foot due to rounding.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
FUND BALANCES OF GOVERNMENTAL FUNDS [1] [2]
LAST TEN FISCAL YEARS
(amounts expressed in millions[3])
(unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	$ 2.8	$ 4.0	$ 1.1	$ 0.5	$ 0.9	$ -	$ -	$ -	$ -	$ -
Unreserved	26.8	33.2	44.7	17.9	18.6	-	-	-	-	-
Nonspendable	-	-	-	-	-	1.8	2.5	3.3	5.0	4.8
Restricted	-	-	-	-	-	5.3	5.4	5.8	6.7	6.9
Committed	-	-	-	-	-	11.7	10.4	2.9	3.1	1.0
Assigned	-	-	-	-	-	13.7	11.1	6.9	18.0	15.9
Unassigned	-	-	-	-	-	3.2	4.1	2.4	1.9	5.0
Total general fund	29.6	37.2	45.8	18.4	19.5	35.7	33.5	21.3	34.7	33.6
All other governmental funds										
Reserved	68.8	101.3	133.8	141.3	176.0	-	-	-	-	-
Unreserved, reported in:									-	-
Special revenue fund	-	-	-	0.1	-	-	-	-	-	-
Capital fund	-	-	-	-	-	-	-	-	-	-
Debt service fund	0.1	1.4	11.6	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	0.3	0.1
Restricted	-	-	-	-	-	131.6	73.9	64.2	96.3	97.5
Committed	-	-	-	-	-	37.2	24.9	43.9	42.1	57.3
Assigned	-	-	-	-	-	0.3	19.2	2.9	1.8	1.9
Unassigned	-	-	-	-	-	-	-	-	-	
Total all other governmental funds	68.9	102.7	145.4	141.4	176.0	169.1	118.0	111.0	140.5	156.8
Total governmental funds	$ 98.5	$ 139.9	$ 191.2	$ 159.8	$ 195.5	$ 204.8	$ 151.5	$ 132.3	$ 175.2	$ 190.4

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

(2) In FY11, new classifications were implemented as required under GASB 54.

(3) Amounts expressed in thousands or millions may not foot due to rounding.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
CHANGES IN NET POSITION (1)
LAST TEN FISCAL YEARS
(amounts expressed in thousands(6))
(unaudited)

Program Revenues	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Charges for Services										
Marketing	$ 2,843	$ 2,671	$ 3,486	$ 1,618	$ 1,869	$ 1,929	$ 1,388	$ 1,587	$ 2,203	$ 1,348
Operations (7)	45,575	48,400	55,781	45,408	43,832	46,177	47,311	46,164	58,618	51,055
Operating Grants and Contributions:										
Special events grants	-	-	-	866	-	-	-	-	-	-
Capital Grants and Contributions:										
General government	-	-	-	-	711	3,608	5,121	4,898	4,752	4,746
Operations (7)								756	358	86
Total governmental activities program revenues	48,417	51,071	59,267	47,892	46,412	51,714	53,820	53,405	65,931	57,235
Expenses										
Governmental activities:										
General government(2)	7,527	7,798	9,773	14,279	11,040	11,226	13,162	14,032	15,016	15,075
Marketing:										
Advertising	82,923	84,713	88,074	89,548	87,199	79,504	83,636	90,587	92,471	93,149
Marketing and sales	32,198	33,061	34,617	30,620	27,329	28,625	31,488	31,456	29,015	35,909
Special events/grants (8)	11,017	14,810	12,967	6,574	7,437	8,059	7,714	8,234	8,571	8,766
Operations (7)	50,554	54,072	58,248	50,099	50,810	53,087	57,771	58,828	65,679	60,244
Community support and grants:										
Capital grants to other governments	-	-	-	10,960	45,989	144,135	67,095	10,605	402	785
Other community support	22,871	25,360	25,590	21,317	16,929	19,297	21,274	20,536	22,538	24,185
Interest on long-term debt	12,826	12,552	14,317	17,230	17,138	27,346	32,610	32,218	31,439	30,719
Bond issuance costs	-	-	-	-	-	-	-	-	1,455	1,205
Total governmental activities expenses	219,916	232,366	243,586	240,627	263,871	371,278	314,750	266,495	266,586	270,038
Net Expenses	(171,499)	(181,295)	(184,319)	(192,735)	(217,459)	(319,564)	(260,930)	(213,090)	(200,655)	(212,803)
General Revenues and Other Changes in Net Position										
Room taxes and gaming fees	202,050	216,893	221,744	173,580	157,810	180,466	202,571	205,355	225,382	241,854
Interest and investment earnings	3,800	5,777	6,599	3,522	875	1,045	448	305	624	630
Miscellaneous	-	-	-	-	-	1,412	1,620	1,005	796	677
Gain/loss on the sale of capital assets (3)	28	53	(7)	-	-	-	-	-	-	-
Total general revenues	205,878	222,723	228,336	177,102	158,685	182,922	204,639	206,665	226,801	243,161
Special item - Miscellaneous (5)	-	-	-	-	-	(59,481)	-	-	-	-
Total general revenues and special items	205,878	222,723	228,336	177,102	158,685	123,441	204,639	206,665	226,801	243,161
Change in net position	34,379	41,428	44,017	(15,633)	(58,774)	(196,123)	(56,291)	(6,425)	26,146	30,358
Net position - beginning (as previously reported)	210,808	245,187	286,614	330,631	314,998	256,317	60,194	3,903	(2,522)	(47,859)
Adjustments (4)	-	-	-	-	93	-	-	-	(71,484)	-
Net position - beginning (as adjusted)	210,808	245,187	286,614	330,631	315,091	256,317	60,194	3,903	(74,006)	(47,859)
Net position - ending	$ 245,187	$ 286,614	$ 330,631	$ 314,998	$ 256,317	$ 60,194	$ 3,903	$ (2,522)	$ (47,859)	$ (17,502)

(1) This schedule uses the accrual basis of accounting under GASB 34.

(2) In FY 2006, Public affairs section transferred from Marketing to General government. Beginning in FY 2009, the Finance and Materials management sections were transferred from Operations to General government.

(3) Beginning in FY 2009, any gains or losses on the sale of capital assets have been recorded as an expense of the Operations function.

(4) Adjustments to beginning fund balance were the result of a change in accounting estimate in FY 2010, GASB 65 and 68 implementation in FY 2014.

(5) Special item in FY 2012 related to an impairment of CWIP.

(6) Amounts expressed in thousands may not foot due to rounding.

(7) In FY2014, Operations was renamed Global business district. In FY 2015, the name was changed back to Operations.

(8) Special events/grants was moved under Marketing beginning FY 15

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS [1]
LAST TEN FISCAL YEARS
(amounts expressed in thousands [3])
(unaudited)

Revenues	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Room taxes and gaming fees	$ 202,050	$ 215,205	$ 222,585	$ 178,828	$ 156,007	$ 177,345	$ 201,406	$ 205,028	$ 224,492	$ 241,046
Charges for service	48,360	50,916	57,689	46,504	44,536	48,159	49,169	47,847	60,786	51,968
Earnings on investments	3,801	5,777	6,599	3,522	875	1,045	448	331	602	540
Federal grant subsidy	-	-	-	-	711	3,608	5,121	4,898	4,752	4,746
Miscellaneous	59	155	1,004	794	1,046	1,396	1,620	1,005	796	677
Total revenues	254,270	272,053	287,877	229,648	203,175	231,552	257,764	259,109	291,428	298,977
Expenses										
General government [2]	7,430	7,799	9,192	12,861	10,701	10,374	12,452	13,246	14,209	14,322
Marketing:										
Advertising	82,923	84,713	88,074	89,548	87,199	79,504	83,636	90,587	92,471	93,149
Marketing and sales	31,991	33,079	33,909	30,165	26,755	27,459	30,290	30,302	28,243	34,725
Special events/grants [5]	9,817	13,544	11,967	6,574	7,438	8,058	7,714	8,234	8,571	8,766
Operations [4]	36,890	41,270	43,940	37,350	34,186	34,009	37,132	36,691	44,965	39,454
Community support and grants:										
Capital grants to other governments	-	-	-	10,960	45,989	144,135	67,095	10,605	402	785
Other community support	24,435	24,873	26,920	22,559	16,749	18,985	21,158	20,509	22,449	24,105
Other	-	-	-	-	-	5,193	-	-	-	-
Capital outlay:										
Capitalized assets	46,794	29,801	112,556	46,378	9,410	9,619	7,480	32,886	28,123	192,515
Non-capitalized assets	918	992	906	616	698	848	1,505	3,316	1,261	1,305
Debt service:										
Principal	11,725	11,050	11,605	13,340	13,580	121,511	9,175	21,689	22,770	24,909
Interest	11,498	13,341	12,384	17,114	14,983	19,236	33,676	32,360	31,744	32,766
Debt issuance costs	2	722	1,053	-	1,018	-	-	724	1,455	1,205
Total expenditures	264,423	261,184	352,506	287,465	268,706	478,931	311,313	301,149	296,663	468,006
Excess (deficiency of revenues over (under) expenditures	(10,153)	10,869	(64,628)	(57,817)	(65,531)	(247,379)	(53,549)	(42,040)	(5,235)	(169,029)
Other financing sources (uses)										
Transfers in	79,275	62,393	67,761	60,217	43,928	84,168	61,133	69,848	59,354	76,622
Transfers out	(79,275)	(62,393)	(67,761)	(60,217)	(43,928)	(84,168)	(61,133)	(72,848)	(62,354)	(80,122)
Proceeds from the sale of capital assets	30	70	14	15	218	29	223	57	80	636
Issuance of capital lease obligation	-	-	-	-	-	281	-	15	335	-
Issuance of debt	-	69,200	115,000	26,455	124,290	255,830	-	24,990	50,000	368,805
Premium on debt issuance	-	2,050	911	-	2,052	1,685	-	756	745	16,018
Discount on debt issuance	-	-	-	-	-	(1,192)	-	-	-	-
Payment of refunded debt escrow agent	-	(40,797)	-	-	(25,322)	-	-	-	-	(197,740)
Total other financing sources (uses)	30	30,524	115,925	26,470	101,238	256,633	223	22,818	48,160	184,219
Net change in fund balances	(10,123)	41,393	51,296	(31,347)	35,707	9,254	(53,326)	(19,222)	42,925	15,190
Fund balance - beginning	118,633	108,510	149,902	201,198	169,851	205,558	214,812	161,486	142,264	185,189
Fund balance - ending	$ 108,510	$ 149,902	$ 201,198	$ 169,851	$ 205,558	$ 214,812	$ 161,486	$ 142,264	$ 185,189	$ 200,379
Debt service as a percentage of noncapital expenditures	10.7%	10.9%	10.4%	12.6%	11.4%	30.0%	14.1%	20.4%	20.8%	21.4%

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

(2) In FY 2006, the Public affairs section transferred from Marketing to General government. Beginning in FY 2009, the Finance and Materials management sections were transferred from Operations to General government.

(3) Amounts expressed in thousands may not foot due to rounding.

(4) In FY2014, Operations was renamed Global business district. In FY 2015, the name was changed back to Operations.

(5) Special events/grants was moved under Marketing beginning FY 15

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

The schedule below includes expenditures recorded in the general, debt service, capital improvement and replacement funds excluding nonrecurring expenditures. Nonrecurring expenditures include miscellaneous expenditures from the general fund including; annual depreciation and amortization, OPEB, non-capitalized assets, disposal of assets and related gain or loss, compensated absences, capital grants to other governments, non-capitalized assets, debt issuance costs and other. Additionally, expenditures from any special revenue funds are excluded.

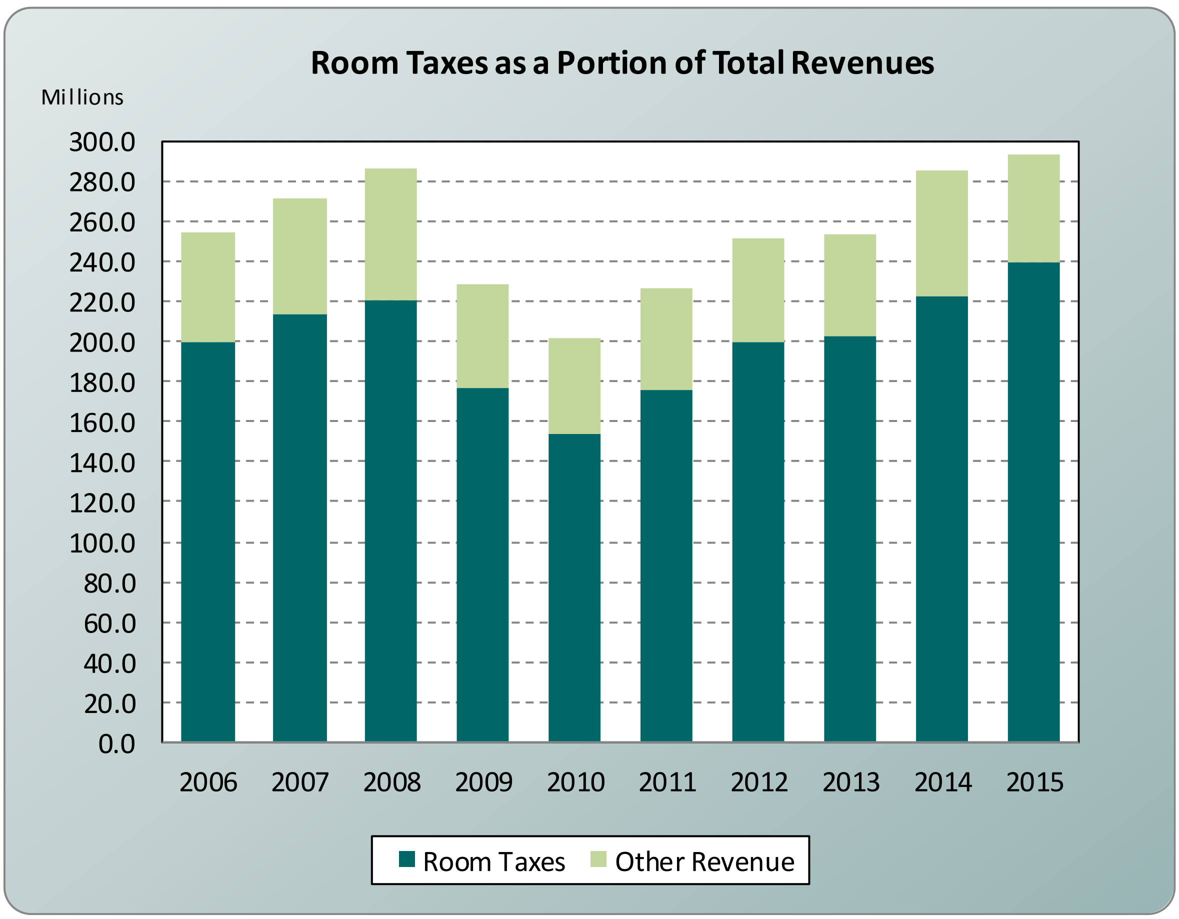
Fiscal Year	Total Expenditures	General Government (3)		Marketing (2)		Advertising	
2006	$ 226,611,761	$ 7,429,634	3%	$ 31,990,834	14%	$ 82,923,473	37%
2007	198,904,193	7,799,028	4%	33,079,358	17%	84,713,300	43%
2008	214,024,724	9,192,348	4%	33,908,754	16%	88,074,185	41%
2009	236,824,486	12,860,753	5%	30,165,052	13%	89,547,692	38%
2010	186,919,649	10,700,951	6%	26,754,911	14%	87,199,280	47%
2011	232,226,854	10,373,913	4%	27,458,590	12%	79,504,487	34%
2012	241,712,622	12,452,224	5%	30,289,998	14%	83,636,231	35%
2013	286,504,452	13,246,144	5%	30,301,848	10%	90,587,216	32%
2014	293,544,284	14,208,721	5%	28,242,821	9%	92,470,992	31%
2015	464,710,847	14,322,106	3%	34,725,317	8%	93,148,972	20%

Fiscal Year	Operations (5)(6)		Special Events Grants		Other Community Grants (6)		Capital Outlay		Debt Service (4)	
2006	$ 36,890,102	16%	$ 9,816,706	4%	$ 24,431,488	11%	$ 46,794,116	21%	$ 23,225,511	10%
2007	41,269,630	21%	13,543,716	7%	24,872,455	13%	10,505,252	5%	24,391,084	12%
2008	43,940,271	21%	11,967,338	6%	26,673,197	12%	20,209,772	9%	23,999,130	11%
2009	37,350,037	16%	6,574,416	3%	20,227,815	9%	46,994,159	20%	30,454,599	13%
2010	34,186,143	18%	7,437,670	4%	16,650,670	9%	9,409,687	5%	28,766,480	15%
2011	34,008,771	15%	8,058,471	3%	18,785,979	8%	9,618,513	4%	44,418,130	19%
2012	37,131,878	15%	7,713,777	3%	20,157,585	8%	7,479,924	3%	42,851,005	18%
2013	36,690,902	13%	8,233,771	3%	20,509,181	7%	32,886,283	11%	54,049,107	19%
2014	44,964,997	15%	8,570,890	3%	22,449,149	8%	28,122,603	10%	54,514,110	19%
2015	39,453,977	9%	8,765,599	2%	24,104,565	5%	192,515,195	41%	57,675,117	12%

(1) This schedule uses the modified accrual basis of accounting.
(2) In FY 2006, the Public Affairs section was transferred from the Marketing function to the General Government function.
(3) In FY 2009, the Finance and Materials Management sections were transferred from Operations to the General Government function.
(4) Includes debt service from capital project fund and debt service fund.
(5) In FY2014, Operations was renamed Global Business District. In FY 2015, the name was changed back to Operations.
(6) In prior years Other Miscellaneous expense was included in Other Community Grants, beginning FY 2014 it is included in Operations.

The schedule below includes revenues recorded in the general, debt service, and capital funds, with the exception of nonrecurring items. Nonrecurring revenues include miscellaneous revenues, revenues from any special revenue fund, and federal grant subsidies.

Fiscal Year	Total Revenues	Room Tax		Charges for Services		Gaming Tax		Interest	
2006	$ 254,210,786	$ 200,086,827	79%	$ 48,359,640	19%	$ 1,963,608	1%	$ 3,800,710	1%
2007	271,663,033	213,256,076	79%	50,916,320	19%	1,949,332	1%	5,541,305	2%
2008	286,098,907	220,733,128	77%	57,689,079	20%	1,851,848	1%	5,824,852	2%
2009	228,854,315	176,726,992	77%	46,503,953	20%	2,101,166	1%	3,522,204	2%
2010	201,417,740	154,046,265	76%	44,535,733	22%	1,960,431	1%	875,310	<1%
2011	226,290,335	175,425,978	78%	47,900,661	21%	1,919,186	<1%	1,044,510	<1%
2012	251,177,767	199,592,498	79%	49,323,986	20%	1,813,548	<1%	447,735	<1%
2013	253,206,343	203,196,429	80%	47,846,895	19%	1,831,589	<1%	331,430	<1%
2014	285,879,682	222,781,385	78%	60,786,406	21%	1,710,108	<1%	601,783	<1%
2015	293,554,369	239,318,802	82%	51,968,374	18%	1,726,843	<1%	540,350	<1%



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

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	General Obligation Bonds	Revenue Bonds	Commercial Paper	Premiums, Discounts & Other (1)	Total Primary Government	Amount of Debt per Visitor (2)
2006	$ 97,610,000	$ 149,420,000	$ -	$ 349,248	$ 247,379,248	6.36
2007	85,135,000	149,180,000	-	967,529	235,282,529	6.00
2008	73,775,000	198,935,000	96,000,000	1,293,480	370,003,480	9.87
2009	87,810,000	198,015,000	96,000,000	1,243,182	383,068,182	10.54
2010	184,645,000	187,005,000	96,000,000	2,746,886	470,396,886	12.60
2011	355,935,000	246,130,000	-	2,841,980	604,906,980	15.54
2012	347,955,000	245,025,000	-	2,421,231	595,401,231	14.99
2013	364,375,000	232,000,000	-	2,677,189	599,052,189	15.10
2014	405,445,000	218,280,000	-	2,909,049	626,634,049	15.24
2015	563,160,000	209,785,000	-	14,084,552	787,029,552	n/a (3)

(1) This includes unamortized premiums, discounts and deferred refunding charges.

(2) These ratios are calculated using the total number of visitors to Las Vegas based on a calendar year located in the Visitors Analysis Schedule.

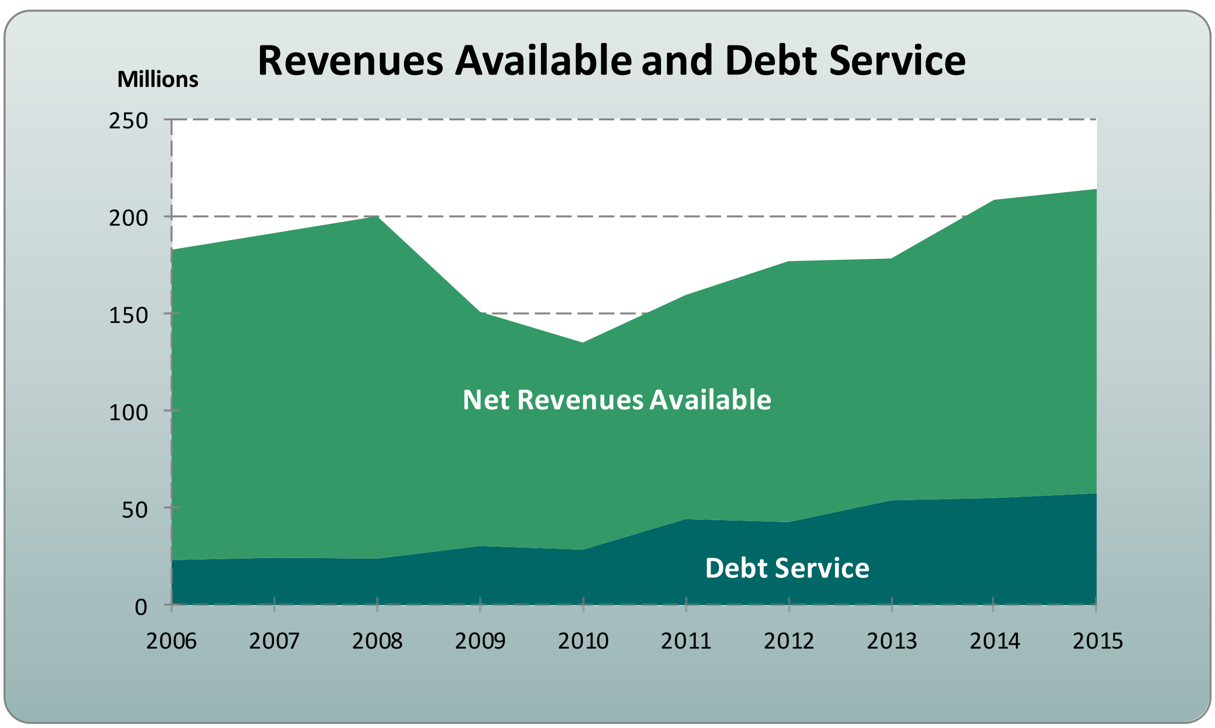
(3) Information was not available as of the report issuance date.

Nine of the LVCVA's thirteen outstanding bonds are general obligation bonds of Clark County, acting by and through the LVCVA. They are primarily secured by ad valorem taxes and are additionally secured by net pledged revenues of the LVCVA, represented basically by room taxes. The LVCVA has never resorted to the use of ad valorem taxes for debt service, using only net pledged revenues derived from operations. In fact, as of June 30, 2015, no ad valorem property tax revenues are allocated to the LVCVA for any purpose. No change in this practice is contemplated. The remaining bond issues are LVCVA revenue bonds.

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

Gross revenues include interest income and miscellaneous fees and charges in the general fund. Revenues from the capital, debt, and internal service funds have been excluded since these are not a constant source of income. Maintenance expenditures are comprised of all expenditures except marketing, advertising, bond issuance costs, capital improvement and debt service. Principal and interest contains expenditures for debt service.

FISCAL YEAR	GROSS REVENUES	MAINTENANCE EXPENDITURES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL AND INTEREST	SERVICE COVERAGE
2006	$ 253,172,523	$ 70,240,449	$ 182,932,074	$ 23,223,269	7.88
2007	269,118,610	77,608,699	191,509,911	24,391,084	7.85
2008	281,918,942	81,762,822	200,156,120	23,989,128	8.34
2009	225,143,479	74,174,827	150,968,652	30,454,599	4.96
2010	200,737,368	65,614,509	135,122,859	28,562,969	4.73
2011	226,060,027	66,460,656	159,599,371	44,321,298	3.60
2012	250,820,583	73,815,377	177,005,206	42,754,341	4.14
2013	253,051,353	74,631,056	178,420,297	53,951,716	3.31
2014	285,635,383	77,050,163	208,585,220	55,149,034	3.78
2015	293,207,376	78,998,994	214,208,382	57,554,480	3.72



LAS VEGAS CONVENTION AND VISITORS AUTHORITY
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
(unaudited)

FISCAL YEAR	APPROXIMATE ASSESSED VALUATION (1)	BONDED DEBT LIMIT (2)	TOTAL DEBT APPLICABLE TO DEBT LIMIT (3)	DEBT MARGIN
2006	$ 66,848,185,904	$ 3,342,409,295	$ 97,610,000	$ 3,244,799,295
2007	93,359,179,034	4,667,958,952	85,135,000	4,582,823,952
2008	108,649,925,840	5,432,496,292	73,775,000	5,358,721,292
2009	112,805,485,594	5,640,274,280	87,810,000	5,552,464,280
2010	91,733,233,181	4,586,661,659	184,645,000	4,402,016,659
2011	64,126,946,544	3,206,347,327	355,935,000	2,850,412,327
2012	56,712,550,689	2,835,627,534	347,955,000	2,487,672,534
2013	53,267,069,961	2,663,353,498	364,375,000	2,298,978,498
2014	54,715,695,579	2,735,784,779	405,445,000	2,330,339,779
2015	62,901,949,671	3,145,097,484	563,160,000	2,581,937,484

(1) This is the net total assessed value for the secured and estimated unsecured property for Clark County, Nevada (the County). 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 allows 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. NRS 244A.653 states that the County may not become indebted in excess of 5% 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% of the County's total reported assessed valuation.

(3) The LVCVA's outstanding general obligation indebtedness includes general obligation bonds and medium-term obligations, as applicable.

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

JUNE 30, 2015

(unaudited)

	GROSS DEBT	MONIES AVAILABLE	NET OUTSTANDING DEBT	ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVER-LAPPING DEBT
Direct Debt:					
Las Vegas Convention and Visitors Authority (1) (2)	$ 787,029,552	$ 27,665,000	$ 759,364,552	100%	$ 759,364,552
Overlapping Debt:					
Clark County (3)			4,990,986,392	100%	4,990,986,392
				Total	$ 5,750,350,944

(1) Ad valorem taxes have never been used to repay these debts.

(2) The LVCVA's gross debt includes general obligation bonds, issued by the County on behalf of the LVCVA and revenue bonds, net of unamortized premiums, discounts and deferred refunding charges.

(3) Source: Clark County Comptroller's Office.

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

Per the Census Bureau, Clark County is the nation's 13th most populous county in the United States. The population in FY 2014 increased 1.9% as 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.

At June 30, 2015, labor force stands at 1,046,691 a slight increase compared to previous year and unemployment rate is at 7.00% which has continued to decline since 2010.

Per capita income steadily increased to $40,077 at December 31, 2014, which is comparable to December 31, 2007, before the recession.

Entity	Incorporation Date	2014 Population	Square Miles (approx.)
Clark County	1909	913,505	7,483
Las Vegas	1911	610,637	134
N. Las Vegas	1946	230,491	98
Henderson	1953	280,928	105
Boulder City	1958	15,627	208
Mesquite	1984	18,262	32

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

Further statistics that reflect the local economy are show below.

AS OF JUNE 30,	POPULATION (A)	LABOR FORCE (B)	UN-EMPLOYMENT RATE (B)
2006	1,874,837	918,102	4.20%
2007	1,954,319	950,468	4.50%
2008	1,967,716	983,657	6.30%
2009	1,952,040	969,122	11.80%
2010	1,968,831	986,342	13.80%
2011	1,967,722	995,312	13.50%
2012	1,988,195	1,001,349	11.40%
2013	2,031,723	1,009,219	9.90%
2014	2,069,450	1,019,373	8.00%
2015	n/a	1,046,691	7.00%

AS OF DEC 31,	PER CAPITA INCOME (C)	MEDIAN AGE (D)	MEDIAN HOUSE-HOLD INCOME	SCHOOL ENROLLMENT
2005	$ 38,583	47.9	$ 47,320	304,444
2006	39,841	47.5	53,111	315,697
2007	40,837	50.1	53,704	323,037
2008	39,911	35.7	57,403	330,519
2009	36,840	35.3	58,148	323,607
2010	36,657	35.4	58,432	323,637
2011	37,445	34.5	54,255	322,555
2012	39,229	36.2	50,962	325,179
2013	39,235	36.4	50,454	329,034
2014	40,077	36.8	50,274	318,040

Sources:

(A) Nevada Demographer - 2015 information is not available from NV Taxation Dept./ State Demographer at the time of printing.

(B) Nevada Workforce - 2015 figure is preliminary at the time of printing.

(C) U.S. Bureau of Economic Analysis SA1.

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

All other statistics as of December 31 are from the Las Vegas Perspective.

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

	REAL PROPERTY		PERSONAL PROPERTY		TOTAL	
FISCAL YEAR	NET ASSESSED VALUE	ESTIMATED ACTUAL VALUE	NET ASSESSED VALUE	ESTIMATED ACTUAL VALUE	NET ASSESSED VALUE	ESTIMATED ACTUAL VALUE
2006	$ 61,060,916	$ 174,459,759	$ 5,787,270	$ 16,535,058	$ 66,848,186	$ 190,994,817
2007	87,405,016	249,728,618	5,954,163	17,011,894	93,359,179	266,740,512
2008	102,349,025	292,425,787	6,300,900	18,002,573	108,649,925	310,428,360
2009	106,988,179	305,680,511	5,817,307	16,620,877	112,805,486	322,301,388
2010	86,961,002	248,460,005	4,772,231	13,634,947	91,733,233	262,094,952
2011	60,420,431	172,629,803	3,706,515	10,590,044	64,126,946	183,219,847
2012	53,342,795	152,407,986	3,369,756	9,627,873	56,712,551	162,035,859
2013	48,963,146	139,894,703	4,303,924	12,296,926	53,267,070	152,191,629
2014	49,809,243	143,312,124	4,906,452	14,018,435	54,715,695	157,330,559
2015	57,491,891	164,262,546	5,410,058	15,457,310	62,901,949	179,719,856

Source: Real & Personal Property - Clark County Assessor

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

NEW CONSTRUCTION (IN THOUSANDS)
LAST TEN CALENDAR YEARS

	HOTEL/MOTEL CONSTRUCTION		COMMERCIAL/PUBLIC CONSTRUCTION		RESIDENTAL CONSTRUCTION		
CALENDAR YEAR	NUMBER OF PERMITS	VALUE	NUMBER OF PERMITS	VALUE	NUMBER OF PERMITS	VALUE	TOTAL NEW CONSTRUCTION
2005	27	$ 610,299	1,223	$ 1,358,803	31,041	$ 4,726,394	$ 6,695,496
2006	39	616,411	1,120	2,569,673	21,898	4,278,204	7,464,288
2007	69	2,286,411	1,074	2,486,733	13,831	3,902,161	8,675,305
2008	41	2,090,020	558	1,738,803	6,241	1,333,286	5,162,109
2009	3	25,797	170	790,696	4,034	562,292	1,378,785
2010	5	-	122	183,328	4,607	573,065	756,393
2011	0	-	154	214,984	3,958	559,903	774,887
2012	3	98,830	134	409,084	6,225	882,433	1,390,347
2013	0	-	225	457,887	7,334	1,031,545	1,489,432
2014	4	108,393	197	307,684	7,099	941,732	1,357,809

Source: New Construction- LVCVA Strategic Research & Analytics Department
Note: New construction information is only available on a calendar year basis.

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

In its role of promoting Las Vegas as a travel destination, the LVCVA contributes to the growth of the entire local economy. The Las Vegas economy is heavily dependent on the tourism industry. In the first quarter of 2015, southern Nevada's leisure and hospitality sector accounted for roughly 32% of the total workforce (includes direct, indirect and induced impacts). The health of the hotel and gaming industry is directly related to the volume of visitors, presented below.

CALENDAR YEAR	CONVENTION DELEGATES	% OF TOTAL VISITORS	TOURISTS	% OF TOTAL VISITORS	TOTAL VISITORS	CHANGE
2005	6,166,194	16.0%	32,400,523	84.0%	38,566,717	3.2%
2006	6,307,961	16.2%	32,606,928	83.8%	38,914,889	0.9%
2007	6,209,253	15.8%	32,987,508	84.2%	39,196,761	0.7%
2008	5,899,725	15.7%	31,581,827	84.3%	37,481,552	-4.4%
2009	4,492,275	12.4%	31,859,194	87.6%	36,351,469	-3.0%
2010	4,473,134	12.0%	32,862,302	88.0%	37,335,436	2.7%
2011	4,865,272	12.5%	34,063,436	87.5%	38,928,708	4.3%
2012	4,944,014	12.4%	34,783,008	87.6%	39,727,022	2.1%
2013	5,107,416	12.9%	34,560,805	87.1%	39,668,221	-0.1%
2014	5,169,054	12.6%	35,957,458	87.4%	41,126,512	3.7%

Source: LVCVA - Strategic Research & Analytics Department

Strong visitor levels produce beneficial secondary effects in other industries, as well, since visitors purchase a significant amount of goods and services while they visit the area. Indicators of the economic impact include total gaming revenues and room taxes collected in Clark County.

CALENDAR YEAR	NON-GAMING CONVENTION REVENUE (1) (In Thousands)	CHANGE	GAMING REVENUES (In Thousands)	CHANGE	LVCVA ROOM TAXES (2) (Fiscal Year)	CHANGE
2005	$ 7,608,151	10.9%	$ 9,717,322	11.5%	$ 176,339,258	15.2%
2006	8,182,818	7.6%	10,630,387	9.4%	200,086,827	13.5%
2007	8,388,240	2.5%	10,868,464	2.2%	213,256,076	6.6%
2008	n/a	n/a	9,796,749	-9.9%	220,733,128	3.5%
2009	n/a	n/a	8,838,261	-9.8%	176,726,992	-19.9%
2010	n/a	n/a	8,908,574	0.8%	154,046,265	-12.8%
2011	n/a	n/a	9,222,677	3.5%	175,425,978	13.9%
2012	n/a	n/a	9,399,845	1.9%	199,592,498	13.8%
2013	n/a	n/a	9,674,404	2.9%	203,196,429	1.8%
2014	n/a	n/a	9,554,002	-1.2%	222,781,385	9.6%

Source: LVCVA - Strategic Research & Analytics Department

(1) Beginning in 2008, the LVCVA no longer tracks non-gaming convention revenue.

(2) Modified Accrual Basis

CONVENTION CENTER BUILDING UTILIZATION

FY*	CONVENTIONS	EVENTS	SPECIAL EVENTS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
2006	84	12	-	-	10	106	$ 35,825,314
2007	78	23	-	-	3	104	35,961,983
2008	66	12	-	-	5	83	42,587,445
2009	68	-	11	5	6	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
2015	51	-	11	5	3	70	40,605,461

CASHMAN CENTER BUILDING UTILIZATION

FY*	CONVENTIONS	EVENTS	SPECIAL EVENTS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
2006	4	137	-	-	99	240	$ 1,966,014
2007	4	158	-	-	95	257	2,157,445
2008	2	163	-	-	112	277	2,069,376
2009	-	-	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
2015	1	-	3	152	47	203	1,815,341

Source: LVCVA - Strategic Research & Analytics Department

* In 2009, the categorizations of events at both facilities was revised. Rather than "Events" and "Meetings", the new categories are "Special Events", which are directly tied to visitors to the County and "Public Events", which include shows aimed at local residents, meetings and other local organization events. Historical data for 2009 was adjusted under the new method.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL GOVERNMENT										
Executive	17	17	17	17	18	15	15	14	16	16
Finance [1]	--	--	--	42	43	35	35	35	36	37
Human Resources	8	10	10	10	10	8	8	8	8	8
Public Affairs	12	14	18	18	19	19	19	20	20	20
	37	41	45	87	90	77	77	77	80	81
MARKETING										
Advertising [4]	2	2	2	2	2	1	1	1	--	--
Convention Center Sales [5]	12	12	12	13	12	10	10	13	--	--
Convention Sales [5]	30	30	28	28	31	26	26	24	--	--
Global Business Sales [5]	--	--	--	--	--	--	--	--	38	33
Convention Services [6]	15	15	16	16	16	15	15	14	--	15
Destination Services [2]	10	10	10	10	7	4	4	3	--	--
Digital Marketing [2]	--	--	--	--	--	9	9	9	7	7
Research [2]	6	6	7	7	11	2	2	3	--	--
Diversity Marketing	2	4	4	4	2	1	1	1	--	--
International Sales	2	2	8	8	6	7	7	8	11	9
Leisure Sales	17	19	15	17	16	12	12	11	10	10
Registration [3] [6]	4	4	4	4	4	6	6	6	--	4
Strategic Research & Analytics	--	--	--	--	--	--	--	--	6	7
Sports Marketing	2	2	4	2	2	3	3	2	2	1
Industry Relations [3]	--	--	--	--	--	3	3	7	4	7
Visitor Information [3] [6]	18	18	18	18	18	26	26	23	--	17
Call Center [3] [6]	26	26	24	23	23	--	--	--	--	--
Brand Strategy [4]	--	--	--	--	--	--	--	--	5	11
Customer Experience [7]	--	--	--	--	--	--	--	--	--	4
	146	150	152	152	150	125	125	125	83	125

[1] In FY 2009, the Finance, Purchasing and Materials management sections were combined into one department.

[2] In FY 2010, Destination services and Internet marketing/research were re-organized, creating an additional department called Digital Marketing.

[3] In FY 2011, Call center was consolidated into the Visitor Information. The Registration and Housing sections were combined; and a new department - Strategic Planning was added, later renamed Industry Relations. In FY 2013 Registration & Housing was renamed Registration.

[4] In FY 2014, Brand Strategy was created within Marketing and the Advertising personnel function was moved into the department.

[5] In FY 2014, Convention Center Sales and Convention Sales were merged into Global Business Sales.

[6] In FY 2014, Convention Services, Registration, Visitor Information & Call Center were moved to Operations, but moved back to Marketing in FY 2015.

[7] In FY 2015 Customer Experience was moved to the Marketing Division.

(continued)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
OPERATIONS (8)										
Client Services	112	116	126	126	126	112	112	112	112	112
Customer Experience (7)	--	2	2	2	1	2	2	2	4	--
Convention Services (6)	--	--	--	--	--	--	--	--	15	--
Registration (3) (6)	--	--	--	--	--	--	--	--	5	--
Visitor Information (3)	--	--	--	--	--	--	--	--	19	--
Engineering	--	--	111	113	109	101	101	100	100	92
Engineering Systems	50	50	--	--	--	--	--	--	--	--
Engineering Maintenance	49	50	--	--	--	--	--	--	--	--
Facility Projects	5	6	7	4	8	5	5	5	4	4
Information Technology	12	12	15	15	15	13	13	14	13	21
Fire Prevention	5	5	17	17	17	17	17	17	5	5
Security	49	50	39	39	39	34	34	36	47	48
Traffic	11	15	17	17	17	19	19	17	23	27
Finance (1)	19	21	22	--	--	--	--	--	--	--
Purchasing & Contracts (1)	9	10	11	--	--	--	--	--	--	--
Materials Management (1)	9	9	10	--	--	--	--	--	--	--
	330	346	377	333	332	303	303	303	347	309
TOTAL LVCVA	513	537	574	572	572	505	505	505	510	515

(1) In FY 2009, the Finance, Purchasing and Materials Management sections were combined into one department and moved into the Executive Division.

(3) In FY 2011, Call Center was consolidated into the Visitor Information. The Registration and Housing sections were combined; and a new department - Strategic Planning was added, later renamed Industry Relations. In FY 2013 Registration & Housing was renamed Registration.

(6) In FY 2014, Convention Services, Registration, Visitor Information & Call Center were moved to Operations, but moved back to Marketing in FY 2015

(7) In FY 2015 Customer Experience was moved to the Marketing Division.

(8) In FY 2014, Operations was renamed Global Business District. In FY 2015, the name was changed back to Operations.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Human Resources										
# of active employees	515	539	531	500	484	477	482	485	500	505
# of new full-time employees processed	63	75	48	-	-	13	47	22	48	47
Public Affairs										
Media inquiries received	944	1,000	1,095	1,284	1,089	730	897	1,091	642	760
Press releases distributed	52	60	93	102	95	63	50	98	37	28
Online press kit article page views	n/a	n/a	32,069	22,526	n/a	n/a	n/a	n/a	n/a	n/a
Video projects completed	n/a	92	108	76	215	274	292	215	245	261
Photo assignments completed	510	600	659	720	678	614	593	668	645	700
Finance										
Payroll checks/deposit advises issued	19,862	21,314	22,271	22,199	20,164	18,884	20,157	20,268	21,671	21,222
Accounts Payable disbursements	6,905	7,051	7,060	6,002	4,997	4,135	3,928	-	-	-
# of Invoices associated w/AP disbursements (1)	-	-	-	-	-	-	-	12,349	13,235	12,075
Purchasing and Contracts										
Contracts administered	580	706	436	259	471	645	755	439	419	363
Purchase orders issued	1,209	1,298	1,218	869	553	752	787	783	790	783
Materials										
Packages shipped	296,000	280,000	281,585	191,170	44,586	45,892	44,019	50,538	43,449	37,572
Copies produced	1.3M	1.5M	1.5M	1.0M	0.7M	0.6M	0.6M	0.6M	0.8M	.08M
Digital Marketing and Research										
Statistical Reports and Publications produced	30	26	31	34	33	32	28	31	33	31
Web site visits - combined LVCVA sites	8.8M	7.0M	7.1M	8.2M	8.7M	9.0M	10.5M	14.1M	17.5M	19.0M
Web site referrals - combined LVCVA sites	3.3M	4.6M	4.9M	4.6M	4.3M	3.9M	3.4M	2.5M	2.4M	2.0M
Sales										
Total leads distributed (originated and	3,540	4,018	4,013	3,186	2,890	2,930	3,640	4,067	3,636	3,977
Converted leads	1,014	1,238	1,229	1,026	845	885	1,322	1,928	1,411	1,421
In-person out of market sales calls	1,163	1,974	1,983	4,846	4,144	3,112	3,108	2,874	2,906	2,649
Travel industry events attended	595	681	813	819	902	711	732	885	876	866
Registration Services										
Meetings and conventions supported	343	314	283	281	266	282	284	256	284	265
Call Center										
Total calls managed	281,666	224,778	201,384	156,401	133,736	112,461	92,594	85,922	82,251	79,552
Visitor Information										
Total visitor volume	278,500	283,306	246,818	225,307	277,539	213,152	206,513	198,336	185,965	164,182
Client Services										
Show support (man-hours)	12,899	15,093	16,093	13,550	12,323	12,853	11,971	10,877	15,777	14,376
Set/strike meeting rooms/halls (man-hours)	21,442	23,402	23,432	21,875	19,957	17,045	19,031	18,617	19,383	21,138
Facilities										
Leased net square foot serviced (LVCC)	17,785,909	16,357,462	18,922,197	14,334,348	12,856,175	14,234,743	13,940,090	13,877,643	17,390,712	14,440,519
Building attendees supported (LVCC)	1,679,219	1,755,154	1,806,604	1,457,106	1,408,063	1,470,325	1,411,022	1,486,545	1,621,450	1,491,098
Security										
Special events hours worked	2,006	2,347	637	363	274	22	385	334	447	261
Percentage of lost items returned to owner	50%	50%	48%	49%	47%	51%	50%	48%	49%	49%
Patients treated in First Aid	n/a	n/a	3,932	3,000	2,151	1,854	1,928	2,216	2,378	1,848
Information Technology										
Computer training hours	1,896	2,104	2,053	1,803	302	410	361	224	132	109
Call resolution time (average hours)	3.5	3.5	4.0	4.1	4.3	7.5	7.5	6.7	6.8	7.1

(1) In FY 2013, Accounts Payable changed from the total of disbursements to the total number of invoices associated with the disbursements.

Fiscal Year	General Government [2]	Marketing	Operations [2] [3]	Total
2006	$ 25,527	$ 61,693	$ 388,324,539	$ 388,411,759
2007	35,497	205,351	405,975,373	406,216,221
2008	26,006	294,258	506,030,244	506,350,508
2009	191,960	212,482	539,608,792	540,013,234
2010	355,203	259,280	533,519,929	534,134,412
2011	5,761	41,341	467,743,263	467,790,365
2012	94,230	19,800	458,005,442	458,119,472
2013	67,572	29,558	474,855,922	474,953,052
2014	76,624	569,329	485,560,723	486,206,676
2015	58,060	488,114	660,648,229	661,194,403

(1) Totals are net of accumulated depreciation and amortization.

(2) Finance and Materials Management transferred from Operations to General Government in FY 2009.

(3) In FY 2014, Operations was renamed Global Business District. In FY 2015, the name was changed back to Operations.

CLARK COUNTY'S TEN LARGEST EMPLOYERS [1]

CURRENT YEAR and NINE YEARS PRIOR

(unaudited)

Employers	Approximate Employees [1]	Percentage of County Employment *
CLARK COUNTY SCHOOL DISTRICT	35,000	3.68%
CLARK COUNTY, NEVADA	8,250	0.87%
MGM GRAND HOTEL/CASINO	8,250	0.87%
BELLAGIO LLC	8,250	0.87%
WYNN LAS VEGAS LLC	8,250	0.87%
ARIA RESORT & CASINO LLC	7,250	0.76%
MANDALAY BAY RESORT AND CASINO	7,250	0.76%
CAESARS PALACE	5,750	0.60%
UNIVERSITY OF NEVADA - LAS VEGAS	5,250	0.55%
LAS VEGAS METROPOLITAN POLICE	4,750	0.50%
Total for Principal Employers	98,250	10.32%

Clark County Employment as of December 31, 2014	952,117

Employers	Approximate Employees [1]	Percentage of County Employment *
CLARK COUNTY SCHOOL DISTRICT	35,000	3.90%
CLARK COUNTY, NEVADA	9,750	1.09%
MANDALAY BAY RESORT AND CASINO	7,750	0.86%
UNIVERSITY OF NEVADA - LAS VEGAS	6,250	0.70%
CAESARS PALACE	5,750	0.64%
MIRAGE CASINO - HOTEL	5,750	0.64%
VENETIAN CASINO RESORTS	5,750	0.64%
LAS VEGAS METROPOLITAN POLICE	5,250	0.59%
UNIVERSITY MEDICAL CENTER	4,250	0.47%
RIO SUITE HOTEL	4,250	0.47%
Total for Principal Employers	89,750	10.00%

Clark County Employment as of December 31, 2006	897,354

(1) Number of employees is rounded based on percentage of total county labor force.

Source: Nevada Department of Employment, Training & Rehabilitation

* Percentage figures may not add due to rounding.

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

	Rooms at Dec 31, 2014	% of total rooms
MGM Grand	5,044	3.1%
Luxor	4,400	2.7%
Venetian	4,027	2.5%
Aria	4,004	2.5%
Excalibur	3,991	2.5%
Bellagio	3,933	2.4%
Caesars Palace	3,776	2.3%
Circus Circus	3,767	2.3%
Flamingo Las Vegas	3,460	2.1%
Mandalay Bay	3,211	2.0%
Total Top 10 Hotels	39,613	24.4%
Total Jean/Primm	2,922	1.8%
Other Hotels and motels	108,009	66.4%
Total Las Vegas metropolitan area	150,544	92.6%
Total Laughlin	10,268	6.3%
Total Mesquite	1,736	1.1%
Total inventory of rooms	162,548	100.0%

Note: Other Hotels and motels does not include timeshare properties.

In spite of the increasing availability of rooms, the occupancy rate for the Las Vegas metropolitan area exceeds the national average by an average of over 20% for the past ten calendar years.

Calendar Year	Total Visitor Volume	Rooms Inventory (1)	Occupancy Percentage	Average Number of 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%	121,387	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%	125,835	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%

(1) Total Las Vegas metropolitan area and Jean/Primm properties.

Source: LVCVA Strategic Research & Analytics Department

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 2015
(unaudited)

	NAME OF INSURER	POLICY NUMBER	LIMIT	EXPIRATION DATE
Property Insurance & Terrorism	FM Global	1003278	Various	8/1/2016
Commercial Crime	Great American Insurance Co.	GVT379271410	Various	8/1/2016
General Liability & Automobile	Philadelphia Indemnity Ins. Co.	PHPK1368562	Various	8/1/2016
General Liability - Riviera	Atlantic Specialty Insurance	GL0407600	Various	8/1/2016
Workers Compensation (DC & IL)	Twin City Fire Ins Co (Hartford)	53WECRQ2921	$ 1,000,000	8/1/2016
Excess Workers Compensation	Safety National Casualty Corp.	SP4053603	$ 1,000,000	8/1/2016
Umbrella Liability	National Union Fire Ins Co. of Pittsburgh, PA	020682625	$ 10,000,000	8/1/2016
Excess over $25 million	Great American Ins Co of New York	EXC3106907	$ 25,000,000	8/1/2016
Excess over $50 million	Endurance American	EXL02030813	$ 25,000,000	8/1/2016
Excess over $75 million	Federal Insurance Co. (Chubb)	79736487	$ 25,000,000	8/1/2016
Public Officials & Employees Liability	Ace American Insurance Co.	G21656586012	$ 10,000,000	8/1/2016
Public Officials & Employees Excess Liability	National Union Fire Ins Co of Pittsburgh, PA	015679060	$ 10,000,000	8/1/2016
Foreign Protection Liability (Int'l Offices)	Navigators Insurance Co	PH15FPK0A1T7ONV	Various	3/23/2016
Multi-National Travel Insurance	Ace American Insurance Co.	ADDN04986210	Various	8/1/2016
Travel Assistance	SOS International Assist	11BYCA093484	Various	10/21/2015

Additional Report of the Independent Auditors’

P B T K
PIERCY BOWLER
TAYLOR & KERN
Certified Public Accountants
Business Advisors

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas Convention and Visitors Authority (the LVCVA) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the LVCVA's basic financial statements as listed in the table of contents, and have issued our report thereon dated September 25, 2015.

Internal Control over Financial Reporting. In planning and performing our audit of the basic financial statements, we considered the LVCVA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LVCVA's internal control. Accordingly, we do not express an opinion on the effectiveness of the LVCVA's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the LVCVA's basic financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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Government Auditing Standards.

We noted certain matters that we reported to the LVCVA in a separate letter dated September 25, 2015.

Purpose of this Report. The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the LVCVA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LVCVA internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Piercy Bowler Taylor + Kern

Las Vegas, Nevada
September 25, 2015

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
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