

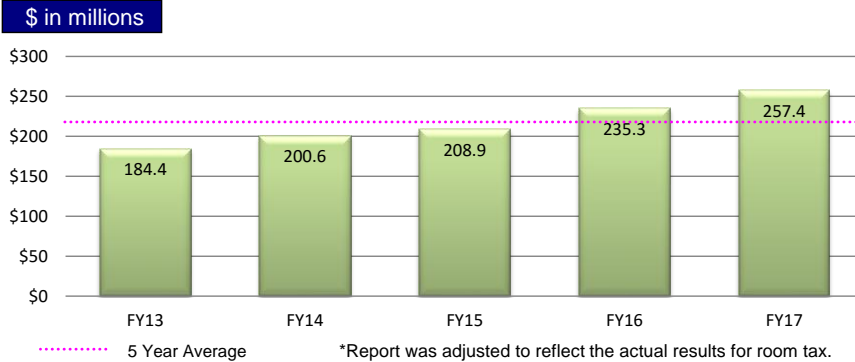


# BUDGET AND STATISTICAL REPORT

## March 2017

### GENERAL FUND OPERATING REVENUES: YEAR TO DATE COMPARISONS

#### YEAR TO DATE - THRU March 2017



#### OPERATING REVENUES INCLUDE:

- \* Room Taxes
- \* Gaming Fees
- \* Facility charges for services: LVCC & Cashman
- \* Interest Earnings
- \* Other misc. revenues

*(Excludes transfers from other funds)*

### FINANCIAL HIGHLIGHTS:

- ✓ Year-to-date General Fund total operating revenues are 9.4% higher than last year.
- ✓ Year-to-date room tax earnings are up 7.4% over last year. (Pg. 3)
- ✓ Year-to-date Average Daily Rate (ADR) of \$112.72 is up 6.5% over last year. (Pg. 4)
- ✓ Year-to-date Occupancy Rate (OR) of 86.6% is up an average of 1.0% over last year. (Pg. 5)
- ✓ Year-to-date Average Rooms Occupied Daily (AROD) is 139,411 up 1.1% over last year. (Pg. 5)

### FINANCE COMMENTS:

This report reflects operating results for the first nine months of FY 2017 and a summary of investment activities for the third fiscal-quarter.

Room tax revenues year-to-date reflect a 7.4% increase and is pacing ahead of budget. Key components of this revenue stream are room inventory, ADR and Occupancy Rates. Year to date increase is key indicator of ADR and occupancy which are key factors driving room tax growth as room inventory has remained fairly stable. Expenditures for operating accounts remain within budgetary expectations and transfers to other funds for debt service, capital projects and Other Post-Employment Benefits have been recorded as scheduled.

The investment report reflects compliance with all policy requirements including maturities, yield and diversification. The average yield for the LCVCA portfolio continues to trend higher than the Benchmark Index Yield. Management will continue to monitor all revenue and expenditure accounts to ensure operating results are in line with budget projections.

**Statement of Sources & Uses of Funds (Unaudited)  
For the Period Ending March 31, 2017 <sup>(a)</sup>**

	YTD Actual	Annual Budget	% of Budget	Budget Remaining
<b>SOURCES OF FUNDS</b>				
Beginning Fund Balance	\$ 52,953,857	\$ 52,953,857	-	\$ -
Room Tax <sup>(e)</sup>	204,077,742	270,000,000	76%	(65,922,258)
Charges for Services - LVCC	44,046,295	55,079,500	80%	(11,033,205)
Other Sources <sup>(b)</sup>	9,391,692	13,649,200	69%	(4,257,508)
<i>Total Sources</i>	<b>\$ 310,469,586</b>	<b>\$ 391,682,557</b>	<b>76%</b> <sup>(d)</sup>	<b>\$ (81,212,971)</b>
<b>USES OF FUNDS</b>				
General Government	\$ 13,696,478	\$ 23,388,100	59%	\$ 9,691,622
Advertising	58,147,723	96,500,000	60%	38,352,277
Marketing & Special Events	44,844,096	63,694,800	70%	18,850,704
Operations	28,304,470	41,651,800	68%	13,347,330
Collection Allocation	20,539,651	25,000,000	82%	4,460,349
Other <sup>(c)</sup>	-	500,000	0%	500,000
Transfers to Other Funds	93,869,159	112,898,300	83%	19,029,141
Ending Fund Balance	51,068,009	28,049,557	-	(23,018,452)
<i>Total Uses</i>	<b>\$ 310,469,586</b>	<b>\$ 391,682,557</b>	<b>71%</b> <sup>(d)</sup>	<b>\$ 81,212,971</b>

<sup>(a)</sup> Using the modified accrual basis of accounting.

<sup>(b)</sup> Other Sources includes gaming fees, Cashman Center facility charges, other charges & fees, interest earnings and transfer from reserves.

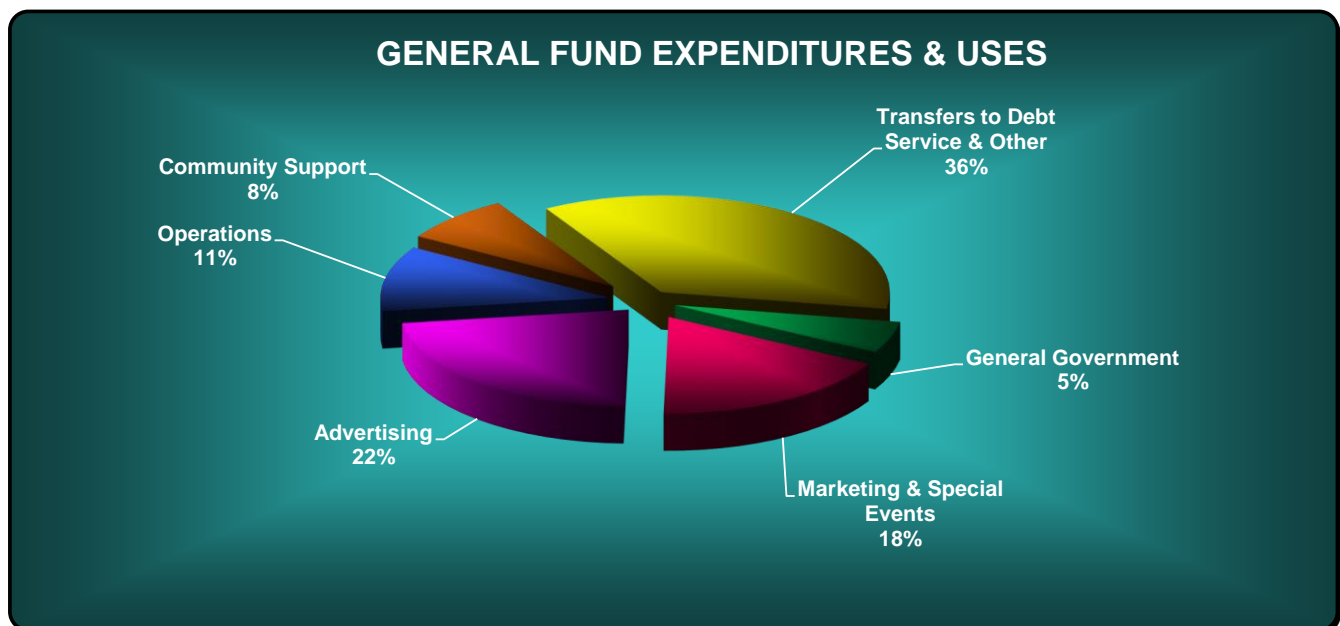
<sup>(c)</sup> Other includes reserve for contingency.

<sup>(d)</sup> % of Budget for Total Sources and Total Uses represents revenues and expenditures only, excluding beginning and ending fund balance.

<sup>(e)</sup> Room Tax Revenue does not include Senate Bill 1 revenue projection of \$10.5M as this amount was transferred to LVCCD Fund as of January 2017.

<sup>(e)</sup> Report has been adjusted from the general ledger at March 31, 2017 to reflect actual room tax results, while the general ledger reports estimates for the quarter.

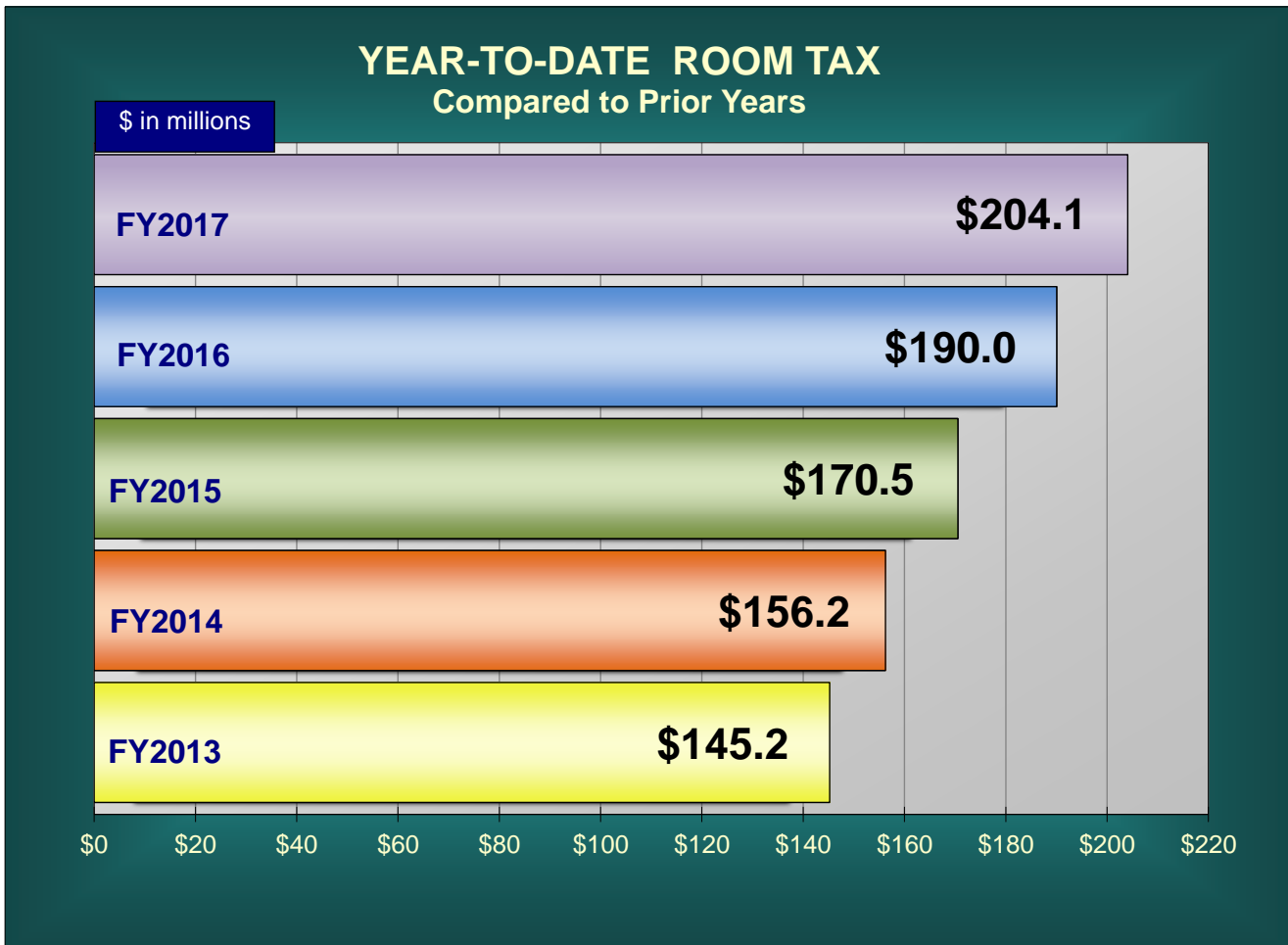
**YEAR-TO-DATE GENERAL FUND EXPENDITURES & USES**



**ROOM TAX: FY 2016 ACTUAL TO FY 2017 ACTUAL**

Month		FY 2016		FY 2017		Variation							
Activity	Received					Month	YTD	% Month	% YTD				
Jun	Aug	\$	19,527,179	\$	22,767,407	\$	3,240,228	\$	3,240,228	16.6%	↑	16.6%	↑
Jul	Sep		20,260,162		23,040,083	\$	2,779,921	\$	6,020,149	13.7%	↑	15.1%	↑
Aug	Oct		19,860,281		21,427,353	\$	1,567,072	\$	7,587,221	7.9%	↑	12.7%	↑
Sep	Nov		22,091,329		24,951,255	\$	2,859,926	\$	10,447,147	12.9%	↑	12.8%	↑
Oct	Dec		25,795,038		26,236,041	\$	441,003	\$	10,888,150	1.7%	↑	10.1%	↑
Nov	Jan		20,604,648		21,409,193	\$	804,545	\$	11,692,695	3.9%	↑	9.1%	↑
Dec	Feb		16,522,898		17,942,765	\$	1,419,867	\$	13,112,562	8.6%	↑	9.1%	↑
Jan	Mar		25,597,528		27,042,714	\$	1,445,186	\$	14,557,748	5.6%	↑	8.6%	↑
Feb	Apr		19,790,308		19,260,931	\$	(529,377)	\$	14,028,371	-2.7%	↓	7.4%	↑
Mar	May		23,493,217										
Apr	Jun		23,782,014										
May	Jul		22,643,034										
		\$	259,967,636	\$	204,077,742								

\* Report has been adjusted from the general ledger at March 31, 2017 to reflect actual room tax results, while the general ledger reports the estimates for the quarter.

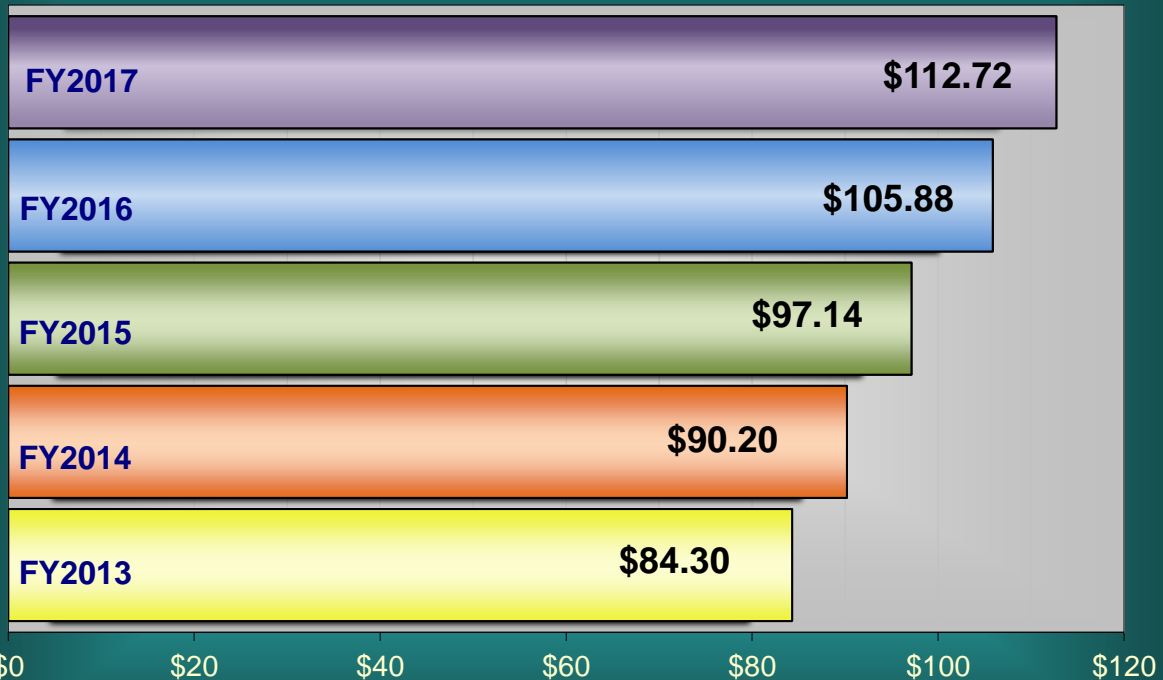


**CLARK COUNTY BLENDED AVERAGE DAILY RATE: FY 2016 ACTUAL TO FY 2017 ACTUAL**

	FY 2016	FY 2017	Variation			
			Month		YTD	
June	\$ 96.34	\$ 108.43	12.5%	↑	12.5%	↑
July	94.90	105.20	10.9%	↑	11.7%	↑
August	97.01	103.81	7.0%	↑	10.1%	↑
September	110.02	120.42	9.5%	↑	9.9%	↑
October	119.96	122.67	2.3%	↑	8.2%	↑
November	106.94	110.86	3.7%	↑	7.4%	↑
December	91.65	98.46	7.4%	↑	7.4%	↑
January	131.48	136.89	4.1%	↑	6.9%	↑
February	104.63	107.74	3.0%	↑	6.5%	↑
March	110.08					
April	117.68					
May	111.06					
<b>Average</b>	<b>\$ 107.65</b>	<b>\$ 112.72</b>				

**Average Daily Rate (ADR)** is a blended average of the taxable rates for all of the hotels and motel units in the Las Vegas, Laughlin and Mesquite areas. ADR shown herein is tied to LVCVA's room tax received for the month of hotel/motel activity.

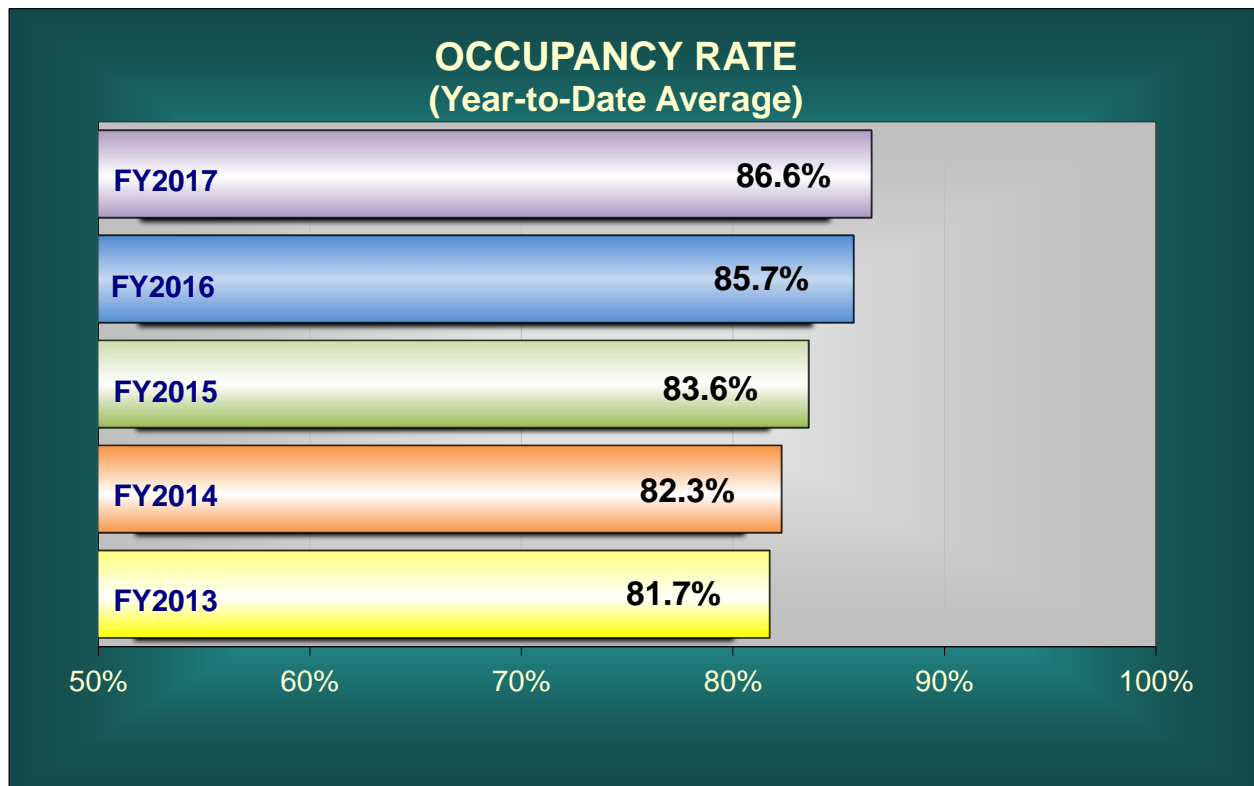
**CLARK COUNTY BLENDED AVERAGE DAILY RATE**  
**(Year-to-Date Average)**



**OCCUPANCY RATE: FY 2016 ACTUAL TO FY 2017 ACTUAL**

	FY 2016			FY 2017			VARIATIONS (%)			
	# of Rooms	Occupancy Rate (OR)	Avg Rooms Occupied Daily (AROD)	# of Rooms	Occupancy Rate (OR)	Avg Rooms Occupied Daily (AROD)	O.R.		A.R.O.D.	
							Month		Month	
June	160,773	88.5%	142,284	160,977	91.5%	147,294	3.4%	↑	3.5%	↑
July	160,798	90.2%	145,040	160,977	92.4%	148,743	2.4%	↑	2.6%	↑
August	160,813	86.5%	139,103	160,888	87.1%	140,133	0.7%	↑	0.7%	↑
September	160,813	87.6%	140,872	160,888	90.4%	145,443	3.2%	↑	3.2%	↑
October	160,813	90.8%	146,018	161,098	90.2%	145,310	-0.7%	↓	-0.5%	↓
November	160,813	84.1%	135,244	161,301	84.0%	135,493	-0.1%	↓	0.2%	↑
December	160,946	76.1%	122,480	161,164	76.8%	123,774	0.9%	↑	1.1%	↑
January	160,946	82.2%	132,298	161,164	83.2%	134,088	1.2%	↑	1.4%	↑
February	160,994	85.3%	137,328	161,176	83.4%	134,421	-2.2%	↓	-2.1%	↓
March	160,994	90.0%	144,895							
April	160,994	88.1%	141,836							
May	160,994	86.0%	138,455							
<b>Average</b>		<b>86.3%</b>	138,821		<b>86.6%</b>	139,411	<b>1.0%</b>	↑	<b>1.1%</b>	↑

**Occupancy Rate (OR)** is based on a monthly survey of all hotel and motel properties in Clark County. OR shown herein is tied to the month of hotel/motel activity.  
(Survey is conducted by LVCVA Research)



# ROOM TAX DISTRIBUTION - BUDGET FOR FY 2017

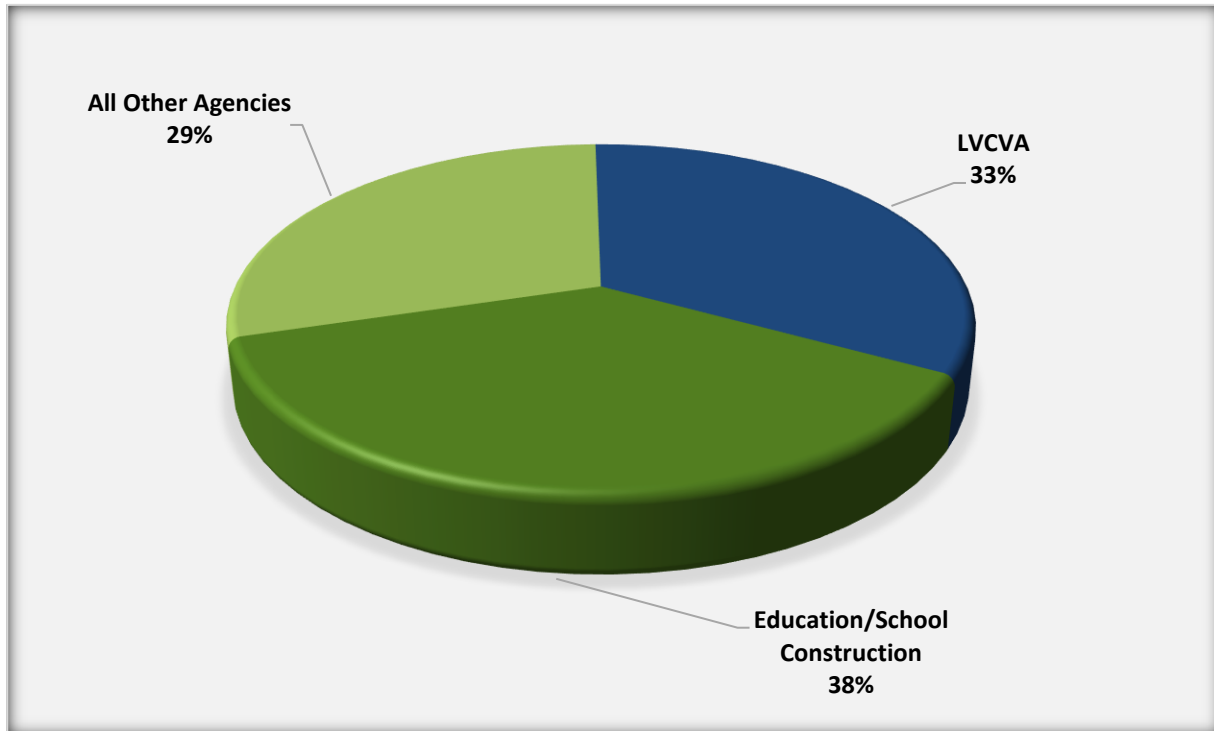
Based on LVCVA's Budgeted Room Tax

		Amount	Percent
<b>LVCVA Retains for Operations &amp; Marketing</b>		<b>\$ 234,332,266</b>	<b>33.2%</b>
4 - 5% distributed to LVCVA	\$ 270,000,000		
SB 1 - restricted for LVCCD Activities <sup>(1)</sup>	\$ 10,500,000		
(Less Collection Allocation Paid to Entities)	(25,000,000)		
(Less Debt Service for Transportation)	(21,167,734)		
<b>Portion Distributed to Entity / Jurisdiction</b>		<b>95,105,300</b>	<b>13.5%</b>
1 - 2% Room Tax Retained by Entity	70,105,300		
Collection Allocation to Entities	25,000,000		
<b>Stadium Authority (.88%)<sup>(2)</sup></b>		<b>12,399,400</b>	<b>1.8%</b>
<b>Nevada Department of Transportation</b>		<b>21,167,734</b>	<b>3.0%</b>
<b>Clark County Transportation (1%)</b>		<b>57,000,000</b>	<b>8.1%</b>
<b>State of Nevada General Fund (3/8%)<sup>(3)</sup></b>		<b>21,375,000</b>	<b>3.0%</b>
<b>Clark County School District (1 5/8%)</b>		<b>92,625,000</b>	<b>13.1%</b>
<b>State of Nevada Schools (3%)</b>		<b>171,000,000</b>	<b>24.3%</b>
<b>TOTAL 12% - 13.38% ROOM TAX</b>		<b>\$ 705,004,700</b>	<b>100.0%</b>

<sup>(1)</sup> Partial Year related to Room Tax increase from Senate Bill 1 approved in October 2016, assessments begin January 15, 2017

<sup>(2)</sup> Partial Year related to Room Tax increase from Senate Bill 1 approved in October 2016, assessments begin March 1, 2017

<sup>(3)</sup> A portion of proceeds are allocated to NV Commission on Tourism (NCOT)



**Statement of Sources & Uses of Funds (Unaudited)  
For the Period Ending March 31, 2017 <sup>(a)</sup>**

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% of Budget</u>	<u>Budget Remaining</u>
<b>SOURCES OF FUNDS</b>				
Beginning Fund Balance	\$ -	\$ -	-	\$ -
Room Tax - SB1 <sup>(d)</sup>	<b>3,300,541</b>	10,500,000	<b>31%</b>	(7,199,459)
Interest	<b>16,337</b>	-	<b>0%</b>	16,337
Other Sources <sup>(b)</sup>	<b>25,430,000</b>	25,430,000	<b>100%</b>	-
<i>Total Sources</i>	<u><b>\$ 28,746,878</b></u>	<u>\$ 35,930,000</u>	<b>80%</b> <sup>(c)</sup>	<u>\$ (7,183,122)</u>
<b>USES OF FUNDS</b>				
Construction WIP	\$ <b>320,000</b>	\$ 3,500,000	<b>9%</b>	\$ 3,180,000
Other	-	-	<b>0%</b>	-
Transfers to Other Funds	-	-	<b>0%</b>	-
Ending Fund Balance	<b>28,426,878</b>	32,430,000	-	4,003,122
<i>Total Uses</i>	<u><b>\$ 28,746,878</b></u>	<u>\$ 35,930,000</u>	<b>9%</b> <sup>(c)</sup>	<u>\$ 7,183,122</u>

<sup>(a)</sup> Using the modified accrual basis of accounting.

<sup>(b)</sup> Other Sources include transfers from general and capital funds.

<sup>(c)</sup> % of Budget for Total Sources and Total Uses represents revenues and expenditures only, excluding beginning and ending fund balance.

<sup>(d)</sup> Report has been adjusted from the general ledger at March 31, 2017 to reflect actual room tax - SB1 results, while the general ledger reports estimates for the quarter.

**Finance Comments:**

The Las Vegas Convention Center District (LVCCD) Fund was created as a result of the passage of Senate Bill 1 (SB-1), in the 30th Special Session of the Nevada Legislature, providing for a one-half of one percent (0.5%) increase to transient lodging tax. The new revenues are legislatively restricted to support the capital financing program for the convention center expansion and renovation program. The budget was subsequently adjusted in January of 2017, to properly account for all restricted LVCCD resources in a separate fund, in compliance with statutory intent and appropriate reporting standards.



**AMENDMENT REPORTING  
FY 2017**

January 1, 2017 through March 31, 2017

**CONTRACT AMENDMENTS**

Amendment Date	Contractor / Supplier	Description / Justification	Original Amount	Amendment Amount	Revised Amount
3/31/2017	Bell Transportation, Celebrity, AWG, Las Vegas Limousine, BLS Limousine, Showtime Tours, Super Shuttle	<b>Transportation Services</b> This was an estimated annual expenditure for client transportation. Increase required to support higher client demand than anticipated.	\$149,000.00	\$45,737.38	\$194,737.38





**APPENDIX A  
INVESTMENT REPORT  
(UNAUDITED)  
3rd Qtr FY17**

### INVESTMENT OBJECTIVES

The primary objectives of the LVCVA investment policy are to minimize risk, ensure that cash is available when needed, and ensure a competitive rate of return while complying with the laws of the State of Nevada. The investment portfolio is divided into two different categories:  
 (1) Short Term Portfolio (maturities less than 2 years) and  
 (2) Intermediate Term Portfolio (maturities greater than 2 years and less than 5 years).

### REQUIREMENTS AND COMPLIANCE

ITEM	REQUIREMENTS	ACTUAL PORTFOLIO						
<b>Investment Maturity</b>	<p>The LVCVA will not directly invest in securities maturing more than 5 years from the date of settlement. Securities that mature between 2-5 years from the date of settlement shall not exceed 10% of the total portfolio at the time of settlement.</p> <p style="text-align: center;"><b>Furthest Maturity Date = 5/6/21 for a Total of 1,497 days. 6.5% of Total \$ Invested Exceed 2 Years.</b></p>	<b>In Compliance</b>						
<b>Return on Investments</b>	<p>The current investment strategy employed by the LVCVA is passive (hold until maturity). Given this strategy, each category of the LVCVA investment portfolio will be benchmarked on an average weighted yield to no more than 50 basis points below it's respective index to determine whether market yield is being achieved.</p> <p style="text-align: center;"><b>Overall Portfolio Yield = 0.77%</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Portfolio Yield</th> <th style="text-align: center; border-bottom: 1px solid black;">Benchmark Index Yield</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Short Term = 0.71%</td> <td style="text-align: center;">6-Month T-Bill = 0.91%</td> </tr> <tr> <td style="text-align: center;">Intermediate Term = 1.60%</td> <td style="text-align: center;">2-Year T-Note = 1.27%</td> </tr> </tbody> </table>	Portfolio Yield	Benchmark Index Yield	Short Term = 0.71%	6-Month T-Bill = 0.91%	Intermediate Term = 1.60%	2-Year T-Note = 1.27%	<b>In Compliance</b>
Portfolio Yield	Benchmark Index Yield							
Short Term = 0.71%	6-Month T-Bill = 0.91%							
Intermediate Term = 1.60%	2-Year T-Note = 1.27%							
<b>Diversification</b>	<p>Diversification standards by asset type should fall within established maximum allocations as listed below and defined in the policy.</p>	<b>In Compliance</b>						

ASSET CATEGORY	MAXIMUM MATURITY	AUTHORIZED LIMIT	QUALITY LIMITS S&P/MOODY'S	ACTUAL PORTFOLIO
U.S. Federal Agencies (Agency) & U.S. Treasury	5 Years	80%	N/A	24.8%
Money Market Fund (MMF)	N/A	30%	AAA	0.0%
Commercial Paper & Banker's Acceptance	Commercial Paper 270 Days, Banker's Accept 180 Days	20%	A1/P1	0.0%
Certificate of Deposit	1 Year	5%	A1/P1	0.0%
Local Govt Invest Pool (LGIP)	N/A	40%	N/A	29.2%
Deposits, Repurchase, & Overnight Investments	N/A	60%	N/A	46.0%
<b>Total</b>				<b>100%</b>

**PORTFOLIO AS OF March 31, 2017**

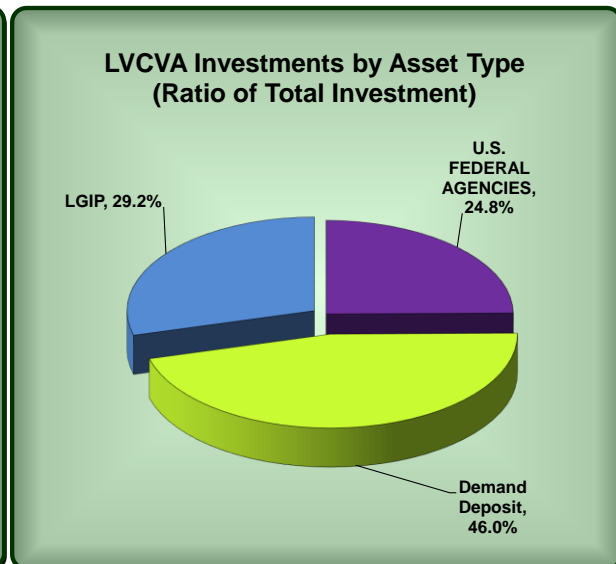
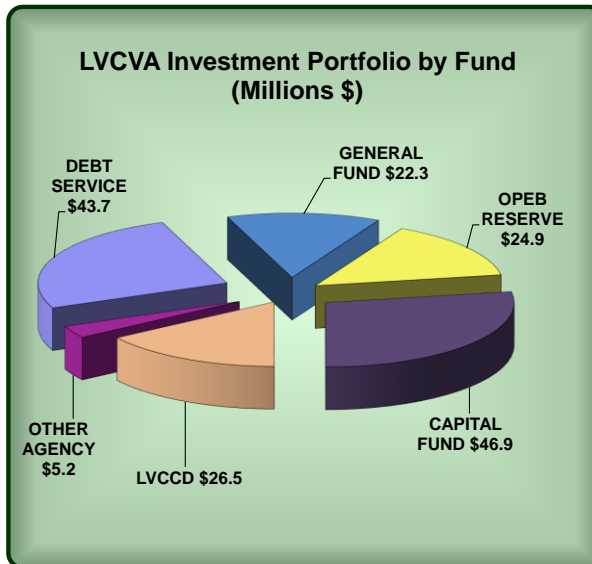
The LVCVA's total investment portfolio is diversified into various types of assets which are allowed by its investment policy and by Nevada Revised Statutes. A summary breakdown of the assets is as follows:

	AGENCIES	DEMAND DEPOSITS	LGIP	TOTAL
GENERAL FUND	\$ -	\$ 16,759,146	\$ 5,498,795	\$ 22,257,941
OPEB RESERVE	12,009,270	8,851,546	4,015,597	24,876,413
CAPITAL FUND	27,074,200	5,321,872	14,552,327	46,948,399
LVCCD	-	8,505,628	17,950,189	26,455,817
OTHER AGENCY FUNDS <sup>1</sup>	-	225,335	4,971,486	5,196,821
DEBT SERVICE FUNDS	2,971,870	38,175,219	2,510,444	43,657,533
<b>TOTALS</b>	<b>\$ 42,055,340</b>	<b>\$ 77,838,746</b>	<b>\$ 49,498,838</b>	<b>\$ 169,392,924</b>
Authorized Limits <sup>2</sup>	80%	60%	40%	100%
Actual	24.8%	46.0%	29.2%	100%

<sup>1</sup> Legally restricted for Nevada Department of Transportation (NDOT) expenditures.

<sup>2</sup> To ensure diversification of the LVCVA's portfolio, the investment policy contains the maximum levels for each type of investment.

**LVCVA TOTAL INVESTMENTS**



**LVCVA PORTFOLIO OVERVIEW**

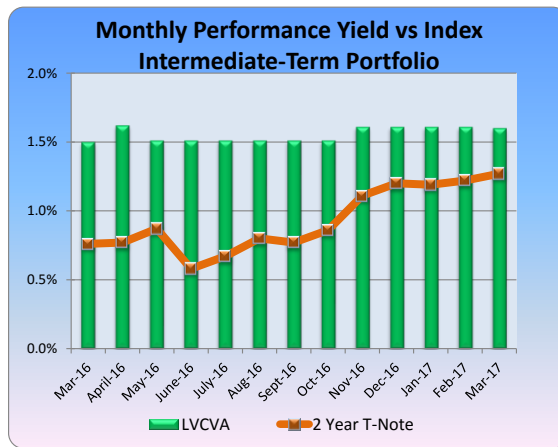
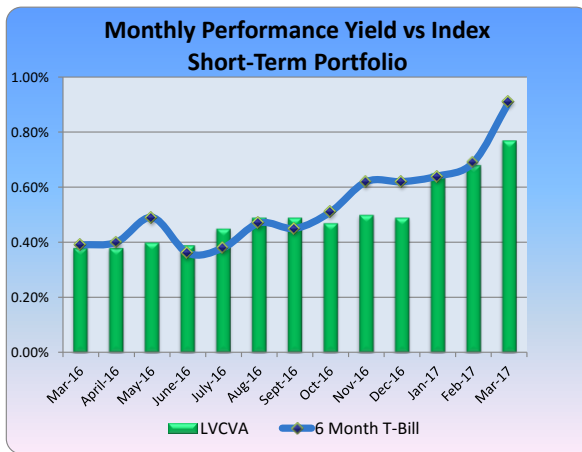
ASSET TYPE	ORIGINAL COST	FACE VALUE	FAIR VALUE	UNREALIZED GAIN/LOSS	INTEREST EARNED
U.S. FEDERAL AGENCIES	\$ 42,055,340	\$ 43,100,000	\$ 41,912,632	(142,708)	\$ 86,768
DEMAND DEPOSIT	77,838,746	77,838,746	77,838,746	-	91,322
LGIP	49,498,838	49,498,838	49,498,838	-	93,031
<b>Total Portfolio</b>	<b>\$ 169,392,924</b>	<b>\$ 170,437,584</b>	<b>\$ 169,250,216</b>	<b>\$ (142,708)</b>	<b>\$ 271,121</b>

*Note - The unrealized gain / loss is based on market values at the end of the period versus the cost of the investments. The gain / loss is "unrealized" because the LVCVA's current investment strategy is to buy and hold investments until maturity.*

**PERFORMANCE**

ASSET TYPE	2nd Qtr FY17			3rd Qtr FY17		
	COST	FAIR VALUE	YIELD %	COST	FAIR VALUE	YIELD %
AGENCIES	42,046,225	41,870,484	1.06%	42,055,340	41,912,632	1.09%
DEMAND DEPOSIT	56,672,342	56,672,342	0.20%	77,838,746	77,838,746	0.58%
LGIP	49,405,806	49,405,806	0.63%	49,498,838	49,498,838	0.75%
<b>TOTAL</b>	<b>148,124,373</b>	<b>147,948,632</b>	<b>0.58%</b>	<b>169,392,924</b>	<b>169,250,216</b>	<b>0.77%</b>

**LVCVA INVESTMENT PERFORMANCE VS. T-BILLS & T-NOTES**



**LVCVA INVESTMENT PORTFOLIO DISTRIBUTION BY MATURITY**

The LVCVA's investment policy maintains that the investment portfolio be structured such that securities mature to meet the cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market prior to maturity. Moreover, the investment policy also stipulates that the maximum term of any investment directly owned by the LVCVA be no greater than five years from date of settlement. The chart below displays the allocations for specific maturity intervals of the investment portfolio by asset type:

