



LAS VEGAS CONVENTION AND VISITORS AUTHORITY

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023

CLARK COUNTY, NV



Annual Comprehensive Financial Report  
For the Year Ended June 30, 2023

Prepared by the Finance Department  
Under the supervision of:  
Ed Finger, CPA, Chief Financial Officer  
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**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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# **INTRODUCTORY SECTION**

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November 28, 2023

To the Board of Directors and the citizens of Clark County, Nevada:

We are pleased to present this Annual Comprehensive Financial Report (ACFR) for the Las Vegas Convention and Visitors Authority (LVCVA) for the year ending June 30, 2023. Nevada Revised Statutes (NRS) requires the LVCVA to issue a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

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 maintains 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, based on management's estimates and judgments, the cost of maintaining internal controls should not exceed the benefits. We believe the LVCVA's internal controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Eide Bailly, LLP, a public accounting firm 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, as of and for the fiscal year ending June 30, 2023, 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 as of and for the fiscal year ending June 30, 2023, 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 on the first three pages of the financial section of this document.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report. It provides an analytical overview of the LVCVA's operations for fiscal year (FY) 2023. 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**

The LVCVA was created to directly drive tourism to Southern Nevada, through ownership and operation of the Las Vegas Convention Center (LVCC), and through marketing, sales, and advertising programs in cooperation with our resort and industry partners. 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 a unique destination marketing organization in that it also owns and operates a convention center. The LVCVA is also a government agency, established by Nevada state law, primarily funded by room tax, and governed by an autonomous board of directors. The LVCVA's 14-member board of directors serves on behalf of a broad cross-section of stakeholders within the local tourism, business, and public sectors.



## Marketing and Sales

The LVCVA's core purpose as the destination marketing organization is to drive visitation across both leisure and business segments for Southern Nevada, including Las Vegas, Boulder City, Laughlin, and Mesquite. The LVCVA's marketing programs include coordinated efforts among our resort and mission partners, in conjunction with internal teams and external marketing partners of the LVCVA. Through tailored marketing and sales strategies for each of the unique Southern Nevada destinations, efforts are designed to maximize demand through multi-channel advertising, digital marketing, events, sponsorships, and destination sales for each of the unique Southern Nevada destinations. The LVCVA partners with key transportation agencies and McCarran International Airport to ensure accessibility to and within the destination. The LVCVA's sales teams directly sell not only the LVCC but also distribute leads to individual properties and business partners to drive both leisure and business travel in Southern Nevada. The overall marketing effort is driven by destination-specific research and industry trends as insights to enable more effective business strategies and market optimizations.

## Las Vegas Convention Center



In addition to marketing and selling the destination, the LVCVA operates the Las Vegas Convention Center (LVCC) 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 historically represents about one in six visitors to Southern Nevada.

The newly expanded LVCC is one of the busiest convention facilities in the world: a 4.6 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 2.6 million square feet of exhibit space, 200 meeting rooms handle seating capacities ranging from 20 to 2,500. Grand lobbies and registration areas link exhibit halls and meeting rooms and allow simultaneous set-up, break-down, and exhibiting of multiple events.

*The Wall Street Journal* (WSJ) conducted a study of the top convention centers in the United States, ranked the top 30 convention centers, and named the LVCC the No. 1 convention center in the United States. During fiscal year 2023, the LVCC hosted 83 events, down 7.7% from fiscal year 2022, mostly related to show rotation. LVCC convention attendance increased 26% over fiscal year 2022; however, it is still below peak pre-pandemic levels.

The LVCC Loop is an underground tunnel system that provides fast and convenient transportation for convention and trade show attendees, connecting each of the hall sets across the nearly 200-acre LVCC campus. Built by Elon Musk's The Boring Company, the LVCC Loop has three passenger stations that offer convenient access between LVCC exhibition hall blocks, parking lots, and the Las Vegas Monorail. The Loop is also connected to Resorts World, Westgate, and Encore hotels, with the latter two schedule to become operational in fiscal year 2024.



## ECONOMIC CONDITION

Tourism is the largest industry and economic driver in Southern Nevada. Las Vegas is the home of 18 of the 20 largest hotels in the United States. Southern Nevada has a hotel room inventory exceeding 160,000, with over 150,000 of those rooms located in the Las Vegas metropolitan area.



The LVCVA received record room tax and General Fund revenues in fiscal year 2023, marking significant growth compared to the previous year. The LVCVA's room tax collections of \$354.0 million increased 20.4% from the previous record-setting FY 2022 amount of \$294.0 million and were 23.6% higher than the pre pandemic \$286.4 million in FY 2019.

Las Vegas is performing well economically, with total higher visitor spending despite lower overall visitation compared to pre-pandemic levels. Visitation increased in the calendar year 2022 by 20.5%, from 32.2 million to 38.8 million. In calendar year 2022, occupancy increased from 66.8% to 79.2%, and average daily room rates (ADR) increased by 24.5%. June 2023 saw occupancy levels at 85.5% and ADR at \$165.21, which is an increase of 3.4% and 1.7% from the previous June. In calendar year 2019, visitation was 42.5 million, ADR was \$132.62, and occupancy was 88.9%.

Occupancy and visitation continue to increase, with August 2023 monthly visitation increasing 4.0% compared to August 2022. Hotel occupancy reached 80.3%, a 3.5 point increase, and ADR approached \$159, a 7% increase, both compared to the prior year.

Las Vegas is known for continually reinventing itself to deliver on the brand promise of being the premier destination in the world. The Fontainebleau Las Vegas, across from the LVCC, is scheduled to open in December 2023 with 3,900 rooms. The MSG Sphere, a 17,500-seat performance venue near the Venetian completed construction and opened at the end of September 2023.

### **MAJOR INITIATIVES IN FISCAL YEAR 2023**

#### **Las Vegas Convention Center District**

The LVCVA is currently executing Phase Three of the LVCCD project, consisting of the renovation, modernization, and addition to the existing facility to create consistency with the Phase Two expansion. The Phase Three architectural design phase resumed last fiscal year. The estimated budget for Phase Three of the LVCCD project is \$600 million. Construction began in fiscal year 2023, with the most significant work scheduled to occur between January 2024 and December 2025.

#### **Transportation Services**

The Las Vegas Monorail moved more than 4.7 million passengers, and generated over \$25 million in revenue, growing 42% and 25%, respectively, above FY 2022.

The Las Vegas Loop continues its construction of the fare-generating portion of the system, with the Resorts World station complete and operating, and the Westgate and Encore spurs nearing completion, all resorts with close proximity to the LVCC. Local governments have approved 68 miles of tunnel and 93 stations for the Las Vegas Loop. Although privately owned, this connected transportation system will support convention transportation to and from the LVCC. The LVCC portion of the Loop moved over 1,000,000 passengers in its first two years of operation.

#### **Marketing**



During the fiscal year, a new advertising campaign highlighted Las Vegas as a grown-up destination, an escape from routine and obligations. LVCVA also continued the campaign of "The Greatest Arena on Earth," as Las Vegas continues to add unique sporting events to its future calendar, surrounded by the backdrop of the Las Vegas Strip.

The LVCVA also continued to drive the return of meetings and conventions through the "Vegas Means Business" campaign, and carried out successful diversity, wedding, and extended destination campaigns throughout the year.



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## **LONG-TERM FINANCIAL PLANNING**

The LVCVA finance staff maintain a long-term operational and capital financial planning model, updating 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 long-term brand awareness that drives domestic and international visitation for leisure activities. Additionally, business-focused programs emphasize the importance of the meetings and convention industry, which results in long-term facility leases for tradeshow and meetings. The LVCCD embodies the long-term strategy of protecting existing business and competitive advantages and attracting future business for Las Vegas.

The LVCVA believes it is important to maintain a balance between planning for recurring resources to sustain core operations and strategic financial planning for a multi-year capital program. Analysis of future intended outlays and anticipated revenues enabled an assessment of overall financial implications, including additional funding requirements, to be readily identified. A comprehensive, long-range pro forma, forecasting sources and uses of funds through FY 2049 was created. The pro forma includes conservative growth assumptions for revenues and operating activities, as well as requirements to meet debt obligations, including all new debt requirements for all phases of LVCCD. The analysis was used to estimate the level of funding required to support the LVCCD program, without sacrificing our commitment to the core mission.

Incorporated into the current model includes the following events. The LVCVA entered into a contract to sell 10 surplus acres along Las Vegas Boulevard for \$125 million, with additional site excavation and compaction of the site reducing the net proceeds of the sale by approximately \$10 million, which is expected to close in fiscal year 2024. Current plans are to utilize the proceeds for Phase Three construction. In August 2023, the LVCVA issued \$150 million in revenue bonds to be used for Phase Three construction. The remaining funding for Phase Three is programed to come from LVCCD revenues and pay-as-you-go transfers.

## **DEBT ADMINISTRATION**

### **Debt Policy**

The LVCVA is committed to complying with all federal and other regulatory requirements regarding the issuance and ongoing management of its debt. The LVCVA's debt 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 sets coverage and reserve goals and is also intended to define compliance practices including compliance actions, records management, disclosure requirements, and process continuity within the Finance Department and the executive management of the LVCVA.

## **ACCOUNTING SYSTEMS AND BUDGETARY CONTROLS**

The annual budget serves as the financial plan of the LVCVA. The planning and preparation begin each December. 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 approval of the budget, which is no sooner than the third Monday in May and no later than the last day 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 implemented on July 1 in 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.

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Budget variance reports are distributed to the Board on a regular basis. Adjustments to the overall 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) has bestowed the Certificate of Achievement for Excellence in Financial Reporting on the LVCVA's Annual Comprehensive Financial Report (ACFR) for the years ending 1984-2022. The LVCVA will submit the FY 2023 ACFR to the GFOA for reward consideration.

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,



Steve Hill  
CEO/President



Ed Finger, CPA  
Chief Financial Officer





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Las Vegas Convention and Visitors Authority  
Nevada**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

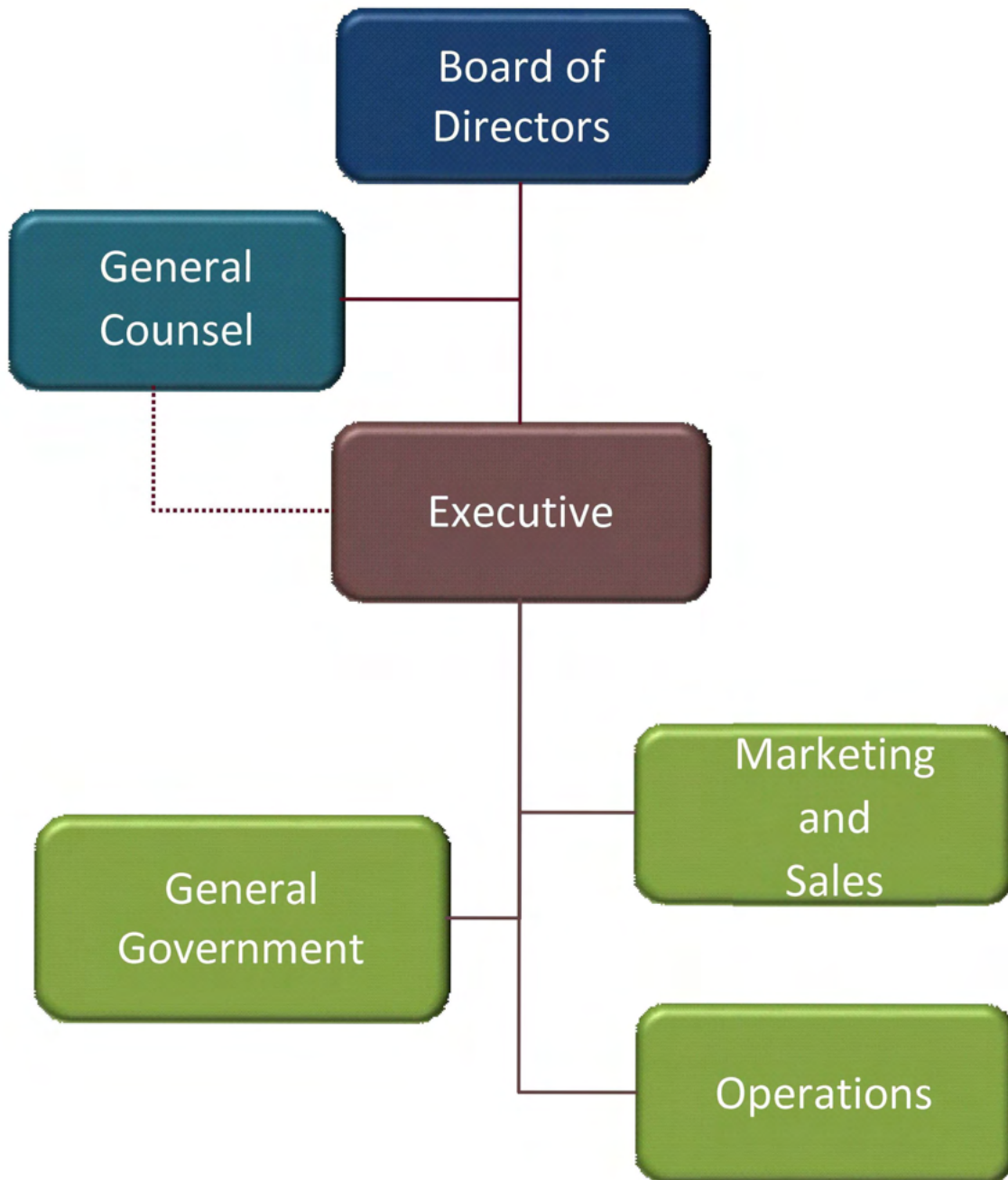
June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

LAS VEGAS CONVENTION AND VISITORS AUTHORITY  
ORGANIZATION CHART  
AS OF JUNE 30, 2023

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# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## PRINCIPAL OFFICIALS

As of June 30, 2023

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. Seven of eight elected officials are selected periodically by their respective governing bodies; their terms on the Board are coterminous with their terms of office. The eighth elected official, from one of the other incorporated cities, serves a two-year term, commencing on July 1 of each odd-numbered year. The six remaining members serve a two-year term and can be re-appointed to additional two-year terms. As of June 30, 2023, members of the board included:



**JIM GIBSON**  
*Chair*  
Commissioner  
Representing Clark County  
Term: Jan 2021 – Dec 2024



**ANTON NIKODEMUS**  
*Vice Chair*  
Representing resort hotel  
Nominated by NRA  
Term: Jul 2021 – Jun 2025



**PAMELA GOYNES-BROWN**  
*Secretary*  
Mayor  
Representing North Las Vegas  
Term: Aug 2018 – Nov 2024



**SCOTT DEANGELO**  
*Treasurer*  
Representing general business  
Nominated by CC  
Term: Jul 2020 – Jun 2024



**CEDRIC CREAR**  
Councilman  
Representing City of Las Vegas  
Term: Jan 2023 – Nov 2024



**CAROLYN G. GOODMAN**  
Mayor  
Representing City of Las Vegas  
Term: Jul 2019 – Nov 2024



**BRIAN GULLBRANTS**  
Representing resort hotel  
Nominated by NRA  
Term: Jan 2022 – Jun 2025



**JAN JONES-BLACKHURST**  
Representing resort hotel  
Nominated by CC  
Term: Jul 2021 – Jun 2025



**MICHAEL NAFT**  
Commissioner  
Representing Clark County  
Term: Jan 2021 – Dec 2023



**MICHELLE ROMERO**  
Mayor  
Representing Henderson  
Term: Jan 2023 – Dec 2026



**MARY BETH SEWALD**  
Representing other commercial  
Nominated by CC  
Term: Jul 2021 – Jun 2025



**STEVE THOMPSON**  
Representing resort hotel in  
central business district  
Nominated by NRA  
Term: Jul 2020 – Jun 2024



**STEVE WALTON**  
Councilman  
Representing Boulder City  
Term: Dec 2022 – Nov 2026



**BRIAN WURSTEN**  
Councilman  
Representing City of Mesquite  
Term: Jul 2021 – Jun 2025

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## SENIOR EXECUTIVE STAFF

As of June 30, 2023

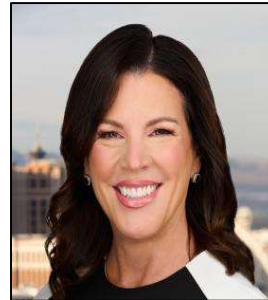
The LVCVA Board of Directors serves as a policy-making body and employs a President to serve as Chief Executive Officer. On June 30, 2023, the LVCVA senior executive team consisted of:



Steve Hill  
Chief Executive Officer/President



Ed Finger  
Chief Financial Officer



Lisa Messina  
Chief Sales Officer



Kate Wik  
Chief Marketing Officer



Brian Yost  
Chief Operating Officer



Caroline Bateman  
General Counsel

# **FINANCIAL SECTION**

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## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Las Vegas Convention and Visitors Authority (the "LVCVA") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the LVCVA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas Convention and Visitor's Authority, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the LVCVA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Adoption of New Accounting Standard***

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended June 30, 2023. This adoption did not result in a restatement of net position as of July 1, 2022. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the LVCVA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the LVCVA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Schedule of Changes in the Total OPEB Liability and Related Ratios, Schedule of Proportionate Share of the PERS Net Pension Liability, Schedule of Contributions to PERS Pension Plan, Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund, on pages 5-16 and 59-67 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LVCVA's basic financial statements. The individual fund information and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The 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 GAAS. In our opinion, the individual fund information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2023, 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 solely 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 the effectiveness of the LVCVA's 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.

A handwritten signature in cursive script that reads "Erik Bailly LLP".

Las Vegas, Nevada  
November 28, 2023

## **Management's Discussion and Analysis**

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# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

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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) ending June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages i to v of this report.

### FINANCIAL HIGHLIGHTS

- Total government-wide revenues increased by approximately \$94.6 million. This increase is mainly due to the significant growth in room tax, \$57.5 million or 17% higher than the previous year. After the FY 2020 COVID-19 pandemic, Southern Nevada's economy had a strong rebound, led by the recovery in the travel and tourism industry. After FY 2022 reached an all-time high in room tax revenues, FY 2023 surpassed FY 2022's record. Facility charges for services increased \$10.4 million or 13%, compared to the prior year, as convention attendance continues its recovery from the effects of COVID-19 pandemic.
- Total government-wide expenditures increased \$46.3 million from FY 2022. In the post-pandemic era, tourism and consumer spending recovered at a remarkable pace. The LVCVA invested heavily in advertising and marketing to capture interest and keep Las Vegas top-of-mind for consumers. Despite the large, planned increase in expenditures in these sectors, total government-wide revenues exceeded expenditures by \$48.3 million, while General Fund ending balance increased \$42.1 million, as compared to the budgeted decrease of \$38.2 million.
- Phase Three of the renovation project for Las Vegas Convention Center District (LVCCD) is currently in progress, as scheduled, renovating and modernizing the facility. Improvements in Phase Three include a new main lobby, a climate-controlled walkway between halls, and upgrades to exhibit halls, meeting rooms, restrooms, and technology. This multi-year project is budgeted at \$600.0 million and is expected to be completed in FY 2026.
- The LVCVA issued two series of bonds during the fiscal year, with a par value totaling \$150.0 million. These revenue bonds were issued for the LVCCD expansion and renovation project, consisting of \$136.8 million of non-taxable and \$13.2 million of taxable bonds, carrying a blended true interest cost of 4.19%.
- FY 2023 ending net position totaled \$437.7 million, a \$151.4 million increase from the previous year. This includes an increase in restricted net position of \$168.8 million, primarily due to the issuance of \$150.0 million bonds for LVCCD Phase Three project, in addition to the required set-asides for July annual debt payments. Unrestricted net position decreased \$20.7 million, ending with a deficit balance of \$92.2 million. This decrease is primarily due to an increase in pension liabilities, partially offset by the overall increase in net position resulting from the significant increase in revenues.

Although the Annual Comprehensive Financial Report 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

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

Annual Comprehensive Financial Report			
Introductory Section	Financial Section	Statistical Section	Additional Reports of the Independent Auditors
General information on the government structure, services, and environment	Independent Auditors' Reports	Trend data and non-financial data	Independent Auditors' Reports
	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		

### 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, using the economic resources measurement focus and accrual basis of accounting.

The Statement of Net Position is, in substance, the balance sheet. It includes not just current assets and liabilities and deferred outflows and inflows of resources, 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 LVCVA, 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, post-employment benefits other than pensions (OPEB), an allocated share of Public Employees' Retirement System (PERS) net pension liability, pollution obligations, and asset retirement obligations. The format of the statement has an unfamiliar appearance, and it focuses on the net cost of the LVCVA's individual functions and is intended to answer the question, "How much did it cost, and how is it being paid?"

### 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 current financial resources measurement focus and modified accrual basis of accounting, which focuses on showing how money flows into and out of funds and the balances remaining 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 resources and utilize funds for eventual payment related to OPEB liabilities. This service benefits governmental rather than business-type functions, and, as such, 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.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

### 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 25 through 58 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 59 through 62, including a schedule of changes in OPEB liability, the LVCVA's proportionate share of the PERS net pension liability, contributions to the PERS pension plan, and General Fund budgeted and actual revenues, expenditures, and change in fund balance.

### CONDENSED COMPARATIVE DATA

#### ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

The LVCVA's change in net position, on the government-wide basis, increased \$151.4 million during the year as follows:

CHANGES IN NET POSITION				
	FY 2022	FY 2023	Increase (Decrease)	
			Amount	Percent
Net position – beginning	\$ 183,187,256	\$ 286,309,948	\$ 103,122,692	56%
Revenues	416,463,609	511,053,430	94,589,821	23%
Expenses	313,340,917	359,645,412	46,304,495	15%
Change in net position	103,122,692	151,408,018	48,285,326	47%
Net position – ending	\$ 286,309,948	\$ 437,717,966	\$ 151,408,018	53%

The increase in overall net position reflects significant revenue increases from room tax, transportation, and ancillary charges, as visitor volume and convention attendance increased remarkably in FY 2023. This result is partially offset by increased expenditures in advertising and marketing to support recovery and growth of tourism.

The LVCVA's assets, deferred outflows of resources, liabilities, and deferred inflows of resources consisted of the following:

CONSOLIDATED STATEMENT OF NET POSITION				
	June 30, 2022	June 30, 2023	Increase (Decrease)	
			Amount	Percent
Current and other assets	\$ 427,881,725	\$ 706,401,296	\$ 278,519,571	65%
Capital assets	1,748,939,726	1,749,831,791	892,065	0%
Total assets	2,176,821,451	2,456,233,087	279,411,636	13%
Deferred outflows of resources	42,650,935	75,517,450	32,866,515	77%
Current and other liabilities	81,693,371	73,178,836	(8,514,535)	-10%
Long-term liabilities	1,768,570,583	1,956,974,347	188,403,764	11%
Total liabilities	1,850,263,954	2,030,153,183	179,889,229	10%
Deferred inflows of resources	82,898,484	63,879,388	(19,019,096)	-23%
Net position				
Net investment in capital assets	303,145,255	306,512,453	3,367,198	1%
Restricted	54,579,329	223,364,802	168,785,473	309%
Unrestricted (deficit)	(71,414,636)	(92,159,289)	(20,744,653)	-29%
Total net position	\$ 286,309,948	\$ 437,717,966	\$ 151,408,018	53%

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

Net investment in capital assets is net of the debt used to acquire those assets and increased \$3.4 million, primarily due to debt principal payments.

Restricted net position demonstrates legal constraints from debt covenants or other restrictions that limit the LVCVA's ability to use those resources. Restricted net position is primarily composed of funds held for future debt service payments. Restricted net position increased \$168.8 million, mainly due the issuance of \$150.0 million bonds for LVCCD Phase Three project, in addition to the required set asides for July annual debt payments.

The unrestricted net position deficit increased \$20.7 million, primarily due to an increase in pension liabilities and partially offset by the overall increase in net position driven by an increase in revenues. The continued deficit in unrestricted net position exists primarily due to approximately \$300.0 million of bonds (\$231.3 million outstanding) issued for NDOT projects that are not assets of the LVCVA. See Note 3 on page 32 for additional information on net position.

### REVENUES

Revenues are classified as either general or program. Program revenues are those directly generated by a function or activity of the LVCVA. For example, the cost of operating and maintaining the Las Vegas Convention Center (LVCC) is reported in the Operations function, as well as the LVCVA transportation systems of the Las Vegas Monorail, a seven-stop, 3.9-mile elevated transportation system along the east side of the Las Vegas Strip, with stations at MGM Grand, Bally's/Paris, Flamingo/Caesars Palace, Harrah's/The LINQ, the LVCC, the Westgate, and the Sahara, in addition to the Las Vegas Convention Center Loop (Vegas Loop), an underground tunnel system which transports visitors to three on-campus stations near the South Hall, Central Hall, and West Hall. The Vegas Loop, furthermore, has officially opened the Resorts World passenger station. Revenues are generated as a direct result of the operation of the LVCC facilities in the form of building rental charges, concession sales, parking fees, Monorail ticket sales, and other charges to users of the facilities; the LVCC portion of the Vegas Loop is not revenue generating for the LVCVA.

The general revenue classification includes all room taxes and gaming fees and investment income because they are neither related to charges for program services nor restricted for use by a specific function. Clark County (the County) and the incorporated cities within the County, which includes Las Vegas, levy room tax on all transient lodging establishments, which is the LVCVA's primary source of revenue. All revenues that do not qualify as program revenues are reported as general revenues.

Total government-wide revenues for FY 2023 were \$511.1 million, a 23% increase compared to FY 2022.

	FY 2022	FY 2023	Increase (Decrease)	
			Amount	Percent
General revenues				
Room taxes and gaming fees	\$ 333,499,733	\$ 390,996,728	\$ 57,496,995	17%
Interest and investment earnings	(4,565,368)	7,847,636	12,413,004	272%
Other	1,524,329	8,970,151	7,445,822	488%
Total general revenue	330,458,694	407,814,515	77,355,821	23%
Program revenues				
Operations	82,874,176	93,270,422	10,396,246	13%
Marketing	1,575,194	8,410,272	6,835,078	434%
General government	1,555,545	1,558,221	2,676	0%
Total program revenues	86,004,915	103,238,915	17,234,000	20%
Total revenues	\$ 416,463,609	\$ 511,053,430	\$ 94,589,821	23%

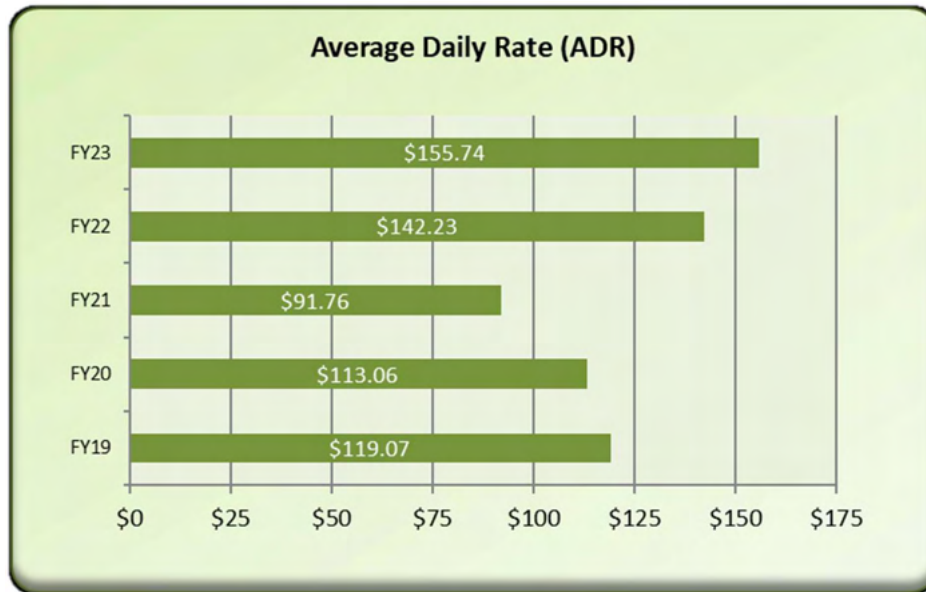
Government-wide room taxes and gaming fees totaled \$391.0 million during FY 2023, an increase of \$57.5 million. Room tax is affected by the number of lodging rooms available, occupancy rate, and average daily room rate (ADR). Room inventory in the County held almost flat, compared to FY 2022, while average occupancy percentage increased from 73.8% to 80.8% in FY 2023. ADR averaged \$155.74 in FY 2023, a 9.5% increase over the \$142.23 result in FY 2022. Although overall visitation for FY

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

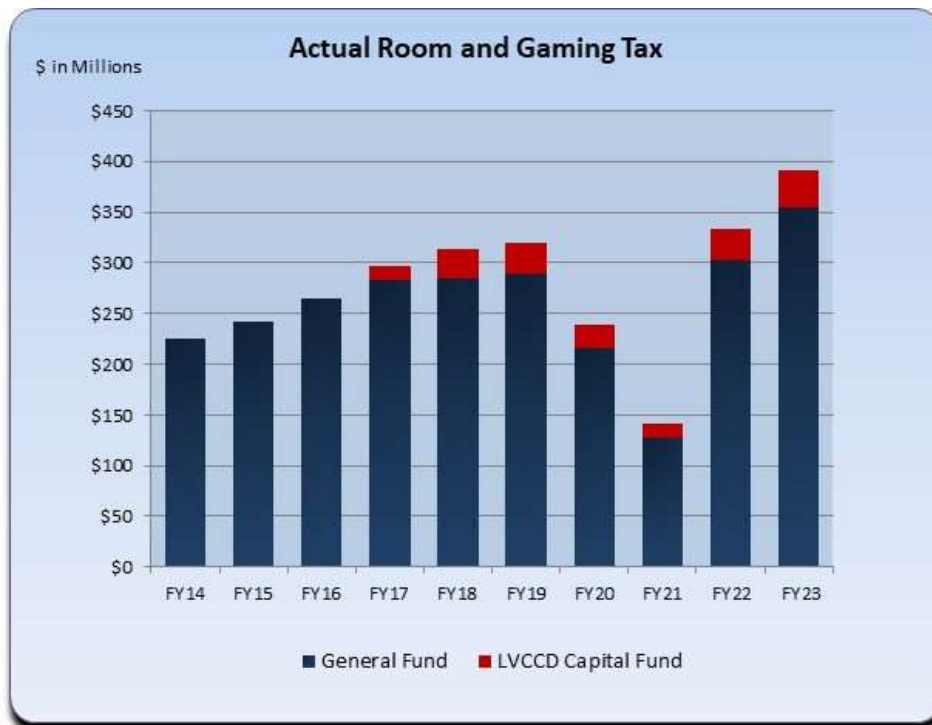
### Management's Discussion and Analysis

For the Year Ended June 30, 2023

2023 was still 3.9% below the FY 2019 high, the increase in both international and domestic travel continued the growth in room tax revenues from the start of the COVID-19 pandemic in FY 2020, due to increases in both occupancy rate and ADR.



The majority of room tax revenue and gaming fees was generated in Clark County, at \$355.8 million or 91%. The City of Las Vegas was the second-largest collector of room taxes and gaming fees, at \$22.6 million or 6%. The other incorporated cities of North Las Vegas, Henderson, Boulder City, and Mesquite combined to provide the remaining 3%.



The room tax rate in Clark County averages 10.5% to 14% on lodging facilities, and such rate can only be modified by the action of the Nevada State Legislature.



# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

In general, room tax rates for hotel room rentals in Clark County are as follows:

4% - 5%	LVCVA - General Fund
0.5%	LVCVA – LVCCD Capital Fund
0.0% - 0.88%	Las Vegas Stadium Authority
1.625%	Clark County School District - Capital Projects
0% - 2%	City/County (collecting entities jurisdiction) - General Fund
1%	Clark County - County transportation tax
0.375%	State General Fund – a portion of the proceeds are allocated to tourism
2% - 3%	State of Nevada - education and other state programs

Interest and investment earnings increased \$12.4 million, or 272%, over the prior period, primarily due to increased investment value on June 30, 2023, and higher market interest rates throughout FY 2023. As the LVCVA's investment policy is to hold investments until maturity, this value is a temporary snapshot in time indicator, but it is not the maturity value of the investment. Other revenue is significantly up due to a one-time payment of \$7 million related to a terminated land sale.

FACILITY OPERATIONS					
	FY 2022	FY 2023	Increase (Decrease)		
			Amount	Percent	
Charges for services	\$ 62,743,443	\$ 68,116,214	\$ 5,372,771	9%	
Expense	69,573,491	80,708,057	11,134,566	16%	
Net proceeds/(expense)	\$ (6,830,048)	\$ (12,591,843)	\$ (5,761,795)	-84%	

Program revenues for Operations increased \$5.4 million, or 9%, compared to the prior year, mainly due to the increases in ancillary revenues, including catering and concessions and contractor's services. While the total number of tradeshow and events in the LVCVA decreased slightly due to annual show rotation, number of attendees increased approximately 26% in FY 2023 compared to the previous year. Total expenses to operate the facility were \$80.7 million, including depreciation and amortization, an increase of 16% compared to FY 2022. The increase is primarily due to the actuarial adjustments to both the public employees' retirement system (PERS) and other post-employment benefits (OPEB) liabilities, salaries and benefits costs related to filling vacant positions, and rate increases for power consumption.

TRANSPORTATION SERVICES					
	FY 2022	FY 2023	Increase (Decrease)		
			Amount	Percent	
Charges for services	\$ 20,130,733	\$ 25,154,208	\$ 5,023,475	25%	
Expense	26,615,124	28,887,129	2,272,005	9%	
Net proceeds/(expense)	\$ (6,484,391)	\$ (3,732,921)	\$ 2,751,470	42%	

Transportation services consist of the Las Vegas Monorail and the LVCC Loop. Program charges for services of the Las Vegas Monorail increased 25%, resulting from increased ridership, as well as a fare increase. The LVCC Loop system is complementary for users within the campus and does not generate revenues for the LVCVA. Total expenses for Transportation were \$28.9 million, including depreciation and amortization, an increase of 9% compared to FY 2022. The increase in expenditures is due to increased management fees and other costs associated with the increased usage and operation of these systems.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

**EXPENSES**

Total government-wide expenses by function were as follows:

	FY 2022	FY 2023	Increase (Decrease)	
			Amount	Percent
General government	\$ 12,702,896	\$ 16,378,099	\$ 3,675,203	29%
Marketing:				
Advertising	75,768,693	92,491,982	16,723,289	22%
Marketing and sales	13,236,041	24,084,803	10,848,762	82%
Special events grants	25,892,489	23,624,955	(2,267,534)	-9%
Operations:				
Facility operations	69,573,491	80,708,057	11,134,566	16%
Transportation services	26,615,124	28,887,129	2,272,005	9%
Community support and grants:				
Other community support	25,702,631	24,922,739	(779,892)	-3%
Interest and fiscal charges	63,849,552	68,547,648	4,698,096	7%
	<b>\$ 313,340,917</b>	<b>\$ 359,645,412</b>	<b>\$ 46,304,495</b>	<b>15%</b>

The LVCVA increased advertising, marketing, and sales spending during FY 2023, to support and bolster the recovery and growth of tourism. Special events grants decreased 9%, compared to the previous year, as the cyclical payments for some special events decreased in FY 2023, such as Professional Bull Riders and NFL related events.

Operations expenses were \$80.7 million in FY 2023, including depreciation and amortization, an increase of 16% compared to FY 2022. The increase is primarily due to the actuarial adjustments to both the PERS and OPEB liabilities, salaries and benefits costs related to filling vacant positions, and significant rate increases for power consumption. Transportation costs increased 9%, compared to FY 2022, due to increased management fees and other costs associated with the higher usage and operation of the Las Vegas Monorail and the LVCC Loop.

Other community support expenses consist of what is known as the collection allocation, a 10% return of the total room taxes and gaming fees to the county and incorporated cities for their licensing, collection, and enforcement efforts provided by Nevada Revised Statutes.

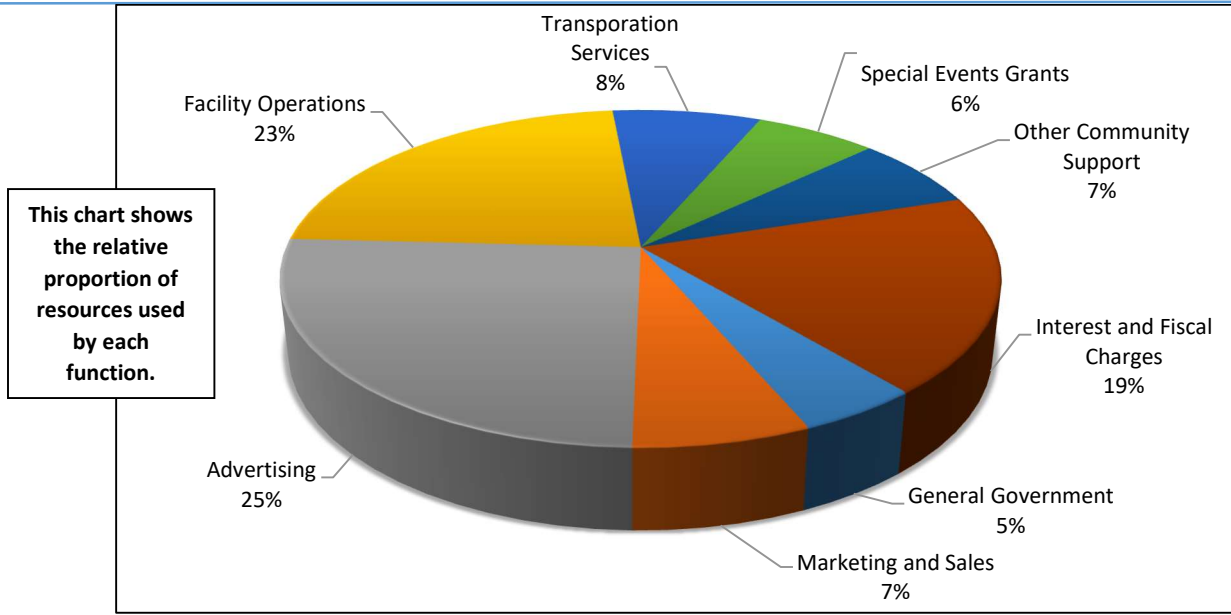
The collection allocation calculation excludes revenues generated from room taxes enabled under Senate Bill 1 (SB1) of the 2016 Nevada Special Legislative Session, which is restricted to the LVCCD expansion and renovation project. Additionally, SB1 imposed a collection allocation cap of \$25.0 million on total room taxes and gaming fees, on a modified accrual basis, eligible to be distributed to the collecting entities. Any funds above the cap are transferred to, and restricted in, the LVCCD Capital Fund.

The increase in interest and fiscal charges relates directly to the issuance of new bonds and the structure of annual debt payments.

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Management's Discussion and Analysis

For the Year Ended June 30, 2023



## OVERALL FINANCIAL POSITION

The LVCVA continued to demonstrate strong financial results in FY 2023, with a \$151.4 million improvement in overall net position. While the LVCVA budgeted a 3.7% increase in room tax and a 1.1% increase in the use of facilities from FY 2022 in anticipation of a continued, but moderate, growth in domestic travel and convention attendance, FY 2023 exceeded those estimates with an actualized 20.4% increase in room tax and 12.9% increase in facility use. This increase is due to higher than anticipated growth in the travel industry in the post-pandemic economy. Citywide, visitor volume increased 8.7% and convention attendance increased 34.5% in FY 2023 compared to FY 2022. This higher revenue was the main driver behind the overall improvement in net position.

The LVCVA's debt coverage ratio remains more than double the 1.5 times minimum coverage required by bond covenants and exceeds the 3.0 times coverage required by internal policy. Management 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 levels. Such an approach allows the LVCVA the ability to react swiftly to changing conditions and sustain operations during challenging periods. 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 General Fund's ending fund balance increased \$42.1 million during FY 2023. The LVCVA originally budgeted a \$1.8 million increase in fund balance; however, higher-than-anticipated revenues, combined with expenditure management, resulted in a larger increase to fund balance.

In the LVCCD Capital Fund, the LVCVA issued two series of bonds during the fiscal year, with a par value totaling \$150.0 million and an issuance premium of \$13.9 million. In addition to the LVCCD Capital Fund SB1 room tax revenue funding, there was a \$55.0 million transfer budgeted from the General Fund for "pay-as-you-go reserves" to the LVCCD Capital Fund, and a \$5.6 million transfer budgeted for the excess collection allocation above the \$25.0 million distributed to collecting entities in the original FY 2023 budget. Budget augmentation from higher-than-anticipated beginning fund balance from FY 2022 rollover, allowed an additional \$10.0 million transfer from the General Fund for "pay-as-you-go reserves" to the LVCCD Capital Fund. Moreover, there was an actualized transfer of \$10.5 million from the General Fund to the LVCCD Capital Fund for the excess



## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Management's Discussion and Analysis

For the Year Ended June 30, 2023

collection allocation. All of these contributed to an increase in fund balance by \$211.3 million instead of the original budget of \$170.7 million.

LVCCD Debt Service Fund balance increased \$8.9 million, mainly due to the required set asides for July annual debt payments, which included payments on the new debt issued during the fiscal year.

The fund balance in the Capital Projects Fund increased \$21.3 million. This is primarily due to the fund transfer from the General Fund in support of the capital projects, as part of a mid-year augmentation because of higher-than-anticipated beginning fund balance from FY 2022 rollover.

The Debt Service Fund's ending fund balance increased \$4.9 million, due the required set asides for July annual debt payments.

	General Fund	LVCCD Capital Fund	LVCCD Debt Service Fund	Capital Projects Fund	Debt Service Fund
Fund balance - beginning	\$ 84,007,202	\$ 142,488,226	\$ 19,914,437	\$ 63,027,931	\$ 39,825,614
Fund balance - ending	126,086,238	353,810,413	28,829,055	84,297,067	44,768,351
Change	\$ 42,079,036	\$ 211,322,187	\$ 8,914,618	\$ 21,269,136	\$ 4,942,737
Percent change	50.1%	148.3%	44.8%	33.7%	12.4%

### GENERAL FUND BUDGETARY HIGHLIGHTS

The FY 2023 General Fund budget projected a 3.7% increase in room tax revenues, based on the assumption that the improving trend in FY 2022 would continue in FY 2023. During the fiscal year, due to more visitors than anticipated, as well as higher ADR and occupancy rate, actual room tax revenues performed better than budget and ended the year up 20.4% compared to FY 2022.

The final budget for FY 2023 projected an ending General Fund balance of \$45.8 million, or 16.8% of operating expenditures. The ending General Fund balance actualized at \$126.1 million, an improvement of \$80.3 million over the final budget, due to increased revenues, along with managed expenditures.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

The following tables summarize the changes in both revenues and expenditures budget:

<b>GENERAL FUND CHANGES IN BUDGETED REVENUES AND TRANSFERS</b>				
	Original Budget		Revisions	Final Budget
Room taxes and gaming fees	\$	306,200,000	\$ -	\$ 306,200,000
Charges for service		60,050,800	-	60,050,800
Transportation services		21,000,000	-	21,000,000
Interest and other		12,411,900	-	12,411,900
Transfers in		130,000	-	130,000
Proceeds from sale of capital assets		25,000	-	25,000
	\$	399,817,700	\$ -	\$ 399,817,700

<b>GENERAL FUND CHANGES IN BUDGETED EXPENDITURES AND TRANSFERS</b>				
	Original Budget		Revisions	Final Budget
General government	\$	20,464,500	\$ -	\$ 20,464,500
Marketing:				
Advertising		94,000,000	1,490,000	95,490,000
Marketing and sales		34,564,300	(1,490,000)	33,074,300
Special events grants		27,528,275	-	27,528,275
Operations		71,169,200	-	71,169,200
Community support:				
Other community support		25,000,000	-	25,000,000
Transfers out		125,328,878	40,000,000	165,328,878
	\$	398,055,153	\$ 40,000,000	\$ 438,055,153

Actual General Fund revenues, transfers in, and proceeds from the sale of capital assets totaled \$461.6 million, which was \$61.8 million higher than the final budget, mainly due to the higher room tax revenue than the budgetary estimate. Actual General Fund expenditures and uses totaled \$419.5 million, approximately \$18.5 million less than the final budget. Due to the higher-than-expected revenue result in FY 2022, the LVCVA was able to increase "pay-as-you-go" funding for the Capital Projects Fund and the LVCCD Capital Fund but simultaneously hold steady on division expenditures. These results are largely due to conservative budgeting practices, which are based on the strategy of budgeting revenues cautiously while budgeting expenditures aggressively, as well as adjusting expenditure use during the year, as revenues are received and compared to the budget to ensure the financial integrity of the LVCVA.

**CAPITAL ASSETS**

Investment in capital assets, as of June 30, 2023, totaled \$1.75 billion (net of accumulated depreciation and amortization), a slight increase compared to FY 2022. Net capital assets additions totaled \$44.4 million, mainly due to the continuation and the progress of LVCCD Phase Three project. Depreciation and amortization expense for the year was approximately \$44.0 million.

Capital asset activity is accounted for in both the Capital Projects Fund and the LVCCD Capital Fund. More detailed information on capital assets can be found in Note 5 on page 36.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Management's Discussion and Analysis

For the Year Ended June 30, 2023

CAPITAL ASSETS				
(net of depreciation and amortization)				
	June 30, 2022	June 30, 2023	Increase (Decrease)	
			Amount	Percent
Land	\$ 501,372,859	\$ 501,372,859	-	0%
Intangibles	100,000	100,000	-	0%
Construction in progress	36,713,201	69,335,502	32,622,301	89%
Buildings	1,127,949,089	1,101,595,434	(26,353,655)	-2%
Leased Buildings	787,732	473,387	(314,345)	-40%
Leased Software	-	458,611	458,611	100%
Transportation Systems	65,881,361	63,069,627	(2,811,734)	-4%
Improvements other than buildings	6,605,390	5,337,880	(1,267,510)	-19%
Furniture and equipment	9,530,094	8,088,491	(1,441,603)	-15%
	<b>\$ 1,748,939,726</b>	<b>\$ 1,749,831,791</b>	<b>\$ 892,065</b>	<b>0%</b>

## LONG-TERM DEBT

On June 30, 2023, the LVCVA's debt, including unamortized discounts and premiums, totaled \$1.8 billion. Of this amount, \$775.7 million are general obligation bonds additionally secured by specified revenue sources, \$952.3 million are revenue bonds, and \$21.2 million are medium-term bonds.

	General Obligation Bonds Principal Balance	Revenue Bonds Principal Balance	Medium Term Bonds Principal Balance	Unamortized Premiums and Discounts	Total
(In Thousands)					
Beginning balance	\$ 783,040	\$ 815,030	\$ 21,300	\$ 78,247	\$ 1,697,617
Payments/retirements and amortization	(7,345)	(12,770)	(100)	(7,501)	(27,716)
New issuances	-	150,000	-	13,896	163,896
Ending balance	<b>\$ 775,695</b>	<b>\$ 952,260</b>	<b>\$ 21,200</b>	<b>\$ 84,642</b>	<b>\$ 1,833,797</b>

In addition, some of the LVCVA's long-term debt obligations are subject to restrictive debt covenants. The LVCVA has committed to maintaining adequacy of charges against users of the Las Vegas Convention Center, but not necessarily all users thereof. The LVCVA is required to set rentals, fees, and other charges to produce a defined term of pledged revenues and expansion pledged revenues (revenue including the SB1 pledge) to pay, each fiscal year, the annual defined operation and maintenance expense of the Authority's facilities, which, together, are 1.25x the annual principal and interest requirements on the LVCVA's outstanding bonds, and other amounts required under the related bond resolutions.

In September 2022, the LVCVA issued \$136,820,000 Series 2022B Tax Exempt Revenue bonds and \$13,180,000 Series 2022C Taxable Revenue Bonds for the purpose of LVCCD Phase Three project. The 2022B Bonds have true interest cost of 4.19%, with a final installment date of July 1, 2049. Net proceeds totaled \$150,000,151, including a \$13,896,125 premium and net of \$715,974 in underwriting fees and other issuance costs. The 2022C Bonds have true interest cost of 4.19%, with a final installment date of July 1, 2026. Net proceeds totaled \$13,110,261, including \$69,739 in underwriting fees and other issuance costs. The 2022B and 2022C Bonds are included in the summary schedule of pledged revenue bonds.

FY 2023 pledged revenues and expansion pledged revenues are \$427.3 million and \$478.5 million, respectively, which are inclusive of facility revenues (as defined in bond documents) of \$65.9 million. Defined operation maintenance expense is \$65.5 million. The LVCVA coverage ratio on June 30, 2023, is 3.6x (and 4.2x including expansion pledged revenues). As a result of the sustained growth in travel and tourism along with resilience and strength of the U.S. economy, the LVCVA has budgeted revenues to comply with the coverage ratios in the bond resolutions for the fiscal year ended June 30, 2024.

More detailed information on debt can be found in Note 8 on pages 39 through 44.

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Management's Discussion and Analysis

For the Year Ended June 30, 2023

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#### INTERNAL SERVICE FUND

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An Internal Service Fund is used to accumulate resources, through discretionary transfers from the General Fund, and the eventual allocation of those resources for payments related to post-employment benefits other than pensions, on a cost-reimbursement basis, as required by NRS 354.543. The LVCVA intends to use these assets for future OPEB funding, and starting in FY 2023, this fund received \$503 thousand in charges for services, which were paid out for retiree benefit costs. Discretionary net transfers since FY 2013 total \$2.3 million. Annual funding considerations include biannual actuarial studies, among other factors and conditions.

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#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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Southern Nevada has substantially recovered from the pandemic. Although visitor volume and the convention attendance in FY 2023 were still behind pre-pandemic levels, they are quickly moving closer to FY 2019 records, and visitor spend exceeds pre-pandemic levels. Inflationary impacts remain an important consideration in all expenditure categories.

Room tax, the LVCVA's major source of revenue, is budgeted to be 1.1% lower than FY 2023. This projection was based on anticipated fiscal year 2022 final room tax numbers at the time of budgeting and assumes a flattening of growth. Additionally, management has budgeted use of facilities to be 12.5% lower than FY 2023, based on the LVCVA's schedules of large tradeshow and events that differ from year to year.

As of the beginning of the 2nd quarter in FY 2024, the economy remains resilient with a healthy travel industry job market, and low unemployment rate, with interest rate and other consumer pressures creating potential economic pressures.

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#### ADDITIONAL FINANCIAL INFORMATION

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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 Chief Financial Officer  
3150 Paradise Road  
Las Vegas, NV 89109  
(702) 892-2990  
Or, please visit our website at:  
[www.lvcva.com/funding-and-finance/](http://www.lvcva.com/funding-and-finance/)

## **BASIC FINANCIAL STATEMENTS**

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### **Government-Wide**



**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

Statement of Net Position - Governmental Activities

June 30, 2023

<b>Assets:</b>	
Cash and cash equivalents	\$ 78,885,850
Investments	531,775,150
Receivables:	
Room taxes and gaming fees receivable	63,254,527
Accounts receivable	17,925,412
Interest	1,339,713
Prepaid and other items	10,446,312
Lease Receivable, current	921,589
Lease Receivable, non-current	1,852,743
Capital and intangible assets:	
Non-depreciable	570,808,361
Depreciable, net of accumulated depreciation and amortization	1,179,023,430
Total assets	<u>2,456,233,087</u>
<b>Deferred outflows of resources:</b>	
Deferred charges on refunding	8,975,204
Deferred resources related to pensions	45,281,049
Deferred resources related to post-employment benefits other than pensions	8,782,451
Deferred asset retirement obligation	12,478,746
Total deferred outflows of resources	<u>75,517,450</u>
<b>Liabilities:</b>	
Accounts payable	22,465,722
Retention payable	614,627
Accrued payroll and related items	3,843,499
Due to other governments	6,106,599
Deposits	497,579
Unearned revenue	1,520,116
Interest payable	37,767,991
Workers compensation presumptive	362,707
Noncurrent liabilities:	
Due within one year:	
Leases and SBITAs payable	524,595
Bonds payable	38,123,000
Compensated absences payable	3,351,022
Due in more than one year:	
Leases and SBITAs payable	336,727
Bonds payable, net of unamortized discounts and premiums	1,795,673,824
Compensated absences payable	2,459,344
Post-employment benefits other than pensions	29,603,518
Net pension liability	68,076,494
Pollution remediation obligation	1,910,500
Asset retirement obligation	16,275,108
Arbitrage liability	640,215
Total liabilities	<u>2,030,153,187</u>
<b>Deferred inflows of resources:</b>	
Deferred resources related to leases receivable	2,644,485
Deferred resources related to pension	33,964,824
Deferred resources related to post-employment benefits other than pensions	27,270,079
Total deferred inflow of resources	<u>63,879,388</u>
<b>Net position:</b>	
Net investment in capital assets	306,512,453
Restricted for:	
Debt service	43,069,434
LVCCD capital project	151,393,787
LVCCD debt service	28,829,055
Other purposes	72,526
Unrestricted deficit	(92,159,293)
Total net position	<u>\$ 437,717,962</u>

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

Statement of Activities - Governmental Activities

For the Year Ended June 30, 2023

Function/Program	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 16,378,099		\$ 1,558,221	\$ (14,819,878)
Marketing:				
Advertising	92,491,982		7,000,000	(85,491,982)
Marketing and sales	24,084,803	1,410,272	-	(22,674,531)
Special events grants	23,624,955	-	-	(23,624,955)
Operations:				
Facility operations	80,708,061	68,116,214	-	(12,591,847)
Transportation services	28,887,129	25,154,208	-	(3,732,921)
Community support and grants:				
Other community support	24,922,739	-	-	(24,922,739)
Interest and fiscal charges	68,547,648	-	-	(68,547,648)
Total governmental activities	<u>\$ 359,645,416</u>	<u>\$ 94,680,694</u>	<u>\$ 8,558,221</u>	<u>(256,406,501)</u>
General revenues:				
Room taxes and gaming fees				390,996,728
Interest and investment earnings				7,847,636
Other				8,970,151
Total general revenues				<u>407,814,515</u>
Change in net position				151,408,014
Net position - beginning				286,309,948
Net position - ending				<u>\$ 437,717,962</u>

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

## **BASIC FINANCIAL STATEMENTS**

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### **Governmental Funds**

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

Balance Sheet - Governmental Funds

June 30, 2023

	General Fund	LVCCD Capital Fund	LVCCD Debt Service Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>						
Cash and cash equivalents	\$ 7,057,479	\$ -	\$ 28,830,149	\$ -	\$ 42,998,222	\$ 78,885,850
Investments	92,130,322	335,933,358	389,734	98,648,066	2,517,542	529,619,022
Receivables:						
Room taxes and gaming fees	57,368,276	5,886,251	-	-	-	63,254,527
Accounts	15,517,623	-	-	2,407,789	-	17,925,412
Leases	2,774,332	-	-	-	-	2,774,332
Interest	266,033	670,544	95,710	151,278	153,603	1,337,168
Due from other funds	901,933	17,043,788	-	8,451	-	17,954,172
Prepaid and other items	9,376,425	894,045	-	175,842	-	10,446,312
Total assets	<u>\$ 185,392,423</u>	<u>\$ 360,427,986</u>	<u>\$ 29,315,593</u>	<u>\$ 101,391,426</u>	<u>\$ 45,669,367</u>	<u>\$ 722,196,795</u>
<b>Liabilities:</b>						
Accounts payable	\$ 14,994,319	\$ 3,629,638	\$ -	\$ 3,841,765	\$ -	\$ 22,465,722
Retention payable	-	281,116	-	333,511	-	614,627
Accrued payroll and related items	3,843,499	-	-	-	-	3,843,499
Due to other governments	3,479,459	-	-	-	-	3,479,459
Due to other funds	6,055,326	-	486,538	10,511,293	901,015	17,954,172
Customer deposits	497,579	-	-	-	-	497,579
Unearned revenue	1,520,116	-	-	-	-	1,520,116
Total liabilities	<u>30,390,298</u>	<u>3,910,754</u>	<u>486,538</u>	<u>14,686,569</u>	<u>901,015</u>	<u>50,375,174</u>
<b>Deferred inflows of resources:</b>						
Leases receivable	2,644,485	-	-	-	-	2,644,485
Unavailable revenue	26,271,402	2,706,817	-	2,407,789	-	31,386,008
Total deferred inflows of resources	<u>28,915,887</u>	<u>2,706,817</u>	<u>-</u>	<u>2,407,789</u>	<u>-</u>	<u>34,030,493</u>
<b>Fund balances:</b>						
Nonspendable	9,376,425	894,045	-	175,842	-	10,446,312
Restricted	72,526	151,393,787	28,829,055	13,020,989	43,069,435	236,385,792
Committed	20,869,130	201,522,581	-	67,565,745	1,698,916	291,656,372
Assigned	27,000,000	-	-	3,534,491	-	30,534,491
Unassigned	68,768,157	-	-	-	-	68,768,157
Total fund balances	<u>126,086,238</u>	<u>353,810,413</u>	<u>28,829,055</u>	<u>84,297,067</u>	<u>44,768,351</u>	<u>637,791,124</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 185,392,423</u>	<u>\$ 360,427,984</u>	<u>\$ 29,315,593</u>	<u>\$ 101,391,425</u>	<u>\$ 45,669,366</u>	<u>722,196,791</u>
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)						1,749,831,791
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						28,978,219
Other revenue - earned but unavailable						2,407,789
Pension and OPEB related deferred outflows of resources, as well as certain amounts related to bond refunding and asset retirement obligations are not financial resources and, therefore, are not reported in the funds:						
Deferred outflows of resources related to charges on refunding						8,975,204
Deferred outflows of resources related to pensions						45,281,049
Deferred outflows of resources related to post-employment benefits other than pensions						8,782,451
Deferred asset retirement obligation						12,478,746
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.						2,158,673
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds:						
Accrued compensated absences						(5,810,366)
Due to other governments - other community support						(2,627,140)
Post-employment benefits other than pensions						(29,603,518)
Net effect of difference in the treatment of long-term debt and related items (See Note 2)						(1,872,426,133)
Pollution remediation obligation						(1,910,500)
Net pension liability						(68,076,494)
Asset retirement obligation						(16,275,108)
Presumptive liability, workers compensation						(362,707)
Presumptive arbitrage liability						(640,215)
Pension and OPEB related deferred outflows of resources are not due and payable in the current period, and, therefore, are not reported in the funds:						
Deferred inflows of resources related to pensions						(33,964,824)
Deferred inflows of resources related to post-employment benefits other than pensions						(27,270,079)
Net position, governmental activities						<u>\$ 437,717,962</u>

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2023

	General Fund	LVCCD Capital Fund	LVCCD Debt Service Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Revenues:</b>						
Room taxes and gaming fees	\$ 355,324,940	\$ 36,529,040	\$ -	\$ -	\$ -	\$ 391,853,980
Charges for services	69,456,004	-	-	-	-	69,456,004
Interest and investment earnings	968,003	5,031,066	470,582	1,136,997	890,386	8,497,034
Transportation services	25,154,208	-	-	-	-	25,154,208
Intergovernmental revenues (grant)	7,000,000	-	-	-	-	7,000,000
Federal grant subsidy	1,558,221	-	-	-	-	1,558,221
Other	684,406	7,034,204	-	1,251,541	-	8,970,151
Total revenues	<u>460,145,782</u>	<u>48,594,310</u>	<u>470,582</u>	<u>2,388,538</u>	<u>890,386</u>	<u>512,489,598</u>
<b>Expenditures:</b>						
Current:						
General government	17,320,029	-	-	-	-	17,320,029
Marketing:						
Advertising	92,491,982	-	-	-	-	92,491,982
Marketing and sales	24,735,165	-	-	-	-	24,735,165
Special events grants	23,624,955	-	-	-	-	23,624,955
Operations						
Facility operations	42,573,189	-	-	-	-	42,573,189
Transportation services	22,744,302	-	-	-	-	22,744,302
Community support and grants:						
Other community support	25,000,000	-	-	-	-	25,000,000
Other						
Capital outlay	575,535	26,517,869	-	20,369,402	-	47,462,806
Debt service:						
Principal	220,073	-	1,100,000	-	19,115,000	20,435,073
Interest	16,440	-	39,785,226	-	31,421,571	71,223,237
Debt issuance costs	-	853,611	-	-	-	853,611
Total expenditures	<u>249,301,670</u>	<u>27,371,480</u>	<u>40,885,226</u>	<u>20,369,402</u>	<u>50,536,571</u>	<u>388,464,349</u>
Excess (deficiency) of revenues over (under) expenditures	<u>210,844,112</u>	<u>21,222,830</u>	<u>(40,414,644)</u>	<u>(17,980,864)</u>	<u>(49,646,185)</u>	<u>124,025,249</u>
<b>Other financing sources (uses):</b>						
Transfers in	869,956	76,004,080	49,800,848	39,250,000	55,458,878	221,383,762
Transfers out	(170,241,372)	(49,800,848)	(471,586)	-	(869,956)	(221,383,762)
Proceeds from the sale of assets	30,805	-	-	-	-	30,805
Issuance of capital lease obligation	575,535	-	-	-	-	575,535
Issuance of debt	-	150,000,000	-	-	-	150,000,000
Premium on debt issuance	-	13,896,125	-	-	-	13,896,125
Total other financing sources (uses)	<u>(168,765,076)</u>	<u>190,099,357</u>	<u>49,329,262</u>	<u>39,250,000</u>	<u>54,588,922</u>	<u>164,502,465</u>
Fund balances - beginning	84,007,202	142,488,226	19,914,437	63,027,931	39,825,614	349,263,410
Fund balances - ending	<u>\$ 126,086,238</u>	<u>\$ 353,810,413</u>	<u>\$ 28,829,055</u>	<u>\$ 84,297,067</u>	<u>\$ 44,768,351</u>	<u>\$ 637,791,124</u>

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in

Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2023

Net change in fund balances - total governmental funds		\$ 288,527,714
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)	\$ 44,886,102	
Depreciation and amortization expense, including disposed assets	(43,994,036)	892,066
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Consists of unavailable revenues from room taxes and gaming fees and miscellaneous receipts.		(786,769)
The issuance of long-term debt ( <i>i.e.</i> , 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	(150,000,000)	
Issuance of lease and SBITA obligations	(575,535)	
Premium on debt issuance	(13,896,125)	
Amortization of debt premiums and discounts	7,501,037	
Amortization of refunding charges	(649,020)	
Accrued interest expense	(3,322,823)	
Lease and SBITA principal payments	526,859	
Debt principal repayments	20,215,000	(140,200,607)
Change in expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds.		
Compensated absences	(11,315)	
Post-employment benefits other than pensions	4,732,167	
Deferred inflows of resources related to post-employment benefits other than pensions	(1,735,203)	
Deferred outflows of resources related to post-employment benefits other than pensions	(518,943)	
Net pension liability	(53,387,777)	
Deferred inflows of resources related to pensions	21,062,690	
Deferred outflows of resources related to pensions	34,681,117	
Pollution remediation	289,000	
Asset retirement obligation	(1,603,998)	
Long-term presumptive liability, workers compensation	40,009	
Arbitrage liability	(640,215)	
Due to other governments for collection allocation distribution	77,261	2,984,793
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.		(9,183)
Change in net position of governmental activities		\$ 151,408,014

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



## **BASIC FINANCIAL STATEMENTS**

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### **Proprietary Fund**

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

Statement of Net Position

Proprietary Fund

June 30, 2023

	Governmental Activities
	Internal Service
	Fund
Assets:	
Current assets:	
Investments	\$ 2,156,128
Interest receivable	2,545
Total assets	<u>2,158,673</u>
Net position:	
Unrestricted	<u>\$ 2,158,673</u>

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Statement of Revenues, Expenses, and Change in Net Position  
Proprietary Fund  
For the Year Ended June 30, 2023

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	Governmental Activities
	Internal Service Fund
Operating revenues:	
Charges for services	\$ 503,617
Total operating revenues	<u>503,617</u>
Operating expenses:	
Services and benefits	<u>503,617</u>
Total operating expenses	<u>503,617</u>
Nonoperating revenues:	
Interest and investment earnings	<u>(9,183)</u>
Total nonoperating expenses	<u>(9,183)</u>
Change in net position	(9,183)
Net position - beginning	<u>2,167,856</u>
Net position - ending	<u><u>\$ 2,158,673</u></u>

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

Statement of Cash Flows

Proprietary Fund

For the Year Ended June 30, 2023

	Governmental Activities
	Internal Service Fund
Cash flows from operating activities:	
Charges for services	\$ 503,617
Cash paid for services and benefits	(503,617)
Net cash provided by operating activities	-
Cash flows from investing activities:	
Interest on investments	\$ 24,795
Deposits into investments	(24,795)
Net cash used in investing activities	-
Net change in cash and cash equivalents	-
Cash and cash equivalents, beginning	\$ -
Cash and cash equivalents, ending	\$ -
Noncash investing and financing activities	
Change in fair value of investments	\$ (35,015)

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

## **BASIC FINANCIAL STATEMENTS**

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### **Notes to the Financial Statements**

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# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

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### 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 terms 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 is led by the Chief Executive Officer/President. 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 has been charged with the promotion of tourism, as well as to own, operate, and promote recreation and convention facilities within Clark County (the County) for the benefit of the local economy.

#### 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 provide information to financial statement users about 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 food and beverage sales, parking revenue, transportation ride tickets, and commissions from electrical, plumbing, and telecommunication services.

Room taxes and gaming fees and other items not restricted for use in a specific program or function are reported 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. Net position is reported as restricted when constraints have been placed on it by an external party (such as creditors, grantors, or other governments) or imposed by law through a constitutional provision or enabling legislation. When both restricted resources and other resources can be used for the same purposes, the LVCVA financial management policy considers restricted resources to be spent first.

*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 fiscal year (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 maintained is 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 LVCCD Capital Fund is used to account for the construction of new facilities and improvement of the existing facilities related to the Las Vegas Convention Center District (LVCCD) project. The LVCCD Debt Service Fund accounts for principal and interest payments on debt, with an additional pledge of legislatively restricted revenues for the LVCCD



# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements

For the Year Ended June 30, 2023

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project. The Capital Projects Fund is used to account for the acquisition and improvement of routine capital assets and related improvements. Servicing of all other long-term debt obligations is recorded in the Debt Service Fund.

*Proprietary fund financial statements* 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 revenues 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.

### 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 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. Major revenue sources that may be accrued include room taxes, gaming fees, facility revenues, charges for services, transportation services, interest and investment earnings, and miscellaneous.

*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, generally within 90 days of year end; however, room tax and gaming fee revenue are considered available when collected within 30 days of year end. Major revenue sources that may be accrued include room taxes, gaming fees, facility revenues, charges for services, transportation services, and interest and investment earnings. 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 governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, the statements include reconciliations that explain the differences between the net change in fund balances of governmental funds using a modified accrual basis and the change in government-wide governmental activities using a full accrual basis and between total fund balances and net position.

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 Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance of each major fund, as defined by GAAP, and any other fund the government determines to have particular importance, are presented separately.

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, contractor commissions, and transportation ride tickets also provide a large amount of General Fund revenue. The primary expenditures are for advertising, marketing, and operation of the facilities.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

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### *LVCCD Capital Fund*

- Accounts for project costs related to LVCCD Phases Two and Three of the expansion and renovation project. This fund accounts for transfers from the General Fund and tax revenues enacted and restricted by the Nevada legislature.

### *LVCCD Debt Service Fund*

- This fund is used to accumulate monies for the payment of principal and interest for debt, which has a pledge of LVCVA revenues, including those restricted by the Nevada Legislature for Phases Two and Three of the LVCCD project. Due to the qualitative significance of the project for the destination and related funding to users of the financial statements, this fund is separately presented as a major fund. The fund accounts for the following debt activity:

2018 A General Obligation Bonds	2018 B Revenue Bonds
2019 C General Obligation Bonds	2019 D Taxable General Obligation Bonds
2022 B Revenue Bonds	2022 C Taxable Revenue Bonds

### *Capital Projects Fund*

- Accounts for capital expenditures on furniture, equipment, intangibles, and routine 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 other governments.

### *Debt Service Fund*

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

2010 A (NDOT/BABs) General Obligation Bonds	2014 General Obligation Bonds
2015 General Obligation/Refunding Bonds	2016 C Revenue Refunding Bonds
2017 General Obligation Refunding Bonds	2017 B Revenue Refunding Bonds
2017 C General Obligation Crossover Refunding Bonds	2018 C Revenue Refunding Bonds
2019 B Revenue Bonds	2020 Medium Term Bonds
2021 Revenue Bonds	2022 General Obligation/Refunding Bonds

The LVCVA reports the following proprietary fund:

### *Internal Service Fund*

- Used to accumulate resources, through discretionary transfers from the General Fund, and the eventual allocation of those resources for payments related to post-employment benefits other than pensions on a cost-reimbursement basis as required by NRS 354.543.

## **DEPOSITS AND INVESTMENTS**

Cash and cash equivalents are defined as demand deposit accounts, petty cash, cash in ticket vending machines, money market demand accounts, and certificates of deposit 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 mutual funds, certificates of deposit, repurchase agreements (REPOs), Nevada State Treasurer's Local Government Investment Pool (LGIP), collateralized investment contracts, and any other investment which may be authorized by State statute. The LVCVA's policy also governs the limitations as to the percentage of each type of investment held and its term to maturity, which cannot exceed ten years.

The LVCVA's investments are generally reported at fair value; 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 earnings the change in fair value along with any realized gains or losses.

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

#### RECEIVABLES AND PAYABLES

Transactions between funds that are outstanding at year end are reported as “due to/from other funds” within the fund financial 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; other revenues are considered measurable and available when collected within 90 days after year end. Revenues received after these periods are classified as deferred inflows in governmental fund financial statements.

Receivables are evaluated for collectability at least annually and reported net of any significant amounts not expected to be collected.

#### PREPAID ITEMS AND INVENTORY

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Inventory is primarily comprised of promotional items and is recorded at cost, determined using the first-in/first-out (FIFO) method. In the fund financial statements, the costs of promotional inventory and prepaid items are recorded as expenditures when consumed rather than when purchased.

#### CAPITAL ASSETS

Capital assets, which include property, equipment, leases, subscription software, 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 recorded at their acquisition value on the date contributed. Lease assets are recorded at the net present value of the future minimum lease payments, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. 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.

Depreciation and amortization on exhaustible assets and intangibles are recorded in the Statement of Activities, while accumulated depreciation and amortization is reflected in the Statement of Net Position. Depreciation and amortization are computed on a straight-line basis over the following estimated useful lives. Intangible assets with indefinite lives are not amortized but, rather, are evaluated at least annually for continued compliance with applicable requirements. Lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

ASSET DESCRIPTION	USEFUL LIFE (YEARS)
Buildings	50
Improvements - improvements other than building include major land improvements, leasehold improvements, and building improvements. Leasehold improvements are limited to the shorter of useful life or lease term.	5-20
Furniture/fixtures and the following equipment items: 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.	5-15
Equipment items in the following categories: camera equipment, cleaning equipment, copiers, MATV (communications) equipment, mowers, refuse equipment, mobile sound equipment, tools, turnstiles, vehicles, and other equipment.	5-15
Computers, printers, and software	3
Transportation systems	10
Leased buildings	3-5
Subscription software	1-6

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

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

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The LVCVA classifies an item as a capital asset when its estimated useful life is at least one year and meets one of the following thresholds:

- Property and equipment with unit acquisition cost exceeding \$10,000.
- Intangibles (e.g., trademarks, patents, logos, easements, and internally generated software) with an acquisition cost equal to or exceeding \$200,000.

#### **LEASES**

Lease assets are defined as contracts that convey control of the right to use another entity's nonfinancial asset (land, building, vehicle, and/or equipment), as specified in the contract, for a period of time, in an exchange-like transaction.

If LVCVA is a lessee, both a lease liability and a lease capital asset are recognized at the commencement of the lease term, unless the lease is a short-term lease (12 months or less), or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

If the LVCVA is a lessor, a lease receivable and a deferred inflow of resources are recognized at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The LVCVA does not derecognize the asset underlying the lease. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

#### **SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)**

For the year ended June 30, 2023, the LVCVA adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB No. 96). Implementation of this standard established revised accounting and financial reporting for all SBITAs. A SBITA, which includes software contracts, is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, as specified in the contract, for a period of time exceeding 12 months, in an exchange-like transaction.

Right to use subscription SBITA assets are recognized at the subscription commencement date and represent LVCVA's right to use the underlying IT asset for the subscription term. Right to use SBITA assets are measured at the present value of the subscription payments expected to be made during the subscription term, plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use SBITA assets are amortized over the subscription term using the straight-line method.

#### **COMPENSATED ABSENCES**

It is the LVCVA's policy to permit employees to accumulate earned but unused paid time off (PTO) benefits. Executive, Management, and Professional employees can accrue up to a maximum of 900 hours of PTO. Annually, accrued hours over the 900-hour cap are paid at 25% of the employee's hourly rate. There is no accrual cap for bargaining unit employees' PTO. Bargaining unit employees with a minimum PTO balance of 500 hours are allowed to request up to 100 hours of future PTO accrual to be paid out in the next calendar year, at their current rate of pay. All PTO is accrued within the government-wide statements when earned by the employee.

#### **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 a net pension liability and related amounts in its financial statements. The underlying financial information used to calculate amounts to be reported in the LVCVA's financial statements is based on PERS financial statements, which are prepared in accordance with GAAP that apply to governmental accounting for pension plans. This includes measuring net pension liability, deferred outflows of resources, deferred inflows of resources, 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

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements

For the Year Ended June 30, 2023

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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.

#### **POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

The LVCVA actuarially determined deferred inflows, deferred outflows, liabilities, and expense in the government-wide financial statements related to LVCVA's OPEB obligation at a defined measurement date. The LVCVA's OPEB liability is measured as a portion of the present value of projected benefit payments to be provided to current active and inactive employees that are attributed to those employees' current and past periods of service. These amounts can be reduced by a plan's assets when such assets are held by a qualifying trust. These projected benefits are then discounted to their actuarial present value using defined actuarial methods.

The LVCVA uses an internal service fund to provide funding for the OPEB liability. Transfers to the Internal Service Fund do not constitute OPEB plan assets for actuarial reporting, as they are not held in a qualified trust. Rather, the funds are an earmarking of employer assets to reflect the LVCVA's current intent to apply those assets to the payment of future benefits and, therefore, do not offset or reduce the recorded OPEB liability.

Benefit payments are recognized by the LVCVA when due and payable, in accordance with benefit terms.

#### **DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

In addition to assets, the LVCVA also reports deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Unamortized deferred refunding charges (the difference between the reacquisition price and the net carrying amount of the defeased debt) qualify for reporting in this category, as do certain deferred costs related to pensions and OPEB, and the asset retirement obligation related to the monorail.

In addition to liabilities, the LVCVA also reports deferred inflows of resources. This separate financial statement element represents an acquisition of net assets 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 do certain deferred amounts related to pensions, OPEB, and leases receivable.

#### **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 and discounts are recorded and amortized over the life of the bonds using the effective interest method; however, bond issuance costs are expensed as incurred and reported as debt service expenditures (*i.e.*, a component of interest and fiscal charges). For debt refunding transactions resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as either a deferred outflow or inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized in the fiscal year incurred. Bond proceeds and premiums received on debt issuances are reported as other financing sources, while discounts on debt issuance are reported as other financing uses.

Lease liabilities represent LVCVA's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a borrowing rate determined by LVCVA.

SBITA liabilities represent LVCVA's obligation to make subscription payments arising from a software subscription contract. SBITA liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments is discounted based on a borrowing rate determined by LVCVA.

Both lease liabilities and SBITA liabilities have been combined in presentation on the Statement of Net Position.



# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

### 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.

### NEW ACCOUNTING PRONOUNCEMENTS ADOPTED DURING FY 2023

Statement No. 91, *Conduit Debt Obligations*, was issued in May 2019. The intent of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. With the issuance of Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* in May 2020, due to the COVID-19 pandemic, this statement was implemented in FY 2023, but as the LVCVA currently does not have conduit debt, there is no effect on the LVCVA financial statements in the reporting fiscal year.

Statement No. 92, *Omnibus 2020*, was issued in January 2020. The intent of this Statement is to provide further guidance and clarification on previously issued Statements No. 73, No. 74, No. 84, and No. 87. With the issuance of Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* in May 2020, due to the COVID-19 pandemic, this statement was implemented in FY 2023, but there is no effect on the LVCVA financial statements in the current fiscal year. An element of this statement relating to asset retirement obligation was early implemented in FY 2021.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued in March 2020. The intent of this Statement is to improve financial reporting by addressing issues related to public-private partnerships, as well as availability payment arrangements. This statement was implemented in FY 2023, but, as the LVCVA currently does not have any public-private or public-public partnerships nor any availability payment arrangements, there is no effect on the LVCVA financial statements in the reporting fiscal year.

Statement No. 96, *Subscription-Based Information Technology Arrangements*, was issued in May 2020. The intent of this Statement is to provide financial reporting guidance on subscription-based information technology arrangements (SBITAs). The LVCVA adopted GASB No. 96 in FY 2023. This statement requires software subscriptions to be measured using the facts and circumstances that existed at the beginning of the implementation period. As a result of implementing this standard, LVCVA recognized a right to use asset and lease liability of \$777,892 and \$575,535, respectively, as of July 1, 2022. The difference of \$202,357 was expensed as part of the implementation. As a result of these adjustments, there was no effect on beginning net position. The additional disclosures required by this standard are included in Note 7.

Statement No. 99, *Omnibus 2022*, was issued in April 2022. The intent of this Statement is to provide further guidance and clarification on previously issued Statements No. 53, No. 87, No. 94, and No. 96, as well as various other clarifications. This statement was implemented in FY 2023, however there is no effect on the LVCVA financial statements in the reporting fiscal year.

See Note 3 for the list of accounting pronouncements to be adopted after FY 2023.

### 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 position – 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 \$1,749,831,791 difference are as follows:

Depreciable and amortizable capital and intangible assets	\$ 1,595,253,416
Accumulated depreciation and amortization	(416,229,986)
Depreciable and amortizable capital and intangible assets, net	1,179,023,430
Non-depreciable and non-amortizable capital and intangible assets	570,808,361
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	\$ 1,749,831,791



## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

Another element of that reconciliation is long-term debt and related items, including bonds, deferred refunding charges, and accrued interest that is 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 \$1,872,426,137 difference are as follows:

Bonds payable, due in more than one year	\$	1,711,032,000
Unamortized bond premiums and discounts		84,641,824
Total bonds payable, net of unamortized discounts and premiums due in more than one year		1,795,673,824
Bonds payable, due within one year		38,123,000
Lease and SBITA obligation, due within one year		524,595
Lease and SBITA obligation, due in more than one year		336,727
Interest payable		37,767,991
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$	1,872,426,137

### NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

#### BUDGETARY INFORMATION

Budgets for all of the LVCVA's governmental and proprietary funds are adopted annually and prepared using a presentation basis consistent with GAAP. Requests for current-year transfers and following-year appropriations are submitted by divisions and sections for review and approval. As required by 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 budget hearing, the public has the opportunity to review the tentative budget document and submit any comments for inclusion on the agenda of the public hearing. The budget hearing is held no earlier than the third Monday in May and no later than the last day of May. 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 generally 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 NRS. Three types of budget transfers are permitted by NRS:

- Functional budget transfers are defined as transfers within the same function (*i.e.* general government, marketing, operations, and community support) and same fund (*i.e.* General Fund, Capital Projects Fund). Transfers of \$250,000 or less can be approved by the Chief Financial Officer; else, the CEO/President's approval is required.
- Intrafund 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.
- Interfund or contingency budget transfers are defined as transfers between different funds and require approval of the Board.

Augmentations to increase total appropriations are accomplished by formal Board action. During the year, funds were re-appropriated to honor encumbrances that lapsed on June 30, 2022. All amendments made to the original budget were as prescribed by law.

#### NET POSITION

The government-wide Statement of Net Position utilizes a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets is total capital assets, less the

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements

For the Year Ended June 30, 2023

related debt outstanding that applies to the acquisition, construction, or improvement of capital assets. This is adjusted for unspent debt proceeds, if any.

Restricted assets are assets that have externally imposed (statutory, bond covenant, contract, or grantor) limitations on their use. Restricted assets are classified and reported by restriction for debt service, capital projects, or purpose. Assets restricted by purpose relate to net position which use is legally limited by outside parties for a specific purpose. The restriction for debt service represents assets legally restricted by statute or bond covenants for future debt service requirements of both principal and interest. The amount restricted for capital projects consists of unspent debt proceeds with third-party restriction for use on specific projects or programs or legislative mandate for capital use. The government-wide statement of net position reports \$223,364,802 of restricted net position, all of which is restricted externally by third parties.

Unrestricted net position represents financial resources of the LVCVA that do not have externally imposed limitations on their use. On June 30, 2023, the LVCVA is reporting an unrestricted net position deficiency of \$92,159,293 which is primarily related to the LVCVA's issuance of \$300 million in debt (\$231.3 million outstanding at year end) on behalf of the Nevada Department of Transportation for construction and improvements in the tourism corridor before fiscal year 2023, which are not recorded as assets of the LVCVA.

### NEW ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

The LVCVA staff is currently evaluating the potential effects, if any, that the following GASB pronouncements will have on the LVCVA's future financial reporting:

Statement No. 99, *Omnibus 2022*, was issued in April 2022. The intent of this Statement is to provide further guidance and clarification on previously issued Statements No. 53, No. 87, No. 94, and No. 96, as well as various other clarifications related to Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and terminology used in resource flows statements. In FY 2022 and FY 2023, the LVCVA implemented the portion related to all sections of Statement No. 99 except Statement No. 53, which will be evaluated for implementation in FY 2024.

Statement No. 100, *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*, was issued in June 2022. The intent of this Statement is to enhance the requirements for reporting accounting changes and error corrections in Statement No. 53. The LVCVA will further evaluate Statement No. 100 and will implement this Statement in FY 2024.

Statement No. 101, *Compensated Absences*, was issued in June 2022. The intent of this Statement is to enhance requirements for reporting liabilities associated with different types of compensated absences. The LVCVA will further evaluate Statement No. 101 and will implement this Statement in FY 2025.

### NOTE 4. CASH AND INVESTMENTS

The LVCVA maintains cash and investments for each of its funds. On June 30, 2023, cash and investments are displayed in the Statement of Net Position and governmental funds balance sheet as "cash and cash equivalents" and "investments" and in the Internal Service Fund Statement of Net Position as "cash and cash equivalents" and "investments," as applicable. Cash-on-hand consists of both imprest funds for in-person parking and ticket sales, as well as the cash in ticket vending machines related to the monorail transportation system.

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

Cash and cash equivalents:	
Cash on hand	\$ 236,760
Deposits in bank	78,649,090
	<u>78,885,850</u>
Investments (U.S. Treasuries, U.S. Agencies, and LGIP)	531,775,150
	<u>\$ 610,661,000</u>

At year end, the LVCVA's carrying amount of deposits was \$78,649,090, and the bank balance was \$78,885,850. In addition, the LVCVA had the following investments:

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

According to	<u>Investments by Maturities</u>				Accrued	Total Value
	Original Cost	Fair Value	Less than 1 Year	1 - 5 Years	Interest	
U.S. Treasuries	\$ 199,462,104	\$ 194,113,990	\$ 86,824,960	\$ 107,289,030	\$ 143,760	\$ 194,257,750
U.S. Agencies	101,732,736	100,382,720	58,324,700	42,058,020	568,521	100,951,241
Commercial Paper	89,798,109	89,798,109	89,798,109	-	-	89,798,109
Certificates of Deposit	10,000,000	9,994,500	9,994,500	-	-	9,994,500
LGIP	105,763,232	105,467,142	105,467,142	-	627,432	106,094,574
Total	\$ 506,756,181	\$ 499,756,461	\$ 350,409,411	\$ 149,347,050	\$ 1,339,713	\$ 501,096,174

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 deposit. NRS specifically requires collateral for all demand deposits and that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to the LVCVA's allowable investments described below, except that NRS allows securities issued by municipalities within the State.

### 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.

Per the LVCVA's investment policy, custodial credit risk for deposits is managed by ensuring that they are fully covered by the federal depository insurance or collateralized by securities. This is currently accomplished by use of the State's Pooled Collateral Program, which monitors collateral maintained by depositories for local government agency deposits. This program provides for centralized processing and management of all pledging and maintenance of collateral by the State Treasurer's Office, rather than each local agency, and eliminates the need for the LVCVA to establish separate custodial agreements with each financial institution. The State Treasurer requires that acceptable securities pledged as collateral be maintained at 102% of those entities' deposits participating in the pool and that the pledged securities be held by a third party for the benefit of the State Treasurer.

The Local Government Investment Pool (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. 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.

### CONCENTRATION OF CREDIT RISK

NRS and the LVCVA's investment policy limits investment instruments by credit risk. Any LVCVA investment in commercial paper must 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, are allowed per NRS. On June 30, 2023, all investments in Treasury Bills and Commercial Paper were rated A-1, P-1, or better. For all applicable rated federal agency and treasury note securities, each investment was rated Aaa, AA+, or better, on June 30, 2023. The LGIP does not have a credit rating.

To mitigate credit risk, the LVCVA's investment policy limits total investment (which includes overnight accounts included in cash equivalents). Limits for each category are as follows: U.S. Agencies and U.S. Treasuries to 100%, LGIP to 50%, repurchase agreements to 40%, and bankers' acceptances, commercial paper, certificates of deposit, and money market mutual funds to 25% of the entire portfolio, calculated at the time of investment. As of June 30, 2023, the LVCVA's investments were diversified at 38.8% in U.S. Treasuries, 20.1% in U.S. Agencies, 21.1% in LGIP, and 20.0% in Commercial Paper and Certificates of Deposit.

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

The LVCVA's investment in U.S. Agencies was comprised of securities issued by the Federal Home Loan Bank (49.1%), the Federal Farm Credit Bank (39.9%), and the Federal National Mortgage Association (11.0%).

#### INTEREST RATE RISK

Per the LVCVA's investment policy, exposure to the declines in fair value due to changing interest rates is managed by limiting the maturities of its investments to ten 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 during periods of interest volatility.

#### FAIR VALUE DETERMINATION:

GASB defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, the inputs used to measure fair value are prioritized based on a three-level hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The LVCVA reports five types of investments: Federal Agency securities, U.S. Treasuries, Commercial Paper, Certificates of Deposit, and LGIP (as applicable).

Except for LGIP, LVCVA tracks its investments on an investment-by-investment basis and, because of this and the similarity of the investments, reports them in aggregate based upon recurring third-party values using a market approach with matrix pricing.

Therefore, these investments, which totaled \$394,289,319 on June 30, 2023, are classified as Level 2:

<b>Fund</b>	<b>Level 2</b>
General Fund	\$ 41,792,048
Internal Service Fund	1,796,480
Capital Projects Fund	76,726,551
LVCCD Capital Fund	273,974,240
Total	<u>\$ 394,289,319</u>

LGIP is an investment pool with multiple types of investments being reported at fair value, determined by availability of market pricing. The following is a summary of the estimated fair value by fund:

<b>Fund</b>	<b>Total</b>
General Fund	\$ 50,103,409
Internal Service Fund	344,481
Capital Projects Fund	21,889,167
LVCCD Capital Fund	30,222,810
Debt Service Fund	2,517,541
LVCCD Debt Service Fund	389,734
	<u>\$105,467,142</u>

#### FOREIGN CURRENCY LOSS

The LVCVA pays some of its foreign office expenses in the currency in which they were made. As a result, the foreign currency exchange loss in FY 2023 was \$65 thousand or 3.0% of the total foreign currency expenses.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**Notes to the Financial Statements**

**For the Year Ended June 30, 2023**

**NOTE 5. CAPITAL ASSETS:**

Capital asset activity for the year ended June 30, 2023, was as follows:

Description	Balance at June 30, 2022	Increases	Decreases	Balance at June 30, 2023
Capital assets not being depreciated or amortized:				
Land	\$ 501,372,859	\$ -	\$ -	\$ 501,372,859
Intangibles	100,000	-	-	100,000
Construction in progress	36,713,201	42,619,748	(9,997,447)	69,335,502
Total capital assets not being depreciated or amortized	<u>538,186,060</u>	<u>42,619,748</u>	<u>(9,997,447)</u>	<u>570,808,361</u>
Capital assets being depreciated or amortized:				
Buildings	1,429,048,373	10,072,028	-	1,439,120,401
Transportation systems	71,180,357	750,000	-	71,930,357
Intangibles	736,688	-	-	736,688
Leased buildings	1,102,077	-	-	1,102,077
Subscription software	-	777,891	-	777,891
Improvements other than buildings	53,863,233	79,583	-	53,942,816
Furniture and equipment	27,536,216	584,298	(477,328)	27,643,186
Total capital assets being depreciated or amortized	<u>1,583,466,944</u>	<u>12,263,800</u>	<u>(477,328)</u>	<u>1,595,253,416</u>
Accumulated depreciation or amortization:				
Buildings	(301,099,284)	(36,425,683)	-	(337,524,967)
Transportation systems	(5,298,996)	(3,561,734)	-	(8,860,730)
Intangibles	(736,688)	-	-	(736,688)
Leased buildings	(314,345)	(314,345)	-	(628,690)
Subscription software	-	(319,280)	-	(319,280)
Improvements other than buildings	(47,257,843)	(1,347,093)	-	(48,604,936)
Furniture and equipment	(18,006,122)	(2,025,901)	477,328	(19,554,695)
Total accumulated depreciation or amortization	<u>(372,713,278)</u>	<u>(43,994,036)</u>	<u>477,328</u>	<u>(416,229,986)</u>
Net capital assets being depreciated or amortized	<u>1,210,753,666</u>	<u>(31,730,236)</u>	<u>-</u>	<u>1,179,023,430</u>
Governmental activities				
Capital assets, net	<u>\$ 1,748,939,726</u>	<u>\$ 10,889,512</u>	<u>\$ (9,997,447)</u>	<u>\$ 1,749,831,791</u>

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

General Government	\$ 323,491
Marketing	362,930
Operations	43,307,615
	<u>\$ 43,994,036</u>

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

### NOTE 6. INTERFUND TRANSACTIONS:

The following schedule details the amounts due from/to other funds on June 30, 2023:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service Fund	\$ 901,015
General Fund	Capital Projects Fund	918
Capital Projects Fund	General Fund	8,451
LVCCD Capital Fund	General Fund	6,046,875
LVCCD Capital Fund	Capital Projects Fund	10,510,375
LVCCD Capital Fund	LVCCD Debt Service Fund	486,538
		<u>\$ 17,954,172</u>

Interfund balances result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, and (4) interest on investments in the two debt service funds is earned and transferred back to the General Fund and LVCCD Capital Fund.

Transfers (1) move revenues from collecting fund, as required by statute or budget, to the expenditure fund, as required by that statute or budget, (2) move receipts restricted to debt service from the collecting funds to the respective debt service funds as debt service payments become due, and (3) use unrestricted General Fund revenues to finance various programs within other funds, in accordance with budgetary authorizations.

The transfers from the General Fund to LVCCD Capital Fund and Capital Projects Fund funded the construction of the future administrative offices and continuing work on the LVCCD Phase Three project. Both the transfers from LVCCD Capital Fund to LVCCD Debt Service Fund and General Fund to Debt Service Fund finance semiannual debt service payments. For the year ended June 30, 2023, transfers between funds were as follows:

	Transfer In	Transfers Out			
		General Fund	Debt Service Fund	LVCCD Capital Fund	LVCCD Debt Service Fund
General Fund	\$ 869,956	\$ -	\$ 869,956	\$ -	\$ -
LVCCD Capital Fund	76,004,080	75,532,494	-	-	471,586
LVCCD Debt Service Fund	49,800,848	-	-	49,800,848	-
Capital Projects Fund	39,250,000	39,250,000	-	-	-
Debt Service Fund	55,458,878	55,458,878	-	-	-
	<u>\$ 221,383,762</u>	<u>\$ 170,241,372</u>	<u>\$ 869,956</u>	<u>\$ 49,800,848</u>	<u>\$ 471,586</u>

### NOTE 7. LEASES:

#### LVCVA LEASE OBLIGATIONS

To assist with selling the Las Vegas destination throughout the Midwest and Eastern corridor, the LVCVA leased office space in both Chicago, Illinois and Washington, D.C. The lease in Chicago commenced on July 1, 2015, expiring March 31, 2026. For FY 2023, the LVCVA paid \$7,149 in monthly rent, and the total principal and interest costs were \$78,637. In addition, the LVCVA paid \$74,618 in common area maintenance and property tax charges in FY 2023. Monthly lease payments increase 3% on each anniversary of the commencement date. The lease in Washington, D.C. commenced on January 1, 2015, expiring July 31, 2024. For FY 2023, the LVCVA paid \$20,574 in monthly rent for the first six months and \$21,089 in monthly rent for the remaining six months, and the total principal and interest costs were \$249,978. In addition, the LVCVA paid \$157,636 in common area maintenance and property tax charges in FY 2023. Monthly lease payments increase 2.5% on each anniversary of the commencement date. On July 1, 2022, the value of leased office space was \$787,731; with \$314,345 amortized during the year, resulting in a net book value on June 30, 2023, of \$219,195 and \$254,191 for the Chicago office lease and the Washington, D.C. office lease, respectively, and the accumulated amortization was \$159,415 and \$469,276 for Chicago and Washington, D.C., respectively. Lease liabilities represent LVCVA's obligation to make lease payments arising from the lease.



## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on an implicit borrowing rate determined by the LVCVA.

In FY 2020, the LVCVA entered into a \$382,432 lease for computer equipment. The lease commenced February 1, 2020, and expired January 31, 2023; therefore, the lease was retired in FY 2023.

The remaining principal and interest payment requirements for the LVCVA's lease obligations, as of June 30, 2023, are as follows:

Fiscal Year	Principal	Interest	Total Payments
2024	\$ 329,237	\$ 15,348	\$ 344,585
2025	107,562	5,063	112,625
2026	69,063	1,243	70,306
	<u>\$ 505,862</u>	<u>\$ 21,654</u>	<u>\$ 527,516</u>

#### LVCVA LEASES RECEIVABLE

The LVCVA leases land and other building space to cellular communications companies for the purpose of building and maintaining cellular towers. The lease for the cellular tower on E. Desert Inn Rd. commenced on January 13, 1995, expiring January 13, 2028. The lease of the cellular tower within the LVCVA monorail station commenced October 1, 2013, expiring September 30, 2028. For FY 2023, the LVCVA received \$73,946 (\$57,060 principal and \$16,886 interest) in total lease revenue, plus an additional \$2,094 in variable rent increases.

The LVCVA leases land for purposes of operating a police substation to serve the Las Vegas strip and resort corridor. The lease commenced in 2007, with a duration of 15 years. An additional 15-year renewal is reasonably certain, the lease extension is currently being negotiated, and the substation was recently renovated and expanded; thus, the total lease term is 30 years, expiring November 30, 2037. In FY 2023, the LVCVA received \$87,512 (\$47,806 principal and \$39,705 interest) in total lease revenue, plus an additional \$5,042 in variable rent increases.

The LVCVA leases space within the LVCC monorail station for various use of the premises, including advertising and naming rights. The lease commenced March 1, 2022, with a duration of two years. An additional eight-year renewal is not reasonably certain and requires agreement by both parties. In FY 2023, the LVCVA received \$600,000 in total lease revenue, plus an additional \$66,926 in operating cost reimbursements.

The LVCVA subleases its office space in Chicago, Illinois. The lease commenced on September 1, 2022, with an expiration of March 31, 2026. The first nine months of rent were abated, with monthly payments beginning June 1, 2023. In FY 2023, the LVCVA received \$7,750 in total lease revenue.

The LVCVA leases space for purposes of operating a copying, printing, and mailing services. The lease commenced on December 1, 2022, with an expiration of November 30, 2025. For FY 2023, the LVCVA received \$211,050 (\$191,200 in principal and \$19,850 in interest) in total lease revenue.

Leases receivable are recorded by LVCVA as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Leases receivable are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received is discounted based on the implied interest rate the LVCVA charges the lessee.

The total remaining principal and interest receipts for the LVCVA's leases receivable, as of June 30, 2023, are as follows:

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

## Notes to the Financial Statements

For the Year Ended June 30, 2023

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Payments</b>
2024	\$ 921,589	\$ 98,434	\$ 1,020,023
2025	555,477	68,820	624,297
2026	345,847	46,744	392,591
2027	130,792	38,360	169,152
2028	128,454	32,667	161,121
2029-2033	340,717	112,465	453,182
2034-2038	351,456	35,057	386,513
	<u>\$ 2,774,332</u>	<u>\$ 432,547</u>	<u>\$ 3,206,879</u>

**LVCVA SUBSCRIPTION-BASED SOFTWARE OBLIGATIONS**

In FY 2023, the LVCVA implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, see Note 1.

This statement required that software arrangements be recognized and measured using the facts and circumstances that existed at the beginning of the period of implementation. Accordingly, SBITA liabilities for fiscal year 2023 were measured using the remaining agreement terms as of July 1, 2022, and based on the present value of future payments expected to be made during the subscription term. SBITA right-to-use assets were measured based on the SBITAs liabilities at the same date. The present value of SBITAs is discounted based on an implicit borrowing rate determined by the LVCVA.

The LVCVA has contracted with multiple information technology software vendors for software as a service (SaaS) solution, human resources and payroll/timecard tracking, digital signage displays, and contract bidding. As of June 30, 2023, the remaining principal and interest payment requirements for the SBITAs obligation are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Payments</b>
2024	\$ 195,358	\$ 9,787	\$ 205,145
2025	76,998	5,262	82,260
2026	40,168	3,332	43,500
2027	42,936	1,564	44,500
	<u>\$ 355,460</u>	<u>\$ 19,945</u>	<u>\$ 375,405</u>

**NOTE 8. LONG-TERM DEBT:**

The LVCVA issues general obligation (GO) and revenue bonds to fund land and other improvements, acquisition, and construction of capital assets consisting primarily of meeting and exhibit and support facilities at the Las Vegas Convention Center. Nine of the LVCVA's outstanding bonds are GO bonds of the County acting on behalf of the LVCVA. During FY 2023, two revenue bonds were issued for LVCCD Phase Three project.

The County acts as the guarantor of the LVCVA GO bonds, pursuant to GASB Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees. The GO 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. However, repayment of debt service on the GO bonds is not required by the LVCVA to Clark County if ad valorem taxes must be used. It has been the practice of the LVCVA never to use ad valorem taxes for debt service but, rather, to use only net pledged revenues derived from operations. In fiscal year 2023, General Fund room taxes and gaming fees of \$355.3 million were 3.9 times the amount necessary to pay the \$91.4 million of regular principal and interest payments for all LVCVA debt service payments. As of June 30, 2023, no ad valorem tax revenues have been allocated to the LVCVA for any purpose, including to guarantee debt payments. No change in this practice is contemplated in the future. In addition, the LVCVA, pursuant to legislative directive, previously provided \$300.0 million of funding to the NDOT for transportation projects and issued GO bonds in this regard (\$231.3 million principal outstanding on June 30, 2023). The capital assets acquired with this debt are not assets of LVCVA.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

The LVCVA also pledged additional revenue streams on debt related to the LVCCD Project. In October 2016, during a special session of the Nevada Legislature, Nevada Senate Bill 1 (SB1) enacted and authorized the LVCVA to use an additional 0.5% room tax revenues, as well as amounts in excess of an imposed cap of \$25.0 million on total non-SB1 room tax and gaming fees collection allocation, solely for the LVCCD Project. The Board authorized \$1,200 million in bonds to be issued for the LVCCD project and, of that, \$1,050.0 million has been issued in six series (\$1,048.8 million outstanding on June 30, 2023), with \$150.0 million of authorized bonds issued in fiscal year 2024. These bonds were issued for the LVCCD, and repayments are accounted for in the LVCCD Debt Service Fund. In FY 2023, the additional SB1 room tax totaled \$36.5 million. As of June 30, 2023, the SB1 pledge is utilized to make payments on \$1,048.8 million of the outstanding LVCVA debt.

### REVENUE BONDS

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

#### New Issuances

In September 2022, the LVCVA issued \$136,820,000 Series 2022B Tax Exempt Revenue bonds and \$13,180,000 Series 2022C Taxable Revenue Bonds for the purpose of LVCCD Phase Three project. The 2022B Bonds have true interest cost of 4.19%, with a final installment date of July 1, 2049. Net proceeds totaled \$150,000,151, including a \$13,896,125 premium and net of \$715,974 in underwriting fees and other issuance costs. The 2022C Bonds have true interest cost of 4.19%, with a final installment date of July 1, 2026. Net proceeds totaled \$13,110,261, net of \$69,739 in underwriting fees and other issuance costs. The 2022B and 2022C Bonds are included in the summary schedule of pledged revenue bonds.

The following is a summary of terms and balances for revenue bonds payable on June 30, 2023:

\$100,705,000 - 2016C Revenue Bonds due in annual installments through FY 2047. Semi-annual interest from 3 - 5%	\$ 95,090,000
\$71,005,000 - 2017B Revenue Bonds due in annual installments through FY 2041. Semi-annual interest from 3.25 - 5%	68,645,000
\$500,000,000 - 2018B Revenue Bonds due in annual installments through FY 2050. Semi-annual interest from 4 - 5%	499,000,000
\$80,000,000 - 2018C Revenue Bonds due in annual installments through FY 2049. Semi-annual interest from 4 - 5.25%	80,000,000
\$45,230,000 - 2019B Revenue Bonds due in annual installments through FY 2040. Semi-annual interest from 3 - 5%	40,950,000
\$23,615,000 - 2021 Revenue Bonds due in annual installments through FY 2027. Semi-annual interest 5%	18,575,000
\$136,820,000 - 2022B Revenue Bonds due in annuannual installments through FY 2050. Semi-annual interest 4 - 5.25%	136,820,000
\$13,180,000 - 2022C Revenue Bonds due in annuannual installments through FY 2027. Semi-annual interest 3.8 - 4.25%	13,180,000
	<u>\$ 952,260,000</u>

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY****Notes to the Financial Statements****For the Year Ended June 30, 2023****MEDIUM TERM BONDS**

The following is a summary of medium-term bonds payable, as of June 30, 2023:

\$21,500,000 - 2020 Medium Term Bonds due in annual installments through FY 2028. Semi-annual interest at 3.01%	21,200,000
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\$	<u>21,200,000</u>
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**GENERAL OBLIGATION BONDS**

The following is a summary of pledged general obligation bonds payable, as of June 30, 2023:

\$70,770,000 - 2010A (NDOT/BABs) Bonds due in annual installments through FY 2039. Semi-annual interest from 6.55 - 6.75%	\$ 70,770,000
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\$50,000,000 - 2014 General Obligation Bonds due in annual installments through FY 2044. Semi-annual interest from 2 - 5%	46,310,000
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\$181,805,000 - 2015 General Obligation Bonds due in annual installments through FY 2045. Semi-annual interest from 2 - 5%	101,745,000
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\$21,175,000 - 2017 General Obligation Bonds due in annual installments through FY 2039. Semi-annual interest from 3 - 5%	19,525,000
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\$126,855,000 - 2017C General Obligation Bonds due in annual installments through FY 2039. Semi-annual interest from 3 - 5%	122,425,000
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\$200,000,000 - 2018A General Obligation Bonds due in annual installments through FY 2048. Semi-annual interest from 3 - 5%	199,800,000
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\$132,565,000 - 2019C General Obligation Bonds due in annual installments through FY 2040. Semi-annual interest from 3 - 5%	132,565,000
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\$67,435,000 - 2019D General Obligation Bonds due in annual installments through FY 2045. Semi-annual interest from 3 - 5%	67,435,000
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\$15,355,000 - 2022 General Obligation Bonds due in annual installments through FY 2033. Semi-annual interest 1.96%	15,120,000
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\$	<u>775,695,000</u>
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# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

The following schedule summarizes all future interest and principal payments, as of June 30, 2023:

Year Ending June 30,	General Obligation / Pledged Revenue Bonds		Revenue Bonds		Medium Term		All Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 15,960,000	\$ 31,554,991	\$ 18,170,000	\$ 43,010,494	\$ 3,993,000	\$ 638,120	\$ 38,123,000	\$ 75,203,605
2025	16,665,000	30,736,891	18,990,000	42,130,030	4,113,000	517,931	39,768,000	73,384,852
2026	20,130,000	29,827,377	17,505,000	41,250,603	4,236,000	394,129	41,871,000	71,472,109
2027	21,880,000	28,794,992	18,370,000	40,372,156	4,364,000	266,626	44,614,000	69,433,774
2028	22,785,000	27,688,399	16,905,000	39,498,888	4,494,000	135,269	44,184,000	67,322,556
2029-2033	147,175,000	119,323,277	98,445,000	183,588,987	-	-	245,620,000	302,912,264
2034-2038	173,455,000	85,586,632	124,445,000	157,564,300	-	-	297,900,000	243,150,932
2039-2043	129,980,000	55,140,226	234,955,000	118,821,525	-	-	364,935,000	173,961,751
2044-2048	227,665,000	23,788,867	208,330,000	62,641,919	-	-	435,995,000	86,430,786
2049-2052	-	-	196,145,000	8,209,375	-	-	196,145,000	8,209,375
	<u>\$ 775,695,000</u>	<u>\$ 432,441,652</u>	<u>\$ 952,260,000</u>	<u>\$ 737,088,277</u>	<u>\$ 21,200,000</u>	<u>\$ 1,952,075</u>	<u>\$ 1,749,155,000</u>	<u>\$ 1,171,482,004</u>

### 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, when a government entity earns interest at a higher rate of return on tax-exempt bond funds than it pays on the debt, the excess difference may be required to be rebated to the United States Treasury (called “arbitrage”). The rebate is necessary for interest on the bonds to continue to qualify for exclusion from gross income for federal income tax purposes. Rebutable arbitrage is computed as of each installment computation date. As of the most recent such date, the LVCVA has recorded an FY 2023 liability of \$640,215. Future calculations could result in adjustments to this determination.

In addition, certain of the LVCVA’s long-term debt obligations are subject to restrictive debt covenants. The LVCVA has committed to maintaining adequacy of charges against users of the Las Vegas Convention Center, but not necessarily all users thereof. The LVCVA is required to set rentals, fees, and other charges to produce a defined term of pledged revenues and expansion pledged revenues (revenue including the SB1 pledge) to pay the annual defined operation and maintenance expense of the Authority’s facilities for each fiscal year, which together are 1.25x the annual principal and interest requirements on the LVCVA’s outstanding bonds, and other amounts required under the related bond resolutions.

FY 2023 pledged revenues and expansion pledged revenues are \$427,296,129 and \$478,490,094, respectively, which are inclusive of facility revenues (as defined by in bond documents) of \$65,855,045. Defined Operation maintenance expense is 65,529,992. The LVCVA’s June 30, 2023, coverage ratio is 3.6x (and 4.2x including expansion pledged revenues). Revenues are sufficient to comply with the coverage ratios in the bond resolutions for the fiscal year ended June 30, 2023.

### DEBT APPROVED BUT NOT YET ISSUED

In 2017, the Oversight Panel for Convention Facilities in Clark County and the LVCVA Board approved the issuance of up to \$900 million of bonds to complete Phase Two of the LVCCD Project. The \$900 million has been issued, and Phase Two of the LVCCD Project has been completed using SB1 resources, transfers from the General Fund, and debt proceeds.

In 2019, the Oversight Panel for Convention Facilities in Clark County and the LVCVA Board approved \$300 million in LVCVA revenue bonds associated with Phase Three of the LVCCD project. The LVCVA issued \$150 million of that available authorization in FY 2023, see New Issuances section in this note, and the final \$150 million in early FY 2024. See Note 15 for additional detail.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**Notes to the Financial Statements**

**For the Year Ended June 30, 2023**

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

	Interest Paid During the Year	Beginning Balance, July 1, 2022	Additions	Reductions	Ending Balance, June 30, 2023
<b>BONDS</b>					
General Obligation/Pledged Revenue Bonds					
2010A General Obligation Bond	\$ 4,721,166	\$ 70,770,000	\$ -	\$ -	\$ 70,770,000
2014 General Obligation Bond	1,939,374	47,525,000	-	(1,215,000)	46,310,000
2015 General Obligation Refunding Bond	4,298,625	104,425,000	-	(2,680,000)	101,745,000
2017 General Obligation Refunding Bond	731,194	20,370,000	-	(845,000)	19,525,000
2017C General Obligation Refunding Bond	4,938,900	124,695,000	-	(2,270,000)	122,425,000
2018A General Obligation Bond	8,000,000	199,900,000	-	(100,000)	199,800,000
2019C General Obligation Bond	5,051,950	132,565,000	-	-	132,565,000
2019D General Obligation Bond	2,157,603	67,435,000	-	-	67,435,000
2022 General Obligation Bond	200,844	15,355,000	-	(235,000)	15,120,000
Revenue Bonds					
2016C Revenue Refunding Bond	4,073,625	97,965,000	-	(2,875,000)	95,090,000
2017B Revenue Refunding Bond	3,063,675	71,005,000	-	(2,360,000)	68,645,000
2018B Revenue Refunding Bond	22,392,000	500,000,000	-	(1,000,000)	499,000,000
2018C Revenue Refunding Bond	3,807,213	80,000,000	-	-	80,000,000
2019B Revenue Bond	1,951,075	42,445,000	-	(1,495,000)	40,950,000
2021 Revenue Bond	1,054,750	23,615,000	-	(5,040,000)	18,575,000
2022B Revenue Bond	2,029,069	-	136,820,000	-	136,820,000
2022C Revenue Bond	154,604	-	13,180,000	-	13,180,000
Medium Term Bonds					
2020 Bond	641,130	21,300,000	-	(100,000)	21,200,000
Unamortized premiums and discounts	-	78,246,735	13,896,125	(7,501,037)	84,641,823
Subtotal Bonds	<u>71,206,797</u>	<u>1,697,616,735</u>	<u>163,896,125</u>	<u>(27,716,037)</u>	<u>1,833,796,823</u>
<b>OTHER LIABILITIES</b>					
Compensated absences	-	5,799,051	3,433,698	(3,422,383)	5,810,366
Lease and SBITA obligations	-	812,646	575,535	(526,859)	861,322
Postemployment benefits other					
than pensions	-	34,335,685	1,712,176	(6,444,343)	29,603,518
Net pension liability	-	14,688,717	57,535,318	(4,147,541)	68,076,494
Subtotal other liabilities	<u>-</u>	<u>55,636,099</u>	<u>63,256,727</u>	<u>(14,541,126)</u>	<u>104,351,700</u>
	<u>\$ 71,206,797</u>	<u>\$ 1,753,252,834</u>	<u>\$ 227,152,852</u>	<u>\$ (42,257,163)</u>	<u>\$ 1,938,148,523</u>

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements

For the Year Ended June 30, 2023

The portion of each long-term liability that is due in FY 2023 is shown below:

	Principal	Interest
<b>BONDS</b>		
General Obligation/Pledged Revenue Bonds		
2010A General Obligation Bonds	\$ 3,140,000	\$ 4,618,268
2014 General Obligation Bonds	1,280,000	1,876,999
2015 General Obligation Bonds	2,815,000	4,161,250
2017 General Obligation Bonds	890,000	687,819
2017C General Obligation Bonds	5,355,000	4,748,275
2018A General Obligation Bonds	100,000	7,995,000
2019C General Obligation Bonds	1,000,000	5,026,950
2019D Taxable General Obligation Bonds	-	2,157,603
2022 General Obligation Bonds	1,380,000	282,828
Revenue Bonds		
2016C Revenue Bonds	3,030,000	3,926,000
2017B Revenue Bonds	2,480,000	2,942,675
2018B Revenue Bonds	1,000,000	22,342,000
2018C Revenue Bonds	1,540,000	3,768,713
2019B Revenue Bonds	1,570,000	1,874,450
2021 Revenue Bonds	4,315,000	820,875
2022B Revenue Bonds	-	6,891,175
2022C Taxable Revenue Bonds	4,235,000	444,606
Medium Term Bonds		
2020 Bonds	3,993,000	638,120
	38,123,000	75,203,606
<b>OTHER LIABILITIES</b>		
Compensated absences	3,351,022	-
Lease and SBITA obligation	524,595	16,440
	\$ 41,998,617	\$ 75,220,046

The General Fund is normally used to liquidate compensated absences, leases and SBITAs, 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 property and commercial liability. For worker's compensation, the LVCVA is self-insured, with an excess insurance policy. For worker's compensation, the LVCVA is self-insured at a relatively low threshold per claim. For claims over the threshold, third-party coverage would take effect. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. Incurred but not reported (IBNR) claims have been accrued as a liability based on a variety of actuarial and statistical techniques.

In FY 2023, the LVCVA incurred claims totaling \$29,584, for workers compensation and general liability, combined, and made claims payments totaling \$69,593 for workers compensation and general liability, combined. As of June 30, 2023, the unpaid retained loss and allocated loss adjustment expense (ALAE) for worker's compensation exposures is estimated to be



## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

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\$242,387, of which \$156,669 is for IBNR claims. The unpaid retained loss and ALAE for general liability claims is estimated to be \$120,320, of which \$97,155 is for IBNR claims. The total unpaid retained loss and ALAE, inclusive of both workers compensation and general liability, as of June 30, 2023, is \$362,707.

#### **NOTE 10. EMPLOYEE RETIREMENT PLAN:**

##### **Plan Description**

The LVCVA participates in the Public Employees' Retirement System of Nevada. This is a cost-sharing, multiple-employer, defined benefit public employees' retirement system (the System or PERS), 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 the Public Employees' Retirement Board 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 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, and July 1, 2015. 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 before 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. For members entering the System on or after July 1, 2015, there is a 2.25% 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 with 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.

##### **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 30 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, at age 62 with 10 years of service, or any age with 30 years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 62 with 10 years of service, at age 55 with 30 years of service, or any age with 33 1/3 years of service. Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with 10 years of service, at age 50 with 20 years of service, or at any age with 25 years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, at age 50 with 20 years of service, or at any age with 30 years of service. Police/Fire entering the system on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, at age 50 with 20 years of service, and at any age with 33 1/3 years of service. Only service performed in a position as a police officer or firefighter may be counted towards 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 in 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 that did not elect the Employer-Pay Contribution (EPC) plan before 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.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY****Notes to the Financial Statements****For the Year Ended June 30, 2023**

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 life in order to accumulate sufficient assets to pay benefits when due. The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. The actuarial 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 are made in accordance with the actuarially required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

For the fiscal year ended June 30, 2023, the Statutory Employer/employee matching rate remained 15.50% for Regular and 22.75% for Police/Fire, which was unchanged from fiscal year ended June 30, 2022. The Employer-pay contribution (EPC) rate was 29.75% for Regular and 44.00% for Police/Fire, for the fiscal year ended June 30, 2023, also unchanged from fiscal year 2022. Contribution to the pension plan from the LVCVA was \$8,868,703 for the year ended June 30, 2023.

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

The employer-allocated 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, 2022, 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 0.37705%, higher than the 0.16107% allocated portion in the prior year. The LVCVA recorded a liability of \$68,076,494 for its portion of the net pension liability, as of June 30, 2023.

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	\$ 8,814,781	\$ 48,632
Change of assumptions	8,744,900	-
Net difference between projected and actual earnings on investments	830,576	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	22,465,371	33,916,192
LVCVA contributions subsequent to measurement date	4,425,421	-
	<u>\$ 45,281,049</u>	<u>\$ 33,964,824</u>

On June 30, 2022, the average expected remaining service life is calculated at 5.70 years.

Deferred outflows for contributions made by the LVCVA to PERS after the measurement date of the net pension liability but before the end of the LVCVA's fiscal year will be recognized as a reduction to net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in expense as follows:

Year end June 30,	
2024	\$ (1,352,819)
2025	(1,498,837)
2026	(1,319,449)
2027	7,365,996
2028	3,695,913
Thereafter	-

Included in accounts payable on June 30, 2023, the LVCVA had \$1,189,938 payable to PERS, equal to the required contribution for the month of June 2023, which was subsequently paid in accordance with applicable due dates in July and August 2023.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY****Notes to the Financial Statements****For the Year Ended June 30, 2023****Actuarial Assumptions**

The System's net pension liability was measured as of June 30, 2022, 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	2.50%
Payroll growth	3.50% for Regular and Police/Fire
Investment rate of return	7.25%
Discount rate	7.25%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20% to 9.10%, depending on service Police/Fire: 4.60% to 14.50%, depending on service, including inflation

On June 30, 2022, 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	0.07%	0.04%	43.4	47.1
50	0.35%	0.24%	33.2	36.7
60	0.72%	0.43%	23.7	26.9
70	1.80%	1.19%	15.2	17.8
80	5.71%	3.75%	8.1	10.0

Police/Fire Members				
	Mortality Rates		Expected Years of Life Remaining	
Age	Males	Females	Males	Females
40	0.07%	0.05%	44.2	47.3
50	0.21%	0.15%	33.9	36.9
60	0.57%	0.44%	24	26.9
70	1.76%	1.31%	15.3	17.9
80	5.65%	3.92%	8.2	10.2

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

- For pre-retirement members – Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables, projected generationally with the two-dimensional mortality improvement scale MP-2020.
- For healthy members – Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020. For ages less than 50, mortality rates are based on the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables.

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

- For disabled members – Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Tables with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2022 valuation were based on the results of an experience study for the period from July 1, 2016, through June 30, 2020.

#### 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 PERS Board adopted the following target allocation policy as of June 30, 2022:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic stocks	42%	5.50%
International stocks	18%	5.50%
U.S. Bonds	28%	0.75%
Private markets	<u>12%</u>	6.65%
	100%	

\* As of June 30, 2022, PERS' long-term inflation assumption was 2.50%.

#### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, as of June 30, 2022. 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 on June 30, 2022, was projected to be available to make all projected future benefit payments of currently active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments (7.25%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2022.

#### Pension Liability Discount Rate Sensitivity

The following presents the LVCVA's proportionate share of the net pension liability of the System as of June 30, 2022, calculated using the discount rate of 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net Pension Liability - LVCVA portion	\$104,519,688	\$68,076,494	\$38,005,391

#### Pension Plan Fiduciary Net Position

PERS issues a stand-alone Annual Comprehensive Financial Report 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](http://www.nvpers.org) under Quick Links – Publications or may be obtained by contacting PERS at the following address:

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

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements

For the Year Ended June 30, 2023

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

In accordance with NRS, retirees of the LVCVA and their spouses may continue insurance through existing plans, if enrolled as an active employee at the time of retirement.

#### PLAN DESCRIPTIONS

The LVCVA's plan is a non-trust, single-employer, defined benefit post-employment plan (Primary Plan). Active members and retirees can choose between the Clark County Self-Funded Group Medical and Dental Benefits Plan (CCSF) and the Clark County Exclusive Provider Organization (EPO) Plan. These program options include healthcare, prescription, dental, vision, and life insurance benefits. The Primary Plan does not issue a separate financial report; however, additional information may be obtained by writing or calling Clark County Risk Management, 500 S. Grand Central Pkwy., Las Vegas, NV 89155, (702) 486-4009.

The LVCVA also provides continuation of medical insurance coverage to retirees and their spouses under the State of Nevada Public Employees Benefits Program (PEBP), an agent, multiple-employer, defined benefit plan. This plan includes healthcare, prescription, dental, Medicare Part B, and life insurance benefits and is provided through a third-party insurer. It is administered by a ten-member governing board with nine members appointed by the State's Governor, and the last board member is the Director from the Department of Administration or his/her designee. For participants who enrolled in the PEBP before 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 subsidy requirements are governed by NRS and can only be amended through legislation. 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.

#### EMPLOYEES COVERED BY PLANS

As of the June 30, 2022 actuarial valuation, the LVCVA's Primary Plan covers 134 retirees and surviving spouses, 47 spouses, and 339 active employees. The LVCVA also covers 38 PEBP retirees. As of November 1, 2008, PEBP was closed to any new participants.

#### FUNDING POLICY

For the Primary Plan, LVCVA premiums are established and may be amended through negotiations between the LVCVA and the insurance plan. Contribution requirements by active employees to the Primary Plan are established by, and may be amended through, negotiations between the LVCVA and various employee groups. All LVCVA retirees are required to pay 100% of their premiums under the plan. Retirees enrolled in the Primary Plan receive no direct subsidy from the LVCVA; however, retiree loss experience is pooled with active employee loss experience for setting rates, and the difference between the true claims cost and the blended rate creates an implicit rate subsidy from the LVCVA, which is paid annually through plan premiums and charges.

The LVCVA is required to pay the PEBP an explicit subsidy, based on years of service, for retirees enrolled in this plan. Retirees were eligible for a subsidy after five years of service with a Nevada state or local government entity. The maximum subsidy is earned after 20 years of combined service with an eligible entity. If the retiree worked for more than one eligible entity, the subsidy is split based on the length of time with each entity. In FY 2023, the LVCVA's cost per month per retiree ranged from \$9 to \$760.

As of June 30, 2023, the LVCVA's aggregate OPEB plan balances are as follows:

	Primary Plan	PEBP	Total
Net OPEB assets administered through a qualifying trust	\$ -	\$ -	\$ -
Net unamortized deferred outflows of resources related to OPEB	8,660,702	121,749	8,782,451
Total OPEB liability	27,500,591	2,102,927	29,603,518
Net unamortized deferred inflows of resources related to OPEB	27,270,079	-	27,270,079
OPEB expense	(1,021,749)	(449,456)	(1,471,205)

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements

For the Year Ended June 30, 2023

### FUNDING STATUS

The LVCVA currently pays for post-employment healthcare benefits on a pay-as-you-go basis and has 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 consideration during the annual budget process. As of June 30, 2023, net discretionary transfers since inception, adjusted for investments earnings, total \$2.2 million. The annual funding considerations include biannual actuarial studies among other factors and conditions. The assets accumulated for purposes of providing OPEB benefits through the Internal Service Fund are not administered through a trust that meets the specified criteria as required by GASB standards and, therefore, are reported as assets of the LVCVA. An agency fund is not required because the LVCVA does not hold any assets in a fiduciary capacity.

### ACTUARIAL METHODS, ASSUMPTIONS, OTHER INPUTS, AND CHANGES

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. 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. Changes in the assumptions and other inputs that affected the measurement of the LVCVA's total OPEB liability during the period from the last measurement date were as follows:

The discount rate was updated from 2.16%, as of June 30, 2021, to 3.54%, as of June 30, 2022 (the actuarial measurement date).

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Primary Plan and PEBP
Measurement date	June 30, 2022
Reporting date	June 30, 2023
Actuarial cost method	Entry age normal, level percentage of salary
Amortization method	Experience/Assumptions gains and losses are amortized over a closed period of 13.9 average remaining service to expected retirement age of active and inactive plan members (who have no future service).
Asset valuation	N/A, no assets in OPEB trust
Discount rate	2.16% (Beginning of the year) 3.54% (End of the year)
Discount rate source	Bond Buyer 20-Bond GO Index
Salary increases	3% per annum
Healthcare cost trend rates	Pre-Medicare Medical & Rx Benefits - 6.5% reduced 0.25% each year until reaching ultimate trend rate of 4.0%. Medicare Benefits - 5.5% reduced 0.25% each year until reaching ultimate trend rate of 4.0%. Administrative Fees - 4.0% Dental - 4.0%

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements

For the Year Ended June 30, 2023

On June 30, 2022, the assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study, with sample rates shown below.

Sample Age	Males	Females
45	4.6%	1.6%
55	5.4%	2.4%
65	1.7%	2.4%
75	1.2%	1.3%
80	0.8%	1.1%

Mortality rates were updated to utilize the Pub-2010 headcount weighted table with the MP-2021 improvement scales (previously the RP-2014 with MP-2018 scales), applied on a gender-specific basis.

Termination rates are based on withdrawal assumptions based on the 2021 Nevada PERS Actuarial Valuation. The rate of withdrawal for reasons other than death and retirement is dependent on an employee's age and years of service. Sample rates are provided below.

Years of Service	General Rate
0	15.8%
5	6.5%
10	4.3%
15	2.3%
20+	1.8%

Marriage rate assumptions were updated to reflect the most recent participant experience. Based on the current retiree population, 30% of future retirees are assumed married with a spouse at retirement, eligible for plan benefits.

### SENSITIVITY ANALYSIS

**Discount rate.** The sensitivity analysis below indicates what the LVCVA's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1- percentage-point higher (4.54%) than the current rate:

	1% Decrease in Discount Rate	Discount Rate 3.54%	1% Increase in Discount Rate
Primary Plan	\$ 33,094,508	\$ 27,500,591	\$ 23,129,656
PEBP	2,360,918	2,102,927	1,887,934
Total OPEB Liability	<u>\$ 35,455,426</u>	<u>\$ 29,603,518</u>	<u>\$ 25,017,590</u>

**Health care cost trend rate.** The sensitivity analysis below indicates what the LVCVA's total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1- percentage-point higher than the current rate:

	1% Decrease in Health Care Trend Rate	Health Care Trend Rate	1% Increase in Health Care Trend Rate
Primary Plan	\$ 22,827,660	\$ 27,500,591	\$ 33,608,500
PEBP	1,896,934	2,102,927	2,308,920
Total OPEB Liability	<u>\$ 24,724,594</u>	<u>\$ 29,603,518</u>	<u>\$ 35,917,420</u>



# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

### CHANGES IN LIABILITY

During FY 2023, changes in the LVCVA's total OPEB liability were as follows:

	Primary Plan	PEBP	Total
Service Cost	\$ 958,432	\$ -	\$ 958,432
Interest on total OPEB liability	697,256	56,488	753,744
Differences between expected and actual experience	(638,420)	(148,053)	(786,473)
Changes of assumptions or other inputs	(4,502,852)	(357,891)	(4,860,743)
Benefit payments	(671,540)	(125,587)	(797,127)
Net change in total OPEB liability	(4,157,124)	(575,043)	(4,732,167)
Total OPEB liability, beginning of year	31,657,715	2,677,970	34,335,685
Total OPEB liability, end of year	<u>\$ 27,500,591</u>	<u>\$ 2,102,927</u>	<u>\$ 29,603,518</u>

The LVCVA's reported deferred outflows and inflows of resources related to OPEB, as of June 30, 2023, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Primary Plan</u>		
Differences between expected and actual experience	\$ -	\$ 19,080,196
Changes of assumptions or other inputs	7,820,711	8,189,883
Benefit payments subsequent to the measurement date	839,991	-
<u>PEBP</u>		
Benefit payments subsequent to the measurement date	121,749	-
<u>Total of All Plans</u>		
Differences between expected and actual experience	\$ -	\$ 19,080,196
Changes of assumptions or other inputs	7,820,711	8,189,883
Benefit payments subsequent to the measurement date	961,740	-
	<u>\$ 8,782,451</u>	<u>\$ 27,270,079</u>

Deferred outflows of resources related to OPEB resulting from benefit payments after the measurement date but before the end of LVCVA's fiscal year totaling \$961,740 will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2024.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in OPEB expense as follows:

<u>For the Year Ended June 30,</u>	<u>Total</u>
2024	\$ 2,677,437
2025	2,575,184
2026	1,907,163
2027	1,907,163
2028	1,907,163
Thereafter	8,475,257

**NOTE 12. CLASSIFICATION OF NET POSITION AND FUND BALANCES:**

**FUND BALANCE CLASSIFICATIONS:**

Fund balances are required to be reported in classifications based on the following 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 equally binding) by the LVCVA's highest level of decision-making authority, which is the LVCVA's Board. 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 has approved a policy that provides the authority to the President/CEO and the CFO to make fund balance assignments. 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's 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" year's room taxes collected. 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 General Fund balance between 4% and 16% of expected expenditures for potential variances in economic conditions without detriment to operations. FY 2023 ending fund balance was budgeted to be 16.8% of expected expenditures and actualized at 50.7%.

The fund balances by component on June 30, 2023, were:

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

	General Fund	LVCCD Capital Fund	LVCCD Debt Service Fund	Capital Projects Fund	Debt Service Fund
Non-Spendable					
Inventory	\$ 124,172	\$ -	\$ -	\$ -	\$ -
Prepaid and other items	9,252,253	894,045	-	175,842	-
Restricted					
Capital project programs	-	151,393,787	-	13,020,989	-
Debt service programs	-	-	28,829,055	-	43,069,435
Promotional activity for destination weddings	72,526	-	-	-	-
Committed					
Capital project programs	-	201,522,581	-	67,565,745	-
Debt service programs	-	-	-	-	1,698,916
Operating budget	20,869,130	-	-	-	-
Assigned					
Capital program	27,000,000	-	-	3,534,491	-
Unassigned	68,768,157	-	-	-	-
	<u>\$ 126,086,238</u>	<u>\$ 353,810,413</u>	<u>\$ 28,829,055</u>	<u>\$ 84,297,067</u>	<u>\$ 44,768,351</u>

### NOTE 13. COMMITMENTS AND CONTINGENCIES:

The LVCVA often carries cash and cash equivalents on deposit 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.

### ADVERTISING

R&R Partners (R&R) is the official advertising and marketing communications agency for the LVCVA. R&R 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. In July 2021, the Board approved a four-year contract with an optional two-year extension, which can be terminated by either party with 90 days' notice. The contract amount is not to exceed \$500 million, inclusive of R&R's services fees (Agency Compensation), content creation costs, and media purchases, which shall be capped through the LVCVA's annual budget process. The annual Agency Compensation is approximately \$19.1 million for FY23.

At the same July 2021 meeting, LVCVA entered into a two-year agreement with an additional advertising company, Grey Group (Grey), for social marketing services, with two optional two-year extensions. The contract amount is not to exceed \$160 million, inclusive of Grey's services fees (Agency Compensation), content creation costs, and media purchases for social platforms, which shall be capped through the LVCVA's annual budget process. The FY23 annual Agency Compensation for the Grey Group is approximately \$8.4 million. In September 2021, the Board approved an additional, direct agreement with Grey's production arm, Townhouse, to enable quicker turnaround and flexibility for social production needs. The Townhouse agreement is for a period of two years, with two optional one-year extensions. The Townhouse contract amount (not to exceed \$10 million) is included in Grey's contract total (not to exceed \$160 million cumulative).

The LVCVA, through R&R, also sponsors various special events and pays for media advertising of the destination and its events, which bring people to Las Vegas. Some of these involve multi-year contracts. On June 30, 2023, these contract commitments were \$12.5 million for FY 2024, at the time of this report there are no future commitments beyond FY 2024.

### LAS VEGAS BOWL

In April 2021, the Board approved the Sponsorship Agreement with ESPN Productions for the 2021-2025 Las Vegas Bowls in the total amount of \$8.5 million (\$5.2 million remaining, as of June 30, 2023). The Las Vegas Bowl games will take place at Allegiant Stadium between December 26 and December 30 of each year of the Sponsorship Agreement and broadcast on ESPN or ABC.

## **LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

### **Notes to the Financial Statements For the Year Ended June 30, 2023**

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#### **NATIONAL FINALS RODEO**

Through Las Vegas Events, the LVCVA has an agreement with Professional Rodeo Cowboys Association (PRCA) to provide annual payments of \$2.2 million for the National Finals Rodeo and \$250,000 annually to be the exclusive national sponsor for the National Finals of Steer Roping, if not held in Las Vegas. The contract term is 10 years, ending in FY 2024.

#### **NASCAR SPONSORSHIP**

In March 2017, the LVCVA Board approved an agreement to sponsor two annual NASCAR races at the Las Vegas Motor Speedway through 2024, with a possible three-year extension, for a total cost of \$17.5 million. The required payment from LVCVA was \$2.5 million annually, which includes other ancillary marketing sponsorship benefits. In December 2020, the LVCVA Board approved an additional \$7.75 million to the Race Sponsorship Agreement, reducing the annual amount to \$1.75 million per year and extending the term of the agreement through FY 2032. There is \$14.9 million remaining for FY 2024 through FY 2032.

#### **PROFESSIONAL BULL RIDERS**

In December 2021, the Board authorized a five-year \$6.4 million (\$5.3 million remaining as of June 30, 2023) deal with Professional Bull Riders LLC for a new team bull-riding championship series. The multi-event series will have its playoffs and championships at T-Mobile Arena each year, 2022-2026.

#### **SUPER BOWL**

In January 2022, the Board authorized a sponsorship of Super Bowl LVIII in February 2024 with Las Vegas Super Bowl Host Committee, LLC, in an amount not to exceed \$40 million (approximately \$38 million unspent, as of June 30, 2023). The Super Bowl will be held at Allegiant Stadium located in Las Vegas, Nevada.

#### **FORMULA ONE GRAND PRIX**

In May 2022, the Board authorized a sponsorship agreement with Liberty Dice, Inc. to host an annual Las Vegas Formula One Grand Prix race from 2023-2025 for \$6.5 million per year. Additionally, in March 2023, the Board authorized the CEO/President to purchase up to \$7 million of race and hospitality tickets for the November 2023 Formula One for customers and destination partners.

#### **PAC-12 FOOTBALL CHAMPIONSHIP**

In December 2022, the Board authorized a one-year sponsorship agreement extension with the Pac-12 in the amount of \$1.4 million for Pac-12 Football Championship to be held at Allegiant Stadium in December 2023.

#### **U.S. BOWLING CONGRESS OPEN CHAMPIONSHIPS**

In January 2023, the Board approved an expenditure in the amount of \$8.4 million to fund the United States Bowling Congress Open Championships, Women's Championships, and Category B Events in 2028-2039 at South Point Tournament Bowling Plaza and other Las Vegas bowling centers.

#### **INTERNATIONAL OFFICES**

The LVCVA has contracts for international office representation, in the following locations: Canada, Mexico, Germany, South Korea, and the United Kingdom. The current contracts expire on June 30, 2024, with a remaining one-year extension; collectively, these agreements have an aggregate value of \$6.5 million for FY 2024 through FY 2025, and can be terminated, without cause, with a 30-day notice.

#### **TERMINATION PAYMENTS AND COMMITMENTS IN CONTRACTOR AGREEMENTS**

The LVCVA has an agreement with Cox Nevada Telcom (Cox) for telecommunications services at the Las Vegas Convention Center (LVCC). Cox's original agreement required Cox to invest at least \$10 million in telecommunication infrastructure improvements to the LVCVA's facilities over the life of the agreement, which Cox fulfilled, and is fully amortized with no remaining liability.

Also, as part of the Cox agreement, a neutral host digital antenna system (DAS) was installed in the LVCC with proceeds from the cellular carriers that use the DAS. Under these agreements, all operating costs of the DAS are paid by the carriers, as well

## LAS VEGAS CONVENTION AND VISITORS AUTHORITY

### Notes to the Financial Statements For the Year Ended June 30, 2023

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as monthly rent paid by the carriers to Cox. Cox pays a sub-license fee to the LVCVA, on a monthly basis. The DAS becomes property of the LVCVA at the earlier of the end of the DAS agreement term (current date of November 2026 if the single 5-year extension is not executed) or the termination of the Cox agreement. If the agreement with Cox is not extended past that period, the LVCVA would assume the rights to the DAS assets and be responsible for executing the administrative function of operating and maintaining the DAS, as defined in the agreement, through the remainder of the DAS contract term. This is considered a contingent commitment and asset, which is not recorded in the LVCVA's financial statements as it is dependent on potential future events.

Amendments to the agreement extended the contract through June 2024 and increased Cox's investments by an additional \$13.7 million. The entire additional investment amounts have not yet been made but are contractually obligated to be amortized over no more than a five-year period from when they occur. As of June 30, 2023, the maximum amount of LVCVA payments for the transfer of these unamortized investments to LVCVA at the end of the lease, which is dependent on investment project completion and contract termination dates, does not exceed \$3.2 million.

Since January 2017, Sodexo Live! (Sodexo) has operated in the LVCC, under a Food and Beverage Concessions Lease, as the exclusive provider of both retail and catered food and beverage products and services. The current lease concludes on June 30, 2027. Commission rates paid to the LVCVA are based on a tiered structure of gross receipts, adjusted annually for CPI. Normal commission rates are 15.0% - 22.5%, with a 3.0% set-aside for replacement and maintenance. The contract also amortizes a previously completed \$16 million Sodexo investment, over the remaining life of the agreement. The LVCVA's buyout cost on June 30, 2023, if the contract were terminated early, would be \$5.1 million. The current agreement also includes \$5 million in improvements for the West Hall expansion amortized over a period of seven years from the service date, through December 2027. LVCVA's buyout cost on June 30, 2023, if the contract were terminated early, would be \$3.2 million. If the contract isn't renewed past June 30, 2027, the payout at that time would be \$300 thousand for the last 6 months of the amortization period, which approximates the estimated value of the assets provided to the LVCVA at that time.

#### **OTHER OBLIGATIONS**

The LVCVA has no long-term obligation to fund other organizations: for example, Las Vegas Events; however, there are some organizations that engage in long-term sponsorship commitments with the LVCVA.

During FY 2018, the LVCVA entered into a naming rights agreement related to the Las Vegas Ballpark, which opened for the 2019 baseball season, and now houses the Las Vegas minor league baseball team that previously played at Cashman Center. Site acquisition, all improvements, and operation of the park is the sole responsibility of the baseball team. The 20-year agreement provides the LVCVA with exclusive naming rights, dominant sponsorship signage, and other marketing assets for an annual fee of \$4 million, commencing in FY 2019.

In June 2023, the Board authorized the CEO/President to amend an agreement with Western Management Group for the operations and management of the Las Vegas Monorail System (Monorail) in the amount of \$60 million for the period from July 1, 2023, through June 30, 2026.

In June 2023, the Board approved an agreement with TBC – The Boring Company, dba Vegas Loop, for operations and management of the Las Vegas Convention Center Loop for the period beginning July 1, 2023 through June 30, 2024 in the amount of \$4.6 million

#### **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. The Board has authorized up to \$432.2 million with Hunt/Penta Joint Venture for the construction of Phase Three of the LVCCD Program. On June 30, 2023, contracts in the LVCCD Capital Fund and the Capital Projects Fund totaled approximately \$180.5 million and \$2.6 million, respectively, with an estimated remaining contractual commitment of approximately \$48.6 million and \$1.7 million, respectively. Other outstanding commitment balances in the General Fund totaled approximately \$5.6 million. As of June 30, 2023, the LVCVA Board has approved staff to host future events in the destination during FY 2024 for \$2.9 million and \$818 thousand beyond FY 2024, not previously disclosed.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## Notes to the Financial Statements For the Year Ended June 30, 2023

### LEGAL MATTERS

The LVCVA is the named defendant or responsible party in various legal actions. It is the opinion of the LVCVA's management and legal counsel that such legal matters 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.

The LVCVA is involved in administrative matters with the Nevada Department of Environmental Protection (NDEP) related to perchloroethylene (PCE) contamination in some parking areas of the Las Vegas Convention Center that requires remediation. The LVCVA has recorded a \$1,957,800 remediation liability in the government-wide financial statements using the expected cash flow technique for future remediation costs. The estimate of remediation costs, which is based on ongoing analysis, may 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.

The LVCVA is also subject to certain pending and threatened litigation arising in the ordinary course of operation of the LVCVA. It is the opinion of LVCVA's counsel that the pending or threatened litigation will not result in final judgments against the LVCVA which would, individually or in the aggregate, materially adversely affect the LVCVA's financial position.

The LVCVA has an asset retirement obligation, with a June 30, 2023, liability of \$16.2 million and a deferred outflow of \$12.5 million, for the portions of the monorail system guideway and stations that are required by easements and a cooperative agreement with Clark County, to be decommissioned when the Monorail ceases operation. The deferred outflow will be amortized over the estimated remaining life of the Monorail capital assets, which is 7 years. There are no legally required funding assurance provisions or restricted assets related to this obligation.

### NOTE 14. ROOM TAX REVENUE:

The LVCVA's primary revenue source is a portion of the 10.5% - 14% room tax imposed on lodging establishments in Clark County, Nevada. The rate of taxes can only be modified by action of the Nevada State Legislature.

The tax for transient lodging in the County is distributed as follows:

	Total *	LVCVA General Fund & LVCCD Capital Fund	Las Vegas Stadium Authority	Clark County School District	Clark County Transportation	Taxing Entity	State of Nevada
Resort Hotels	12% - 14%	4 1/2% - 5 1/2%	0% - 7/8%	1 5/8%	1%	0% - 2%	3 3/8%
Other hotel and motels	10% - 13%	2 1/2% - 4 1/2%	0% - 7/8%	1 5/8%	1%	0% - 2%	3 3/8%

\* The individual components of room tax have distinct geographical regions, and, therefore, each property pays varying room tax rates.

The LVCCD Capital Fund's dedicated portion was provided by a 0.5% increase to transient lodging tax, which is legislatively restricted to support Phases Two and Three of the LVCCD project and sunsets in 2049 without additional legislative action.

As provided for by NRS 244A.645, up to 10% of the total room taxes and gaming fees received by the LVCVA may be distributed to the County and incorporated cities, excluding revenues generated from SB1 as those revenues are wholly restricted to Phases Two and Three of the LVCCD project. Additionally, SB1 imposed a cap of \$25.0 million on non-SB1 room tax and gaming fees collection allocation. Any amount of the 10% exceeding the room tax and gaming fees collection allocation cap is restricted to the LVCCD Capital Fund. The total collection allocation was \$25.0 million in FY 2023, while \$10.5 million was transferred to the LVCCD Capital Fund, in compliance with SB1 requirements for the LVCCD project.

### NOTE 15. SUBSEQUENT EVENTS

The LVCVA issued taxable and non-taxable revenue bonds to support Phase Three of the LVCCD project. The bond sales occurred on July 19, 2023, and closed on August 3, 2023. The par value of the non-taxable bonds was \$136.1 million with a premium of \$14.6 million. The par value of the taxable bonds was \$13.9 million. The combined true interest cost of both bonds is 4.11%.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**Notes to the Financial Statements**

**For the Year Ended June 30, 2023**

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The LVCVA is currently in the process of selling 10 acres of land located at Las Vegas Boulevard and Elvis Presley Boulevard to 65SLVB LLC for \$125,000,000. The anticipated closing date is currently the middle or later portion of 2024. The Authority anticipates that additional site excavation and compaction of the site may reduce the net proceeds of the sale by approximately \$10 million.



## **REQUIRED SUPPLEMENTARY INFORMATION**

### **SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**

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Post-employment Benefits Other Than Pensions

### **SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**

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Pensions

### **SCHEDULE OF CONTRIBUTIONS TO PERS PENSION PLAN**

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Pensions

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

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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.

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**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Schedule of Changes in the Total OPEB Liability and Related Ratios<sup>(1)</sup>  
For the Years Ended June 30, 2023 and the Last Nine Fiscal Years<sup>(2)</sup>

	2023		2022		2021	
	Primary Plan	PEBP	Primary Plan	PEBP	Primary Plan	PEBP
Service cost	\$ 958,432	\$ -	\$ 1,058,336	\$ -	\$ 1,319,039	\$ -
Interest on total OPEB liability	697,256	56,488	689,151	58,437	1,019,430	129,222
Differences between expected and actual experience	(638,420)	(148,053)	-	-	(7,408,429)	(1,479,996)
Changes in assumptions or other inputs	(4,502,852)	(357,891)	261,100	32,886	8,095,690	431,417
Benefit payments	(671,540)	(125,587)	(951,678)	(115,158)	(464,890)	(141,776)
Net change in total OPEB liability	(4,157,124)	(575,043)	1,056,909	(23,835)	2,560,840	(1,061,133)
Total OPEB liability, beginning of year	31,657,715	2,677,970	30,600,806	2,701,805	28,039,966	3,762,938
Total OPEB liability, end of year	<u>\$ 27,500,591</u>	<u>\$ 2,102,927</u>	<u>\$ 31,657,715</u>	<u>\$ 2,677,970</u>	<u>\$ 30,600,806</u>	<u>\$ 2,701,805</u>
Covered-employee Payroll	\$ 30,411,418	N/A <sup>(3)</sup>	\$ 14,563,787	N/A <sup>(3)</sup>	\$ 37,602,218	N/A <sup>(3)</sup>
Total OPEB liability, end of year as a percentage of covered payroll	90.43%	N/A <sup>(3)</sup>	217.37%	N/A <sup>(3)</sup>	81.38%	N/A <sup>(3)</sup>

	2020		2019		2018	
	Primary Plan	PEBP	Primary Plan	PEBP	Primary Plan	PEBP
Service cost	\$ 1,102,757	\$ -	\$ 3,175,322	\$ -	\$ 3,310,122	\$ -
Interest on total OPEB liability	988,506	136,815	1,688,014	151,889	1,401,247	130,455
Differences between expected and actual experience	-	-	(19,810,975)	(934)	(189,570)	11,185
Changes in assumptions or other inputs	1,758,458	169,621	(4,105,043)	(583,098)	(5,870,369)	(406,279)
Benefit payments	(499,580)	(157,535)	(466,782)	(171,691)	(528,214)	(183,295)
Net change in total OPEB liability	3,350,141	148,901	(19,519,464)	(603,834)	(1,876,784)	(447,934)
Total OPEB liability, beginning of year	24,689,825	3,614,037	44,209,289	4,217,871	46,086,073	4,665,805
Total OPEB liability, end of year	<u>\$ 28,039,966</u>	<u>\$ 3,762,938</u>	<u>\$ 24,689,825</u>	<u>\$ 3,614,037</u>	<u>\$ 44,209,289</u>	<u>\$ 4,217,871</u>
Covered-employee Payroll	\$ 41,811,068	N/A <sup>(3)</sup>	\$ 40,956,955	N/A <sup>(3)</sup>	\$ 40,026,786	N/A <sup>(3)</sup>
Total OPEB liability, end of year as a percentage of covered payroll	67.06%	N/A <sup>(3)</sup>	60.28%	N/A <sup>(3)</sup>	110.45%	N/A <sup>(3)</sup>

<sup>(1)</sup> The LVCVA's OPEB is not administered through a trust.

<sup>(2)</sup> Fiscal year 2023 is the sixth year of implementation of GASB 75; therefore, only six years are shown. As it becomes available, this schedule will ultimately present information for the ten most recent fiscal years.

<sup>(3)</sup> PEBP is a closed plan; therefore, there are no current employees covered by the PEBP.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Schedule of Proportionate Share of the PERS Net Pension Liability  
For the Years Ended June 30, 2023 and the Last Nine Fiscal Years<sup>(2)</sup>

	2014	2015	2016	2017	2018	2019	2020	2021	2022
LVCVA proportion of net pension liability	0.54167%	0.55623%	0.56294%	0.55928%	0.56121%	0.53409%	0.44418%	0.16107%	0.37705%
LVCVA proportionate share of net pension liability	\$ 56,452,216	\$ 63,740,412	\$ 75,755,148	\$ 74,382,943	\$ 76,536,068	\$ 72,828,495	\$ 61,867,321	\$ 14,688,717	\$ 68,076,494
LVCVA's covered payroll <sup>(1)</sup>	\$ 32,046,157	\$ 33,468,391	\$ 34,395,199	\$ 36,192,769	\$ 37,303,296	\$ 36,762,152	\$ 30,885,583	\$ 12,824,930	\$ 26,540,803
LVCVA's proportionate share of the net pension liability as a percentage of LVCVA's covered payroll	57%	53%	45%	49%	49%	50%	50%	87%	39%
Plan fiduciary net position as a percentage of total pension liability	76%	75%	72%	74%	75%	77%	77%	87%	75%

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Schedule of Contributions to PERS Pension Plan  
For the Years Ended June 30, 2023 and the Last Nine Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Statutorily required contribution	\$ 8,204,187	\$ 8,618,472	\$ 9,617,946	\$ 10,088,792	\$ 10,444,920	\$ 10,293,401	\$ 9,008,626	\$ 3,751,275	\$ 7,885,050	\$ 8,868,703
Contributions in relation to the statutorily-required contribution	8,204,187	8,618,472	9,617,946	10,088,792	10,444,920	10,293,401	9,008,626	3,751,275	7,885,050	8,868,703
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LVCVA's covered payroll <sup>(1)</sup>	\$ 32,046,157	\$ 33,468,391	\$ 34,395,199	\$ 36,192,769	\$ 37,303,296	\$ 36,762,152	\$ 30,885,583	\$ 12,824,930	\$ 26,540,803	\$ 29,810,997
Contributions as a percentage of covered payroll	26%	26%	28%	28%	28%	28%	29%	29%	30%	30%

<sup>(1)</sup>As required by implementation of GASB Statement No. 82, amounts were restated to reflect payroll on which contributions to the pension are based.

<sup>(2)</sup>Only nine years of historical data available since the first year of GASB Statement No. 68 implementation.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual  
General Fund  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Room taxes and gaming fees	\$ 306,200,000	\$ 306,200,000	\$ 355,324,940	\$ 49,124,940
Charges for services				
Use of facilities	36,971,300	36,971,300	37,468,219	496,919
Ancillary	23,079,500	23,079,500	29,599,039	6,519,539
Other	3,128,700	3,128,700	2,388,746	(739,954)
Transportation services	21,000,000	21,000,000	25,154,208	4,154,208
Intergovernmental revenues (grant)	7,000,000	7,000,000	7,000,000	-
Federal grant subsidy	1,558,200	1,558,200	1,558,221	21
Interest and investment earnings	300,000	300,000	968,003	668,003
Miscellaneous	425,000	425,000	684,406	259,406
Total revenues	<u>399,662,700</u>	<u>399,662,700</u>	<u>460,145,782</u>	<u>60,483,082</u>
Expenditures:				
Current:				
General government	20,464,500	20,464,500	17,320,029	3,144,471
Marketing:				
Advertising	94,000,000	95,490,000	92,491,982	2,998,018
Marketing and sales	34,564,300	33,074,300	24,735,165	8,339,135
Special events grants	27,528,275	27,528,275	23,624,955	3,903,320
Operations:				
Facility operations	47,839,200	47,619,000	42,573,189	5,045,811
Transportation services	23,330,000	23,550,200	22,744,302	805,898
Community support:				
Other community support	25,000,000	25,000,000	25,000,000	-
Capital outlay:				
Leases	-	-	575,535	(575,535)
Debt service:				
Principal	-	-	220,073	(220,073)
Interest	-	-	16,440	(16,440)
Total expenditures	<u>272,726,275</u>	<u>272,726,275</u>	<u>249,301,670</u>	<u>23,424,605</u>
Excess of revenues over expenditures	<u>126,936,425</u>	<u>126,936,425</u>	<u>210,844,112</u>	<u>83,907,687</u>
Other financing sources (uses):				
Transfers in	130,000	130,000	869,956	739,956
Transfers out	(125,328,878)	(165,328,878)	(170,241,372)	(4,912,494)
Issuance of lease obligation	-	-	575,535	575,535
Proceeds from the sale of assets	25,000	25,000	30,805	5,805
Total other financing sources (uses)	<u>(125,173,878)</u>	<u>(165,173,878)</u>	<u>(168,765,076)</u>	<u>(3,591,198)</u>
Net change in fund balance	<u>1,762,547</u>	<u>(38,237,453)</u>	<u>42,079,036</u>	<u>80,316,489</u>
Fund balance - beginning	<u>84,007,202</u>	<u>84,007,202</u>	<u>84,007,202</u>	<u>-</u>
Fund balance - ending	<u>\$ 85,769,749</u>	<u>\$ 45,769,749</u>	<u>\$ 126,086,238</u>	<u>\$ 80,316,489</u>

## **LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

### **Notes to the Required Supplementary Information**

**For the Year Ended June 30, 2023**

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#### **NOTE 1. OTHER POST-EMPLOYMENT BENEFIT PLANS:**

On June 30, 2023, no assets were accumulated in a qualifying trust in which the assets contributed, and earnings thereon are irrevocable, dedicated solely to pay postemployment benefits, and are legally protected from creditors.

##### **Change of Assumptions:**

The overall decrease in the liability of \$4,732,167, comprised of a \$4,157,124 decrease in the primary plan and \$575,043 decrease in the PEBP plan, respectively, from June 30, 2022 to June 30, 2023, are primarily driven by the effect of the changes in assumptions and other inputs, the difference between expected and actual experience that includes census data updates and new per capita claims experience. This included employing an allocation-by-entity method where service costs, interest cost, and schedule of outflows and inflows are allocated proportionally to each entity as a share of the total OPEB liability. Updates were also made to the assumed discount rate, which was 2.16% as of June 30, 2021 and 3.54% as of June 30, 2022. Changes to termination rates, marriage assumptions, and mortality rates are shown in Note 11 of the Notes to the Financial Statements. Retirement rates, aging factors, and salary scales were the same as the prior year.

Additional information related to postemployment benefits other than pensions can be found in Note 11 to the financial statements on pages 49 through 53 of this report.

#### **NOTE 2: PERS PENSION PLAN:**

For the year ended June 30, 2023, 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, 2022. Actuarial assumptions used in the June 30, 2022 valuation were based on the results of the experience study from the period of July 1, 2016 through June 30, 2020.

Additional information related to pensions can be found in Note 10 to the financial statements on pages 45 through 48 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 pages 32 through 33 of this report.

## INDIVIDUAL FUND INFORMATION

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

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#### Governmental Funds

##### LVCCD Capital Fund

This fund accounts for all project costs related to LVCCD Phases Two and Three of the expansion and renovation project, as well as accounting for transfers from the general fund and tax revenues enacted and restricted by the Nevada legislature.

##### LVCCD Debt Service Fund

This fund accounts for the accumulation of resources and principal and interest payments for debt issued in conjunction with LVCCD Phases Two and Three.

##### Capital Projects Fund

This fund accounts for capital expenditures for furniture, equipment, intangibles, and routine improvements or additions to land and buildings financed by general government resources. It also accounts for capital grants to other governments, which are for the express purpose of capital construction activities by the other government.

##### 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.

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**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual  
LVCCD Capital Fund  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Room taxes	\$ 31,415,000	\$ 31,415,000	\$ 36,529,040	\$ 5,114,040
Interest and investment earnings	1,500,000	1,500,000	5,031,066	3,531,066
Miscellaneous	120,000,000	120,000,000	7,034,204	(112,965,796)
Total revenues	152,915,000	152,915,000	48,594,310	(104,320,690)
Expenditures:				
Capital outlay:				
Construction in progress	152,000,000	162,000,000	26,511,146	135,488,854
Noncapitalized assets	-	-	6,723	(6,723)
Debt service:				
Debt issuance costs	1,200,000	1,200,000	853,611	346,389
Total expenditures	153,200,000	163,200,000	27,371,480	135,828,520
Deficiency of revenues under expenditures	(285,000)	(10,285,000)	21,222,830	31,507,830
Other financing sources (uses):				
Transfers in	60,660,000	70,660,000	76,004,080	5,344,080
Transfers out	(39,674,053)	(49,800,849)	(49,800,848)	1
Issuance of debt	150,000,000	150,000,000	150,000,000	-
Premium on debt issuance	-	-	13,896,125	13,896,125
Total other financing sources (uses)	170,985,947	170,859,151	190,099,357	19,240,206
Net change in fund balance	170,700,947	160,574,151	211,322,187	50,748,036
Fund balance - beginning	142,488,226	142,488,226	142,488,226	-
Fund balance - ending	\$ 313,189,173	\$ 303,062,377	\$ 353,810,413	\$ 50,748,036



**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual  
LVCCD Debt Service Fund  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Interest and investment earnings	\$ 40,000	\$ 40,000	\$ 470,582	\$ 430,582
Total revenues	40,000	40,000	470,582	430,582
Expenditures:				
Principal	1,100,000	1,100,000	1,100,000	-
Interest	37,601,553	39,785,227	39,785,226	1
Total expenditures	38,701,553	40,885,227	40,885,226	1
Deficiency of revenues under expenditures	(38,661,553)	(40,845,227)	(40,414,644)	430,583
Other financing sources (uses):				
Transfers in	39,674,053	49,800,849	49,800,848	(1)
Transfers out	(40,000)	(40,000)	(471,586)	(431,586)
Total other financing sources (uses)	39,634,053	49,760,849	49,329,262	(431,587)
Net change in fund balance	972,500	8,915,622	8,914,618	(1,004)
Fund balance - beginning	19,914,437	19,914,437	19,914,437	-
Fund balance - ending	\$ 20,886,937	\$ 28,830,059	\$ 28,829,055	\$ (1,004)

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

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

Capital Projects Fund

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Interest and investment earnings	\$ 500,000	\$ 500,000	\$ 1,136,997	\$ 636,997
Miscellaneous	-	-	1,251,541	1,251,541
Total revenues	500,000	500,000	2,388,538	1,888,538
Expenditures:				
Capital outlay:				
Land improvements	43,377,931	-	4,500	(4,500)
Buildings	-	4,037,000	248,062	3,788,938
Transportation systems	-	-	1,010,576	(1,010,576)
Furniture and equipment	-	2,575,621	1,886,919	688,702
Construction in progress	29,400,000	96,165,310	14,447,008	81,718,302
Noncapitalized assets	-	-	2,772,337	(2,772,337)
Total expenditures	72,777,931	102,777,931	20,369,402	82,408,529
Deficiency of revenues under expenditures	(72,277,931)	(102,277,931)	(17,980,864)	84,297,067
Other financing sources (uses):				
Transfers in	9,250,000	39,250,000	39,250,000	-
Total other financing sources (uses)	9,250,000	39,250,000	39,250,000	-
Net change in fund balance	(63,027,931)	(63,027,931)	21,269,136	84,297,067
Fund balance - beginning	63,027,931	63,027,931	63,027,931	-
Fund balance - ending	\$ -	\$ -	\$ 84,297,067	\$ 84,297,067

**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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Interest and investment earnings	\$ 130,000	\$ 130,000	\$ 890,386	\$ 760,386
Total revenues	130,000	130,000	890,386	760,386
Expenditures:				
Debt service:				
Principal	19,115,000	19,115,000	19,115,000	-
Interest	31,421,571	31,421,571	31,421,571	-
Total expenditures	50,536,571	50,536,571	50,536,571	-
Deficiency of revenues under expenditures	(50,406,571)	(50,406,571)	(49,646,185)	760,386
Other financing sources (uses):				
Transfers in	55,458,878	55,458,878	55,458,878	-
Transfers out	(130,000)	(130,000)	(869,956)	(739,956)
Total other financing sources (uses)	55,328,878	55,328,878	54,588,922	(739,956)
Net change in fund balance	4,922,307	4,922,307	4,942,737	20,430
Fund balance - beginning	39,825,614	39,825,614	39,825,614	-
Fund balance - ending	\$ 44,747,921	\$ 44,747,921	\$ 44,768,351	\$ 20,430

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

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

Internal Service Fund

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Operating revenues:				
Charges for service	\$ 700,000	\$ 700,000	\$ 503,617	\$ (196,383)
Total operating revenues	700,000	700,000	503,617	(196,383)
Non-operating revenues:				
Interest and investment earnings	\$ 10,000	\$ 10,000	\$ (9,183)	\$ (19,183)
Total non-operating revenues	10,000	10,000	(9,183)	(19,183)
Total revenues	710,000	710,000	494,434	(215,566)
Expenditures:				
Services and benefits	700,000	700,000	503,617	196,383
Total expenditures	700,000	700,000	503,617	196,383
Change in net position	10,000	10,000	(9,183)	(19,183)
Net position - beginning	2,167,856	2,167,856	2,167,856	-
Net position - ending	\$ 2,177,856	\$ 2,177,856	\$ 2,158,673	\$ (19,183)

# **STATISTICAL SECTION**

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## **Statistical Section** **(unaudited)**

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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.

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**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**NET POSITION BY COMPONENT**

**LAST TEN FISCAL YEARS**

(amounts expressed in thousands <sup>(3)</sup>)

(unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Primary government										
Net investment in capital assets	\$ 170,538	\$ 177,524	\$ 189,376	\$ 209,842	\$ 226,057	\$ 231,567	\$261,669	\$ 297,678	\$ 303,145	\$ 306,512
Restricted:										
Debt service	46,900	49,605	51,144	51,199	184,348	188,249	173,846	33,992	34,665	43,069
LVCCD capital project	-	-	-	13,716	46,026	62,866	44,797	-	-	151,394
Community support	-	-	-	4,538	4,310	4,112	-	-	-	-
LVCCD debt service	-	-	-	-	1,935	38,040	21,826	18,917	19,914	28,829
Other purposes	-	-	-	579	36	9	165	755	-	73
Capital grants to other governments	19,244	18,487	17,882	-	-	-	-	-	-	-
Unrestricted:	(284,541)	(263,118)	(231,870)	(204,412)	(319,127)	(299,990)	(263,438)	(168,156)	(71,415)	(92,159)
Total primary government net position <sup>(1)(2)(3)</sup>	<u>\$ (47,859)</u>	<u>\$ (17,502)</u>	<u>\$ 26,533</u>	<u>\$ 75,462</u>	<u>\$ 143,585</u>	<u>\$ 224,853</u>	<u>\$238,864</u>	<u>\$ 183,187</u>	<u>\$ 286,310</u>	<u>\$ 437,718</u>

<sup>(1)</sup> Retroactive restatement of balances for implementation of GASB No. 65 and GASB No. 68 in FY 2014.

<sup>(2)</sup> Restatement related to implementation of GASB No. 82 in FY 2017.

<sup>(3)</sup> Amounts expressed in thousands may not foot due to rounding.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**FUND BALANCES OF GOVERNMENTAL FUNDS <sup>(1)</sup>**

**LAST TEN FISCAL YEARS**

(amounts expressed in millions <sup>(2)</sup>)

(unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Nonspendable	\$ 5.0	\$ 4.8	\$ 6.6	\$ 5.1	\$ 5.3	\$ 4.0	\$ 2.4	\$ 6.2	\$ 3.8	\$ 9.4
Restricted	6.7	6.9	7.0	4.9	4.4	4.1	0.2	0.8	-	0.1
Committed	3.1	1.0	-	12.0	10.7	-	60.9	6.2	-	20.9
Assigned	18.0	15.9	25.0	13.4	8.0	7.0	-	25.0	24.0	27.0
Unassigned	1.9	5.0	14.3	20.3	10.6	26.2	35.2	30.1	56.2	68.8
Total general fund	<u>34.7</u>	<u>33.6</u>	<u>53.0</u>	<u>55.8</u>	<u>39.0</u>	<u>41.3</u>	<u>98.6</u>	<u>68.3</u>	<u>84.0</u>	<u>126.1</u>
All other governmental funds										
Nonspendable	0.3	0.1	0.8	-	0.3	0.8	1.8	0.3	0.2	1.1
Restricted	96.3	97.5	68.3	65.1	414.8	690.8	378.0	65.8	55.6	236.3
Committed	42.1	57.3	65.2	74.4	132.3	171.9	167.8	128.0	191.4	270.8
Assigned	1.8	1.9	-	5.2	4.6	6.1	6.5	12.0	18.1	3.5
Total all other governmental funds	<u>140.5</u>	<u>156.8</u>	<u>134.3</u>	<u>144.7</u>	<u>552.0</u>	<u>869.6</u>	<u>554.2</u>	<u>206.1</u>	<u>265.3</u>	<u>511.7</u>
Total governmental funds	<u>\$ 175.2</u>	<u>\$ 190.4</u>	<u>\$ 187.2</u>	<u>\$ 200.6</u>	<u>\$ 591.0</u>	<u>\$ 910.9</u>	<u>\$ 652.8</u>	<u>\$ 274.4</u>	<u>\$ 349.3</u>	<u>\$ 637.8</u>

<sup>(1)</sup> This schedule uses the modified accrual basis of accounting.

<sup>(2)</sup> Amounts expressed in millions may not foot due to rounding.



# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## CHANGES IN NET POSITION <sup>(1)</sup>

### LAST TEN FISCAL YEARS

(amounts expressed in thousands <sup>(8)</sup>)  
(unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Program Revenues</b>										
<b>Charges for Services</b>										
Marketing	\$ 2,203	\$ 1,348	\$ 1,507	\$ 6,302	\$ 5,433	\$ 2,350	\$ 2,239	\$ 1,095	\$ 1,575	\$ 1,410
Operations / Transportation <sup>(7)</sup>	58,618	51,055	59,537	61,624	60,913	58,828	50,846	8,280	82,874	93,270
Community support and grants	-	-	-	-	-	-	-	-	-	-
<b>Capital Grants and Contributions:</b>										
General government	4,752	4,746	4,774	4,711	4,664	4,615	4,552	1,558	1,556	1,558
Marketing	-	-	-	-	-	-	-	-	-	7,000
Operations	358	86	-	-	-	-	-	-	-	-
Total governmental activities program revenues	65,931	57,235	65,817	72,637	71,010	65,793	57,637	10,933	86,005	103,239
<b>Expenses</b>										
Governmental activities: <sup>(3)</sup>										
General government <sup>(2)</sup>	15,016	15,075	16,704	20,895	21,535	20,376	17,296	11,488	12,703	16,378
Marketing:										
Advertising	92,471	93,149	95,012	95,905	106,726	100,316	81,184	52,041	75,769	92,492
Marketing and sales	29,015	35,909	37,769	46,561	40,857	38,677	28,882	8,420	13,236	24,085
Special events/grants <sup>(6)</sup>	8,571	8,766	11,665	12,196	12,552	15,316	15,771	9,679	25,892	23,625
Operations <sup>(2) (7)</sup>										
Facility operations	65,679	60,244	62,433	60,313	59,032	60,314	61,294	43,272	69,573	80,708
Transportation services <sup>(7)</sup>	-	-	-	-	-	-	-	7,907	26,615	28,887
Community support and grants:										
Capital grants to other governments	402	785	671	17,754	192	4,595	4,905	-	-	-
Other community support	22,538	24,185	26,484	25,005	24,910	25,128	21,636	12,790	25,703	24,923
Interest and fiscal charges	32,894	31,924	33,127	34,139	37,515	61,720	74,983	64,636	63,850	68,548
Total governmental activities expenses	266,586	270,038	283,866	312,769	303,319	326,441	305,951	210,234	313,341	359,645
<b>Net Expenses</b>	(200,655)	(212,803)	(218,049)	(240,132)	(232,309)	(260,648)	(248,314)	(199,301)	(227,336)	(256,406)
<b>General Revenues and Other Changes in Net Position</b>										
Room taxes and gaming fees	225,382	241,854	264,844	296,626	313,294	318,992	238,537	141,108	333,500	390,997
Interest and investment earnings	624	630	1,201	1,014	3,736	21,397	22,546	2,011	(4,565)	7,848
Miscellaneous	796	677	855	1,329	2,022	1,528	1,242	506	1,524	8,970
Total general revenues	226,801	243,161	266,901	298,969	319,052	341,916	262,324	143,625	330,459	407,815
Special item <sup>(5)</sup>	-	-	-	(9,907)	-	-	-	-	-	-
Total general revenues and special items	226,801	243,161	266,901	289,062	319,052	341,916	262,324	143,625	330,459	407,815
Change in net position	26,146	30,358	48,852	48,930	86,743	81,268	14,011	(55,677)	103,123	151,408
Net position - beginning (as previously reported)	(2,522)	(47,859)	(17,502)	26,533	75,462	143,585	224,853	238,864	183,187	286,310
Adjustments <sup>(4)</sup>	(71,484)	-	(4,817)	-	(18,620)	-	-	-	-	-
Net position - beginning (as adjusted)	(74,006)	(47,859)	(22,319)	26,533	56,842	143,585	224,853	238,864	183,187	286,310
Net position - ending	\$ (47,859)	\$ (17,502)	\$ 26,533	\$ 75,462	\$ 143,585	\$ 224,853	\$ 238,864	\$ 183,187	\$ 286,310	\$ 437,718

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

(2) In FY 2017, the Information Technology department moved from Operations to General Government Division. In FY 2021, the Transportation Services section was established.

(3) Gains or losses on the sale of capital assets have been recorded as an expense of the Operations, Marketing, or General Government function, as appropriate.

(4) Adjustments to beginning fund balance were the result of implementation of various GASB standards.

(5) In FY 2017, Cashman Center property and land was transferred to the City of Las Vegas.

(6) Special events/grants was moved under Marketing beginning FY 2015, and prior years were adjusted for conformity.

(7) In FY 2021, the Transportation Services section was established for both expenditures and revenues

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS <sup>(1)</sup>**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands <sup>(5)</sup>)  
(unaudited)

Revenues	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Room taxes and gaming fees	\$ 224,492	\$ 241,046	\$ 261,614	\$ 294,229	\$ 314,284	\$ 317,569	\$ 258,872	\$ 124,295	\$ 325,761	\$ 391,854
Charges for services	60,786	51,968	60,836	68,007	65,829	58,983	52,808	7,362	61,628	69,456
Interest and investment earnings	602	540	940	948	3,522	19,958	22,400	2,008	(4,419)	8,497
Transportation <sup>(4)</sup>	-	-	-	-	-	-	-	2,266	20,131	25,154
Intergovernmental revenues (grant)	-	-	-	-	-	-	-	-	-	7,000
Federal grant subsidy	4,752	4,746	4,774	4,711	4,664	4,615	4,552	1,558	1,556	1,558
Miscellaneous	796	677	855	1,329	2,022	1,528	1,242	506	4,524	8,970
Total revenues	291,428	298,977	329,018	369,224	390,321	402,653	339,874	137,995	409,181	512,490
<b>Expenditures</b>										
General government <sup>(2)</sup>	14,209	14,322	16,147	19,533	20,030	19,536	16,557	11,064	15,659	17,320
Marketing:										
Advertising	92,471	93,149	95,012	95,905	106,726	100,316	81,184	52,041	75,769	92,492
Marketing and sales	28,243	34,725	36,537	45,095	39,814	38,221	28,463	8,196	15,847	24,735
Special events/grants <sup>(3)</sup>	8,571	8,766	11,665	12,196	12,552	15,316	15,771	9,679	25,892	23,625
Operations: <sup>(2)</sup>										
Facility operations	44,965	39,454	41,416	39,290	39,898	38,730	40,313	14,398	37,353	42,573
Transportation services <sup>(4)</sup>	-	-	-	-	-	-	-	5,362	20,602	22,744
Community support and grants:										
Capital grants to other governments	402	785	671	17,754	192	4,595	4,905	-	-	-
Other community support	22,449	24,105	26,161	25,000	25,000	25,000	23,480	11,267	25,000	25,000
Capital outlay	29,384	193,820	37,977	26,978	25,223	366,854	585,506	184,132	26,935	47,463
Debt service:										
Principal	22,770	24,909	27,779	27,893	27,991	27,340	25,314	16,977	18,337	20,435
Interest	31,744	32,766	34,317	35,383	33,117	49,652	72,878	74,560	69,635	71,223
Principal retirement	-	116,800	-	70,200	-	61,500	-	-	-	-
Payment to refunded debt escrow agent	-	66,009	-	69,200	-	-	-	-	-	-
Debt issuance costs	1,455	1,205	-	1,014	2,695	2,373	1,843	137	418	854
Total expenditures	296,663	650,815	327,682	485,441	333,238	749,433	896,213	387,813	331,446	388,464
Excess (deficiency) of revenues over (under) expenditures	(5,235)	(351,838)	1,336	(116,217)	57,084	(346,780)	(556,339)	(249,818)	77,735	124,025
<b>Other financing sources (uses)</b>										
Transfers in	59,354	76,622	72,131	104,716	124,297	118,543	99,660	102,382	184,906	221,384
Transfers out	(62,354)	(80,122)	(76,631)	(115,216)	(126,797)	(118,643)	(72,660)	(102,382)	(184,906)	(221,384)
Proceeds from the sale of assets	80	636	46	24	105	168	75	20	41	31
Issuance of capital lease obligation	335	-	-	379	-	-	382	-	-	576
Issuance of debt	50,000	368,805	-	192,080	397,860	673,360	245,230	21,500	38,970	150,000
Premium on debt issuance	745	16,018	-	13,870	22,424	29,497	25,716	-	2,779	13,896
Discount on debt issuance	-	-	-	-	-	-	(142)	-	-	-
Payment to refunded debt escrow agent	-	(14,931)	-	(66,316)	(84,533)	(36,281)	-	(132,445)	(44,656)	-
Total other financing sources (uses)	48,160	367,028	(4,454)	129,537	333,357	666,644	298,261	(110,925)	(2,865)	164,502
<b>Special item</b>										
Acquisition of monorail	-	-	-	-	-	-	-	(17,648)	-	-
Net change in fund balances	42,925	15,190	(3,118)	13,320	390,441	319,864	(258,078)	(378,391)	74,869	288,528
<b>Fund balance - beginning</b>	132,240	175,165	190,356	187,237	200,557	590,998	910,862	652,784	274,393	349,263
<b>Fund balance - ending</b>	\$ 175,165	\$ 190,356	\$ 187,237	\$ 200,557	\$ 590,998	\$ 910,862	\$ 652,784	\$ 274,393	\$ 349,263	\$ 637,791
<b>Debt service as a percentage of noncapital expenditures</b>	20.3%	12.6%	21.2%	13.8%	19.8%	20.0%	31.0%	48.7%	28.8%	26.7%

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

(2) In FY 2017, the Information Technology department moved from Operations to General Government division.

(3) Special events/grants was moved under Marketing beginning FY 2015, and prior years were adjusted for conformity.

(4) In FY 2021, the Transportation Services section was established for both expenditures and revenues

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**GENERAL GOVERNMENT EXPENDITURES <sup>(1)</sup>**

**FOR ALL GOVERNMENTAL FUND TYPES**

**LAST TEN FISCAL YEARS**

(unaudited)

The schedule below details expenditures recorded in the General, Debt Service, LVCCD Debt Service, LVCCD Capital, and Capital Projects funds, except nonrecurring expenditures. Nonrecurring expenditures include capital grants to other governments, non-capitalized assets, debt issuance costs, payment to refunded debt escrow agent, principal retirements, and other. Additionally, expenditures from any internal service funds are excluded.

Fiscal Year	Total Expenditures	General Government <sup>(2)(4)</sup>		Marketing/Sales		Advertising	
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%
2016	324,410,023	16,146,746	5%	36,537,160	11%	95,012,365	29%
2017	326,226,408	19,532,835	6%	45,094,547	14%	95,905,154	29%
2018	328,977,140	20,029,693	6%	39,813,998	12%	106,726,431	32%
2019	678,861,051	19,536,345	3%	38,220,616	6%	100,315,540	15%
2020	883,926,667	16,556,545	2%	28,462,981	3%	81,183,541	9%
2021	385,898,950	11,064,160	3%	8,195,538	2%	52,041,490	13%
2022	310,759,299	15,658,529	5%	15,846,705	5%	75,768,693	25%
2023	384,831,678	17,320,029	5%	24,735,165	6%	92,491,982	24%

Fiscal Year	Operations & Transportation Services <sup>(2)(4)</sup>		Special Events Grants		Other Community Grants <sup>(4)</sup>		Capital Outlay		Debt Service <sup>(3)</sup>	
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%
2016	41,415,858	13%	11,665,284	4%	26,161,392	8%	35,375,192	11%	62,096,026	19%
2017	39,289,787	12%	12,196,297	4%	25,000,000	8%	25,932,125	8%	63,275,663	19%
2018	39,898,070	12%	12,551,768	4%	25,000,000	8%	23,848,709	7%	61,108,471	19%
2019	38,729,965	6%	15,315,686	2%	25,000,000	4%	364,750,899	54%	76,992,000	10%
2020	40,313,033	5%	15,770,524	2%	23,480,411	3%	579,968,035	66%	98,191,597	11%
2021	19,759,533	5%	9,679,335	3%	11,266,867	3%	182,354,942	47%	91,537,086	24%
2022	57,954,609	19%	25,892,489	8%	25,000,000	8%	25,003,764	8%	69,634,510	22%
2023	65,317,491	17%	23,624,955	6%	25,000,000	6%	44,683,746	12%	91,658,310	24%

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

(2) In FY 2017, the Information Technology department moved from Operations to General Government division. In FY 2021, Transportation Services section was added.

(3) Includes debt service from capital project fund, debt service fund, and LVCCD debt service fund.

(4) In FY 2014, other miscellaneous expense was included in Operations, and beginning in FY 2015, it is included in General Government.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

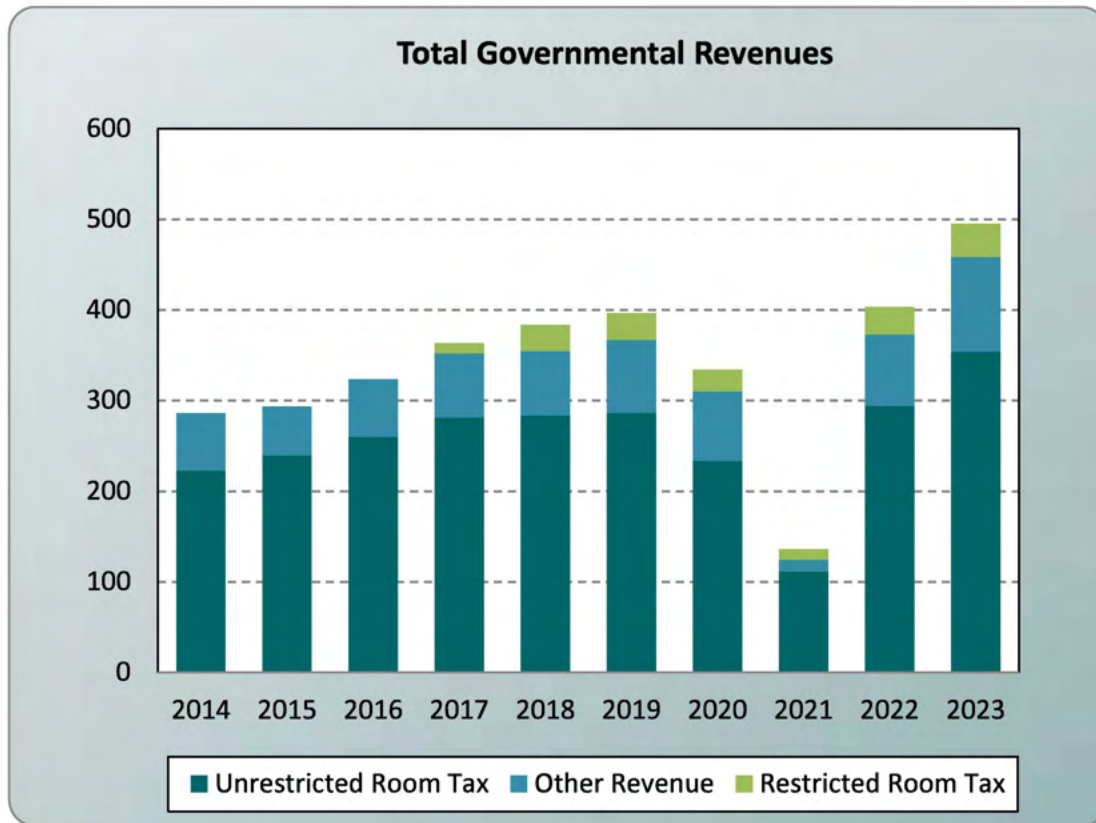
## GOVERNMENTAL REVENUES BY SOURCE <sup>(1)</sup>

### LAST TEN FISCAL YEARS

(unaudited)

The schedule below includes revenues recorded in the General, LVCCD Capital, LVCCD Debt Service, Capital Projects, and Debt Service funds, with the exception of nonrecurring items. Nonrecurring revenues include miscellaneous revenues, revenues from any internal service fund, and federal grant subsidies.

Fiscal Year	Total Revenues	Total Room Tax <sup>(2)</sup>	Unrestricted Room Tax <sup>(3)</sup>	Restricted Room Tax SB1 <sup>(3)</sup>	Charges for Services & Transportation Services	Gaming Fees	Interest
2014	\$ 285,879,682	\$ 222,781,385 78%	\$ 222,781,385	\$ -	\$ 60,786,406 21%	\$ 1,710,108 <1%	\$ 601,783 <1%
2015	293,554,369	239,318,802 82%	239,318,802	-	51,968,374 18%	1,726,843 <1%	540,350 <1%
2016	323,389,672	259,967,636 80%	259,967,636	-	60,835,567 19%	1,646,281 <1%	940,188 <1%
2017	363,184,487	292,635,690 81%	281,389,017	11,246,673	68,007,099 19%	1,593,600 <1%	948,098 <1%
2018	383,635,210	312,702,599 82%	283,540,300	29,162,299	65,829,400 17%	1,581,702 <1%	3,521,509 <1%
2019	396,510,218	315,948,898 80%	286,428,607	29,520,291	58,983,002 15%	1,620,485 <1%	19,957,833 5%
2020	334,079,685	257,462,003 77%	233,394,445	24,067,558	52,807,527 16%	1,409,666 <1%	22,400,489 7%
2021	135,932,006	122,867,541 90%	111,240,941	11,626,600	9,628,312 7%	1,427,732 <1%	2,008,421 1%
2022	403,100,982	324,383,975 80%	294,024,289	30,359,686	81,759,032 20%	1,376,692 <1%	(4,418,717) -1%
2023	494,961,226	390,484,763 79%	353,955,723	36,529,040	94,610,212 19%	1,369,217 <1%	8,497,034 2%



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

(2) This includes both Restricted and Unrestricted room tax.

(3) Includes gross room tax receipts, not affected by collection allocation transfers.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## RATIOS OF OUTSTANDING DEBT BY TYPE

### LAST TEN FISCAL YEARS

(unaudited)

Fiscal Year	General Obligation Bonds	Revenue Bonds	Unamortized Premiums & Discounts	Capital Lease Obligations	Total Primary Government	Amount of Debt per Visitor <sup>(1)</sup>
2014	\$ 405,445,000	\$ 218,280,000	\$ 7,636,790	\$ 228,907	\$ 631,590,697	15.36
2015	563,160,000	209,785,000	17,629,698	120,137	790,694,835	18.69
2016	552,365,000	192,915,000	14,362,280	5,698	759,647,978	17.69
2017	527,450,000	180,235,000	24,594,782	312,299	732,592,081	17.35
2018	828,245,000	172,710,000	43,863,396	185,998	1,045,004,394	24.81
2019	765,965,000	784,570,000	67,153,932	56,041	1,617,744,973	38.04
2020	940,840,000	829,800,000	88,006,941	249,442	1,858,896,383	97.68
2021	795,370,000	847,470,000	82,361,092	127,399	1,725,328,491	53.53
2022	783,040,000	836,330,000	78,246,735	812,646	1,698,429,381	43.74
2023	775,695,000	973,460,000	84,641,824	861,322	1,834,658,146	n/a <sup>(2)</sup>

(1) These ratios are calculated using the total number of visitors to Las Vegas on a calendar year basis.

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



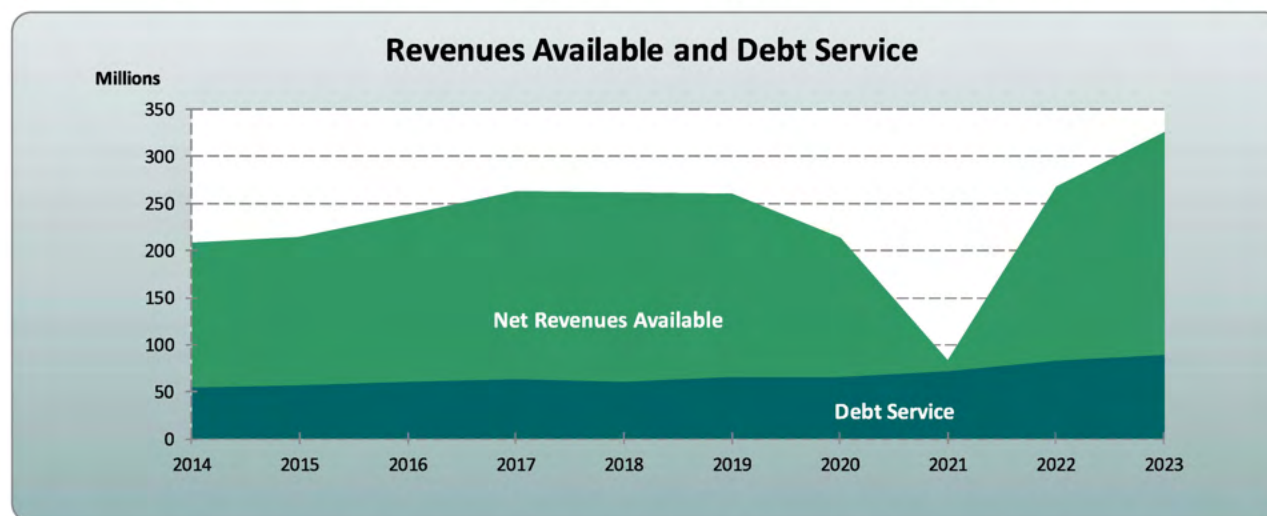
**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
**BOND COVERAGE**  
**LAST TEN FISCAL YEARS**  
(unaudited)

Nine of the LVCVA's eighteen 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, 2023, no ad valorem property tax revenues are allocated to the LVCVA for any purpose. No change in this practice is contemplated. There is one medium term bond, and the eight remaining bonds 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, Debt Service, and LVCCD Debt Service funds. Revenues from the Capital Projects and Internal Service funds have been excluded since these are not a constant source of income. Revenues from LVCCD Capital Fund are excluded from Gross Revenue, but are included in Expansion Tax Revenue, as those resources are restricted for Phases Two and Three of the LVCCD project and can only be used to repay principal and interest on LVCCD bonds and are only included in the Debt Coverage with Expansion Tax ratio. Maintenance expenditures are comprised of all expenditures except certain marketing, advertising, bond issuance costs, capital improvement, and debt service. Principal and interest contain expenditures for debt service and LVCCD debt service.

FISCAL YEAR	GROSS REVENUES	MAINTENANCE EXPENDITURES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL AND INTEREST <sup>(1)</sup>	EXPANSION TAX REVENUE	SERVICE COVERAGE	DEBT COVERAGE w/ EXPANSION TAX
2014	\$ 285,749,837	\$ 77,050,163	\$ 208,699,674	\$ 55,149,034	\$ -	3.8	3.8
2015	293,340,228	78,998,994	214,341,234	57,554,480	-	3.7	3.7
2016	322,769,973	85,126,980	237,642,993	61,252,680	-	3.9	3.9
2017	351,597,011	88,906,226	262,690,785	62,892,859	14,625,224	4.2	4.4
2018	351,695,085	89,722,271	261,972,814	60,726,872	30,856,567	4.3	4.8
2019	348,678,491	88,534,195	260,144,296	66,201,008	47,923,879	3.9	4.7
2020	291,152,237	78,317,538	212,834,699	66,102,939	38,286,185	3.2	3.8
2021	120,392,051	36,874,492	83,517,559	71,907,150	12,929,486	1.2	1.3
2022	356,148,580	88,903,231	267,245,349	83,635,627	33,761,369	3.2	3.6
2023	427,303,310	101,062,486	326,240,824	89,122,444	52,563,182	3.7	4.3



<sup>(1)</sup>Includes principal and interest payments on senior lien bonds. Excludes interest payments due on the Subordinate Revenue Bonds of \$371,334, \$722,942, \$299,970, \$242,893, and \$402,899 in FY 2015, FY 2016, FY 2017, FY 2018, and FY 2019, respectively.

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

FISCAL YEAR	APPROXIMATE ASSESSED VALUATION <sup>(1)</sup>	BONDED DEBT LIMIT <sup>(2)</sup>	TOTAL LVCVA DEBT APPLICABLE TO DEBT LIMIT <sup>(3)</sup>	LEGAL DEBT MARGIN	LEGAL DEBT MARGIN TO THE BONDED DEBT LIMIT
2014	\$ 54,715,695,579	\$ 2,735,784,779	\$ 405,445,000	\$ 2,330,339,779	85%
2015	62,901,949,671	3,145,097,484	563,160,000	2,581,937,484	82%
2016	70,522,285,405	3,526,114,270	552,365,000	2,973,749,270	84%
2017	77,201,273,046	3,860,063,652	527,450,000	3,332,613,652	86%
2018	82,657,420,456	4,132,871,023	828,245,000	3,304,626,023	80%
2019	88,652,518,662	4,432,625,933	765,965,000	3,666,660,933	83%
2020	97,788,043,990	4,889,402,200	940,840,000	3,948,562,200	81%
2021	104,932,420,502	5,246,621,025	816,770,000	4,429,851,025	84%
2022	109,558,221,371	5,477,911,069	804,340,000	4,673,571,069	85%
2023	120,429,026,349	6,021,451,317	796,895,000	5,224,556,317	87%

<sup>(1)</sup> 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.

<sup>(2)</sup> 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.

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



**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT – CLARK COUNTY, NEVADA**  
**JUNE 30, 2023**  
(unaudited)

	OUTSTANDING DEBT	ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVER-LAPPING DEBT
<u>Direct Debt:</u>			
Las Vegas Convention and Visitors Authority <sup>(1)(2)</sup>	\$ 1,834,658,146	100%	\$ 1,834,658,146
<u>Overlapping Debt:</u>			
Clark County <sup>(3)</sup>	5,138,759,862	100%	<u>5,138,759,862</u>
		Total	<u>\$ 6,973,418,008</u>

(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, revenue bonds, unamortized premiums and discounts on bonds, and capital lease obligations.

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

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
**DEMOGRAPHIC STATISTICS – CLARK COUNTY, NEVADA**  
**JUNE 30, 2023**  
(unaudited)

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

Clark County is the 14<sup>th</sup> largest county in the United States and provides extensive regional services to more than 2 million citizens. The population increased slightly in FY 2022 compared to FY 2021.

The cities of Las Vegas, North Las Vegas, and Henderson total aggregate population is 1,274,298, which makes up 55% of the total Clark County population of 2,338,127. Labor force stands at 1,171,600, a modest growth compared to FY 2022. The unemployment rate increased from 5.7% at June 30, 2022 to 6.0% at June 30, 2023.

Entity	Incorporation Date	2022 Population	Square Miles (approx.)
Unincorporated Clark County	1909	1,026,612	7,441
Las Vegas	1911	660,987	134
North Las Vegas	1946	278,671	100
Henderson	1953	334,640	105
Boulder City	1958	15,012	208
Mesquite	1984	22,205	32



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

Further statistics that reflect the local economy are shown below:

AS OF JUNE 30	POPULATION (A)	LABOR FORCE (B)	UNEMPLOYMENT RATE (B)	AS OF DEC 31	PER CAPITA INCOME (C)	MEDIAN AGE (D)	MEDIAN HOUSEHOLD INCOME (D)	CCSD SCHOOL ENROLLMENT (D)
2013	2,031,723	1,006,971	10.00%	2012	\$ 39,909	36.2	\$ 50,962	311,238
2014	2,069,450	1,013,962	8.10%	2013	39,664	36.4	50,454	314,643
2015	2,118,353	1,034,657	7.00%	2014	41,773	36.8	50,274	318,040
2016	2,166,181	1,044,827	6.10%	2015	44,493	37.2	52,865	319,713
2017	2,193,818	1,067,289	5.60%	2016	45,450	37.5	54,307	320,559
2018	2,251,175	1,095,479	5.00%	2017	47,485	37.7	55,034	321,648
2019	2,293,391	1,123,100	4.80%	2018	49,678	37.9	57,946	319,917
2020	2,320,107	1,088,500	18.00%	2019	52,602	38.1	61,835	318,233
2021	2,320,551	1,135,700	9.60%	2020	55,406	38.3	61,943	305,109
2022	2,338,127	1,122,300	5.70%	2021	60,213	38.5	67,396	304,782
2023	n/a	1,171,600	6.00%	2022	n/a	38.8	70,241	298,106

Sources:

- (A) Nevada Demographer - 2023 information is not available from NV Taxation Dept./ State Demographer at the time of printing.
- (B) U.S. Bureau of Labor Statistics.
- (C) U.S. Bureau of Economic Analysis CAINC1 NV. New statistics for 2021; revised stats for 2012-2020 updated on November 15, 2022.
- (D) Median age calculation includes entire population. All other statistics as of December 31 are from the Las Vegas Perspective.
- n/a - Not available at time of printing

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
**ASSESSED PROPERTY VALUE, CONSTRUCTION, AND DEPOSITS – CLARK COUNTY, NEVADA**  
**LAST TEN YEARS**  
(unaudited)

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL <sup>(1)</sup>	
	NET	ESTIMATED	NET	ESTIMATED	NET	ESTIMATED
	ASSESSED VALUE	ACTUAL VALUE	ASSESSED VALUE	ACTUAL VALUE	ASSESSED VALUE	ACTUAL VALUE
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
2016	65,063,984	185,897,097	5,458,301	15,595,147	70,522,285	201,492,244
2017	70,542,810	201,550,884	6,658,464	19,024,181	77,201,274	220,575,065
2018	75,393,978	215,411,367	7,263,442	20,752,692	82,657,420	236,164,059
2019	81,419,209	232,626,313	7,233,309	20,666,598	88,652,519	253,292,911
2020	89,852,896	256,722,561	7,935,148	22,671,850	97,788,044	279,394,411
2021	96,977,318	277,078,052	7,955,102	22,728,863	104,932,421	299,806,916
2022	101,114,085	288,897,384	8,444,137	24,126,105	109,558,221	313,023,490
2023	111,771,285	319,346,529	8,657,741	24,736,403	120,429,026	344,082,932

Source: Real & Personal Property - Clark County Assessor

<sup>(1)</sup> Totals may not foot due to rounding.

The total net assessed value for FY 2023 represented 35% of the total estimated actual value. Residential Construction includes only single family and multi-family units, not additions, upgrades, guest homes, or mobile homes.

**NEW CONSTRUCTION (IN THOUSANDS) <sup>(1)</sup>**  
**LAST TEN CALENDAR YEARS**

CALENDAR YEAR	HOTEL/MOTEL CONSTRUCTION		COMMERCIAL/PUBLIC CONSTRUCTION		RESIDENTIAL CONSTRUCTION		TOTAL NEW CONSTRUCTION <sup>(2)</sup>
	NUMBER		NUMBER		NUMBER		
	OF PERMITS	VALUE	OF PERMITS	VALUE	OF PERMITS	VALUE	
2013	-	\$ -	225	\$ 457,887	7,334	\$ 1,031,419	\$ 1,489,306
2014	-	-	951	773,014	7,330	936,763	1,709,777
2015	-	-	930	916,186	8,250	1,060,250	1,976,436
2016	5	31,305	296	598,732	9,067	1,482,868	2,112,905
2017	7	125,076	345	644,425	10,024	1,548,930	2,318,431
2018	9	434,139	942	2,755,163	10,847	1,874,903	5,064,205
2019	6	37,602	420	1,696,253	10,356	2,031,481	3,765,336
2020	2	8,120	337	1,702,809	11,846	2,198,141	3,909,070
2021	4	26,739	398	1,117,196	14,615	3,158,670	4,302,605
2022	6	89,097	374	1,398,355	11,005	3,110,436	4,597,888

Source: New Construction - Las Vegas Perspective

<sup>(1)</sup> New construction information is only available on a calendar year basis.

<sup>(2)</sup> Totals may not foot due to rounding.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## VISITOR ANALYSIS

### LAST TEN CALENDAR YEARS

(unaudited)

In its role of promoting Las Vegas as a travel destination, the LVCVA contributes to the growth of the entire local economy. The Las Vegas economy is heavily dependent on the tourism industry and continues to recover from the impacts related to the COVID-19 pandemic. In 2022, our tourism industry recovered almost to pre-pandemic levels. As the industry built on the momentum of 2021, travel and tourism steadily increased throughout the year. Total visitors to Las Vegas rebounded to 38.8 million, a 20.5% rise from 2021 but 8.7% below 2019. Convention delegates increased to 5.0 million in 2022, which was more than twice as many attendees in 2021. In comparison to the 6.6 million attendees who set a record in 2019, attendance in 2022 was still 25% lower.

CALENDAR YEAR	CONVENTION DELEGATES	% OF TOTAL VISITORS	TOURISTS	% OF TOTAL VISITORS	TOTAL VISITORS	CHANGE
2013	5,107,416	12.9%	34,560,805	87.1%	39,668,221	-0.1%
2014	5,194,580	12.6%	35,931,932	87.4%	41,126,512	3.7%
2015	5,891,151	13.9%	36,421,065	86.1%	42,312,216	2.9%
2016	6,310,616	14.7%	36,625,484	85.3%	42,936,100	1.5%
2017	6,646,200	15.7%	35,568,000	84.3%	42,214,200	-1.7%
2018	6,501,800	15.4%	35,615,000	84.6%	42,116,800	-0.2%
2019	6,649,100	15.6%	35,874,600	84.4%	42,523,700	1.0%
2020	1,727,200	9.1%	17,303,900	90.9%	19,031,100	-55.2%
2021	2,206,400	6.8%	30,024,200	93.2%	32,230,600	69.4%
2022	4,991,500	12.9%	33,837,800	87.1%	38,829,300	20.5%

Source: LVCVA - Research Center

Las Vegas tourism industry are driven by visitor spending on rooms, dining, shopping, local transportation, and other activities and amenities during their stays. Indicators of the economic impact include total gaming revenues in Clark County and room taxes collected on behalf of the LVCVA. In 2022, Clark County gaming revenues achieved a record year at \$12.8 billion, a 11.8% increase over 2021.

CALENDAR YEAR	GAMING REVENUES <sup>(3)</sup> (In Thousands)	CHANGE	FISCAL YEAR	GROSS LVCVA ROOM TAXES <sup>(1)</sup>	CHANGE	ROOM TAX COLLECTED <sup>(2)</sup> (sans LVCVA)	CHANGE
2013	\$ 9,674,404	2.9%	2014	\$ 222,781,385	9.6%	\$ 341,216,176	9.8%
2014	9,553,864	-1.2%	2015	239,318,802	7.4%	366,546,705	7.4%
2015	9,617,671	0.7%	2016	259,967,636	8.6%	398,294,720	8.7%
2016	9,713,930	1.0%	2017	292,635,690	12.6%	445,138,728	11.8%
2017	9,978,503	2.7%	2018	312,702,599	6.9%	490,170,969	10.1%
2018	10,250,555	2.7%	2019	315,948,898	1.0%	532,817,513	8.7%
2019	10,355,663	1.0%	2020	257,462,003	-18.5%	399,905,136	-24.9%
2020	6,540,595	-36.8%	2021	122,867,541	-52.3%	211,788,136	-47.0%
2021	11,440,422	74.9%	2022	324,383,975	164.0%	514,936,662	143.1%
2022	12,786,627	11.8%	2023	390,484,763	20.4%	n/a	n/a

Source: LVCVA - Research Center

<sup>(1)</sup> Prepared on modified accrual basis. This represents only the LVCVA portion of the county-wide room tax revenues.

<sup>(2)</sup> From Nevada Department of Taxation's Transient Lodging Report.

<sup>(3)</sup> Revised Gaming Revenue for 2021 is from LVCVA Research website as of 7/13/2023.

n/a - Not available at time of printing.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**USE OF FACILITIES**

**LAST TEN FISCAL YEARS**

(unaudited)

**LAS VEGAS CONVENTION CENTER BUILDING UTILIZATION**

FY	CONVENTIONS	SPECIAL EVENTS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
2014	47	12	1	3	63	\$ 47,067,894
2015	50	11	6	3	70	40,605,461
2016	51	9	10	1	71	46,954,668
2017	50	12	7	4	73	50,282,592
2018	54	11	12	2	79	49,669,504
2019	56	13	19	5	93	47,217,503
2020	32	6	20	5	63	41,823,288
2021	6	2	2	2	12	4,692,657
2022	61	9	13	7	90	52,994,393
2023	49	11	17	6	83	56,238,218

**CASHMAN CENTER BUILDING UTILIZATION**

FY	CONVENTIONS	SPECIAL EVENTS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITIES USAGE REVENUE
2014	1	5	164	35	205	\$ 1,708,593
2015	1	3	152	47	203	1,815,341
2016	1	8	165	62	236	1,997,769
2017	1	11	143	49	204	1,844,901
2018	-	3	128	29	160	1,270,436
2019 <sup>(1)</sup>	-	-	44	-	44	346,109

Source: LVCVA - Research Center

<sup>(1)</sup> In May 2019, the LVCVA's operating agreement with the City of Las Vegas related to Cashman Center ended.

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

	2014	2015	2016	2017	2018	2019	2020 <sup>(6)</sup>	2021 <sup>(6)</sup>	2022 <sup>(6)</sup>	2023 <sup>(6)</sup>
<u><b>GENERAL GOVERNMENT</b></u>										
Executive	16	16	16	17	13	13	9	9	10	10
Finance <sup>(1)</sup>	36	37	39	61	64	64	40	37	43	42
Human Resources	8	8	10	11	11	11	6	7	4	5
Public Affairs	20	20	18	18	18	18	7	7	8	7
	80	81	83	107	106	106	62	60	65	64
<u><b>MARKETING</b></u>										
Sales <sup>(3)</sup>	38	33	35	37	37	38	18	15	15	17
Convention Services <sup>(4)</sup>	--	15	15	15	15	14	--	--	--	--
Marketing Systems / Digital Marketing	7	7	7	7	7	7	4	3	4	10
Global Sales / Intl PR	11	9	9	16	16	14	11	6	9	8
Leisure Sales	10	10	11	10	10	10	8	6	6	7
Registration <sup>(4)</sup>	--	4	4	4	4	4	--	--	--	--
Research Center	6	7	7	7	7	7	4	4	5	5
Sports Marketing	2	1	1	1	1	3	3	3	3	3
Industry Relations /Event Design	4	7	8	8	8	8	4	2	2	3
Visitor Information <sup>(4)</sup>	--	17	17	17	17	17	--	--	--	--
Brand Strategy <sup>(2)</sup>	5	11	12	7	11	11	12	9	13	8
Customer Experience <sup>(5)</sup>	--	4	4	5	5	5	--	--	--	--
	83	125	130	134	138	138	64	48	57	61
<u><b>OPERATIONS</b></u>										
Client Services /Facility Services	112	112	112	112	108	108	88	87	91	100
Customer Experience / Guest Experience <sup>(5)</sup>	4	--	--	--	--	--	--	--	3	5
Convention Services <sup>(4)</sup>	15	--	--	--	--	--	8	8	9	9
Registration <sup>(4)</sup>	5	--	--	--	--	--	3	3	3	--
Visitor Information <sup>(4)</sup>	19	--	--	--	--	--	2	2	--	--
Engineering / Maintenance	100	92	94	96	92	92	54	51	69	68
Engineering Projects	4	4	3	2	4	4	5	5	4	3
Information Technology <sup>(1)</sup>	13	21	21	--	--	--	--	--	--	--
Fire Prevention	5	5	5	5	5	5	3	2	5	5
Customer Safety	47	47	62	64	64	64	52	50	68	71
Traffic	23	28	19	21	21	21	17	16	2	3
Transportation	--	--	--	--	--	--	--	1	2	2
	347	309	316	300	294	294	232	225	256	266
Unfilled / Pooled Positions <sup>(6)</sup>	--	--	--	--	--	--	54	79	34	24
Filled Positions <sup>(6)</sup>	510	515	529	541	538	538	358	333	378	391
TOTAL AUTHORIZED POSITIONS <sup>(6)</sup>	510	515	529	541	538	538	412	412	412	415

<sup>(1)</sup> In FY 2017, Information Technology was moved into the Finance department under General Government division.

<sup>(2)</sup> In FY 2014, Brand Strategy was created within Marketing, and the Advertising personnel function was moved into the department.

<sup>(3)</sup> In FY 2014, Convention Center Sales and Convention Sales were merged into Sales.

<sup>(4)</sup> In FY 2014, Convention Services, Registration, and Visitor Information were moved to Operations but moved back to Marketing in FY 2015. They were moved back to Operations in FY 2020.

<sup>(5)</sup> In FY 2015, Customer Experience was moved to the Marketing Division. In FY 2020, it was moved back to Operations.

<sup>(6)</sup> Methodology changed in FY 2020 forward, using a pooled list of authorized but unfilled positions not assigned to any particular department as well as filled positions. Totals by department included working and furloughed employees for FY 2020 and FY 2021.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## ACTIVITY MEASURES <sup>(5)</sup>

### LAST TEN FISCAL YEARS

(unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Human Resources</b>										
# of active employees	500	505	510	530	517	473	358	333	348	411
# of new full-time employees processed	48	47	60	55	21	22	7	11	50	70
<b>Public Affairs</b> <sup>(4)</sup>										
Media inquiries received	642	760	704	797	880	n/a	n/a	n/a	n/a	n/a
Press releases distributed	37	28	33	40	23	n/a	n/a	n/a	n/a	n/a
Video and photo placements	7,920	7,170	6,646	11,590	11,095	n/a	n/a	n/a	n/a	n/a
<b>Public Relations - International / MICE</b> <sup>(2) (4)</sup>										
Media inquiries received	n/a	n/a	n/a	249	187	n/a	n/a	n/a	n/a	n/a
Press releases distributed	n/a	n/a	n/a	15	9	n/a	n/a	n/a	n/a	n/a
Domestic media placements	n/a	n/a	n/a	n/a	n/a	2,061	3,843	n/a	n/a	n/a
Impressions from domestic media placements	n/a	n/a	n/a	n/a	n/a	4,558	6,648	n/a	n/a	n/a
<b>Finance</b>										
Payroll checks/deposit advises issued	21,671	21,222	21,197	20,998	20,912	19,692	15,018	3,748	11,467	11,844
# of Invoices associated w/AP disbursements	20,705	19,319	20,400	19,359	18,850	17,724	13,853	4,513	7,924	10,267
<b>Purchasing and Contracts</b>										
Contracts administered <sup>(1)</sup>	419	363	363	269	265	211	208	69	196	1,031
Purchase orders issued	790	783	916	870	826	670	430	305	401	457
<b>Materials</b>										
Packages shipped	43,449	37,572	35,208	30,117	28,052	23,621	12,684	4,947	435	1,017
Copies produced	0.8M	0.8M	0.7M	0.7M	0.5M	0.5M	0.1M	N/A	37K	42K
<b>Information Technology</b> <sup>(1)</sup>										
Computer training hours	132	109	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Call resolution time (average hours)	6.8	7.1	n/a	n/a	n/a	n/a	n/a	27	26	20
Total help desk calls fielded	n/a	3,956	4,827	5,068	4,465	4,932	1,760	1,519	3,682	3,304
Network devices supported	n/a	85	95	101	615	618	976	3,164	3,351	2,171
Computers supported at year-end	n/a	450	469	451	519	509	104	255	291	311
<b>Research Center</b>										
Statistical Reports and Publications produced	33	31	33	31	32	29	n/a	n/a	n/a	n/a
<b>Digital Marketing</b>										
Web site visits - combined LVCVA sites	18.5M	20.1M	17.3M	13.6M	9.1M	10.4M	8.7M	n/a	n/a	n/a
Web site referrals - combined LVCVA sites <sup>(3)</sup>	2.4M	2.0M	1.4M	1.2M	744,000	2.4M	2.1M	n/a	n/a	n/a
<b>Marketing</b> <sup>(4)</sup>										
Total leads distributed	3,636	3,977	4,625	4,625	4,142	4,697	3,430	1,634	2,634	3,514
Converted leads	1,411	1,421	1,499	1,506	1,392	1,752	1,438	348	818	1,439
In-person out of market sales calls	2,906	2,649	2,477	2,920	2,594	n/a	n/a	n/a	n/a	n/a
Travel industry events attended	876	866	851	882	849	n/a	n/a	n/a	n/a	n/a
<b>Registration Services</b> <sup>(4)</sup>										
Meetings and conventions supported	284	265	252	263	249	183	n/a	n/a	n/a	n/a
<b>Call Center</b> <sup>(4)</sup>										
Total calls managed	82,251	79,552	76,985	68,569	59,342	49,752	n/a	n/a	n/a	n/a
<b>Visitor Information</b> <sup>(4)</sup>										
Total visitor volume	185,965	164,182	143,002	136,017	118,411	78,088	n/a	n/a	n/a	n/a
<b>Client Services</b>										
Show support (man-hours)	15,777	14,376	14,220	13,902	13,120	14,465	10,620	1,356	11,716	14,508
Set/strike meeting rooms/halls (man-hours)	19,383	21,138	22,237	22,012	26,457	27,443	18,084	3,164	25,940	28,140
<b>Facilities</b>										
Leased net square foot serviced (LVCC)	17,390,712	14,440,519	16,933,777	18,880,449	19,314,340	16,799,911	12,230,475	1,231,993	14,591,070	14,576,792
Building attendees supported (LVCC)	1,621,450	1,491,098	1,613,859	1,769,353	1,672,534	1,690,389	1,329,087	94,664	1,215,984	1,492,822
<b>Security</b>										
Special events hours worked <sup>(4)</sup>	447	261	1,588	1,048	1,418	1,142	n/a	n/a	n/a	n/a
Percentage of lost items returned to owner <sup>(5)</sup>	49%	49%	50%	49%	52%	61%	67%	54%	67%	67%
Patients treated in First Aid <sup>(5)</sup>	2,378	1,848	1,577	1,850	1,796	1,846	585	112	1,853	2,019

(1) Revised the methodology for activity measures.

(2) In FY 2018, Public Relations - Leisure is now rolled into PA, and PR Business is included in what is now known as Public Relations - International / MICE.

(3) In FY 2019, Digital Marketing transitioned web analytics platforms from Adobe Analytics to Google Analytics. Data prior to FY 2019 is not comparable due to a change in measurement methodology.

(4) N/A as these measures are no longer tracked.

(5) FY 2020 data through October 2019.



**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

**CAPITAL ASSETS BY FUNCTION <sup>(1)</sup>**

**LAST TEN FISCAL YEARS**

(unaudited)

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Fiscal Year	General Government	Marketing	Operations	Total
2014	\$ 76,624	\$ 569,329	\$ 485,560,723	\$ 486,206,676
2015	58,060	488,114	660,648,229	661,194,403
2016	27,523	449,187	678,601,011	679,077,721
2017 <sup>(2)</sup>	1,427,363	652,766	675,285,497	677,365,626
2018	1,099,975	487,752	682,485,449	684,073,176
2019	870,531	322,421	1,030,481,328	1,031,674,280
2020	917,031	220,831	1,594,724,159	1,595,862,021
2021	417,396	140,723	1,766,181,126	1,766,739,245
2022	182,040	873,122	1,747,884,564	1,748,939,726
2023	450,446	510,192	1,748,871,154	1,749,831,792

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

(2) In FY 2017, the Information Technology department moved from Operations to General Government division.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY****CLARK COUNTY'S TEN LARGEST EMPLOYERS****MOST CURRENT YEAR AND NINE YEARS PRIOR**

(unaudited)

Industry <sup>(1)</sup>	Employees	Percentage of County Employment
Leisure and Hospitality	298,600	26.47%
Trade, Transportation and Utilities	206,100	18.27%
Professional and Business Services	173,900	15.42%
Education and Health Services	123,700	10.97%
Government	108,700	9.64%
Construction	82,400	7.30%
Financial Activities	58,200	5.16%
Other Services	32,100	2.85%
Manufacturing	30,300	2.69%
Information	13,700	1.21%
Mining and Logging	400	0.04%
	<b>1,128,100</b>	<b>100.00%</b>

**Clark County Employment as of June 30, 2023**

Industry <sup>(1)</sup>	Employees	Percentage of County Employment
Leisure and Hospitality	281,300	31.93%
Trade, Transportation and Utilities	160,700	18.24%
Professional and Business Services	116,900	13.27%
Government	92,600	10.51%
Education and Health Services	82,000	9.31%
Construction	44,500	5.05%
Financial Activities	43,400	4.93%
Other Services	25,900	2.94%
Manufacturing	21,100	2.40%
Information	12,200	1.38%
Mining and Logging	400	0.05%
	<b>881,000</b>	<b>100.00%</b>

**Clark County Employment as of June 30, 2014**

<sup>(1)</sup> Industry statistics from United States Bureau of Labor Statistics for the metropolitan statistical area of Las Vegas-Henderson-Paradise, Nevada. In the past, the Nevada Department of Employment, Training, and Rehabilitation (DETR) compiled a list of the top employers in Clark County. In fiscal year 2019, DETR stopped providing the information, and the top employers list is not available from another reliable source. Therefore, the information above is intended to provide the reader with alternate data to consider customer concentration risk.

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## PRINCIPAL ROOM TAXPAYERS

JUNE 30, 2023

(unaudited)

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

	Approximate Rooms at Dec 31, 2022	% of total rooms <sup>(1)</sup>
MGM Grand	4,997	3.1%
Luxor	4,400	2.7%
Venetian	4,029	2.5%
Aria	4,002	2.5%
Excalibur	3,981	2.5%
Bellagio	3,933	2.4%
Caesars Palace	3,794	2.3%
Circus Circus	3,763	2.3%
Resorts World	3,506	2.2%
Flamingo Las Vegas	3,446	2.1%
Total Top 10 Hotels	39,851	24.6%
Total Jean/Primm	2,635	1.6%
Other Hotels and motels	109,285	67.4%
Total Las Vegas metropolitan area	151,771	93.6%
Total Laughlin	8,752	5.4%
Total Mesquite	1,645	1.0%
Total inventory of rooms	162,168	100.0%

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

<sup>(1)</sup> Percentage figures may not add due to rounding.

In 2022, there were 1,284 more available rooms than 2021, primarily due to the re-opening of Buffalo Bill's in December 2022. The occupancy rate for the Las Vegas metropolitan area rebounded from the decline that it saw in 2020. In 2022, compared to the national average, occupancy rate for Las Vegas is 16.5 points higher.

Calendar Year	Total Visitor Volume	Rooms Inventory <sup>(1)</sup>	Occupancy Percentage	Average Number of Rooms Occupied Daily	Average Daily Rate	National Occupancy Percentage
2013	39,668,221	150,593	84.3%	126,950	\$ 110.72	62.2%
2014	41,126,512	150,544	86.8%	130,672	116.26	64.4%
2015	42,312,216	149,213	87.7%	130,860	120.67	65.6%
2016	42,936,100	149,339	89.1%	133,061	125.97	65.5%
2017	42,214,200	148,896	88.7%	132,071	127.35	65.9%
2018	42,116,800	149,158	88.2%	131,557	128.85	66.2%
2019	42,523,700	150,259	88.9%	133,580	132.62	66.1%
2020	19,031,100	145,308	42.1%	61,175	120.31	44.0%
2021	32,230,600	150,487	66.8%	100,525	137.37	57.6%
2022	38,829,300	151,771	79.2%	120,203	170.98	62.7%

<sup>(1)</sup> Total Las Vegas metropolitan area including Jean/Primm properties.

Source: LVCVA Research Center

# LAS VEGAS CONVENTION AND VISITORS AUTHORITY

## SCHEDULE OF INSURANCE IN FORCE

JUNE 30, 2023

(unaudited)

Type	NAME OF INSURER	POLICY NUMBER	LIMIT	EXPIRATION DATE <sup>(1)</sup>
Property	FM Global		\$1,000,000	8/1/2023
General Liability & Automobile	Everest National Insurance Co.	SI8ML02292231	Various	8/1/2023
Workers Compensation (DC, IL & WI)	Twin City Fire Insurance Co. (Hartford)	72WECAB1321	\$ 1,000,000	8/1/2023
Excess Workers Compensation	Safety National Casualty Corp.	SP4067194	\$ 1,000,000	8/1/2023
Lead Excess Liability	HDI Global Specialty SE	18EX3627	\$ 5,000,000	8/1/2023
Excess Liability Layer	Allianz Global Corporate & Specialty SE	23ABHX0040	\$ 5,000,000	8/1/2023
Excess over \$5 million	Starstone Specialty Insurance Company	CSX00045819P-04	\$ 5,000,000	8/1/2023
Excess over \$10 million	Arch Specialty Insurance Company	UXP1052774-00	\$ 5,000,000	8/1/2023
Excess over \$15 million	Great American Assurance Company	EXC5125914	\$ 5,000,000	8/1/2023
Excess over \$20 million	Everest Indemnity Insurance Company	SI8EX01397-231	\$ 10,000,000	8/1/2023
Excess over \$30 million	Landmark American Insurance Company	LHA103675	\$ 10,000,000	8/1/2023
Excess Liability Layer	Crum & Forster Specialty Insurance Cor	TBD		8/1/2023
Excess over \$40 million	Navigators Insurance Co.	LA23EXC878766IC	\$ 15,000,000	8/1/2023
Excess over \$55 million	Endurance American Insurance Co.	EXC10007458808	\$ 15,000,000	8/1/2023
Public Officials Liability	ACE American Insurance Co.	G21656589020	\$ 10,000,000	8/1/2023
Global Medical Insurance	ACE American Insurance Co.	ADDN04986210	\$ 250,000	8/1/2023
International Liability	Hartford Fire Insurance Co.	72HIPBB3901	Various	8/1/2023
Crime	Alliant Insurance Crime Program (ACIP) - National Union Fire Company of Pittsburgh, PA	013004282	\$1,000,000	8/1/2023
Cyber Liability	Syndicate 2623/623 at Lloyd's (Beazley Furlonge Ltd.)	FN2313443	\$ 5,000,000	3/17/2024
Terrorism (Monorail)	Lloyd's of London	UTS257502823	\$ 50,000,000	1/1/2024
Property Insurance (Monorail)	American Internation Group (AIG)	018258113	\$ 50,000,000	1/1/2024
Liability (Monorail)	Mercer Insurance Co.	20000000458	\$ 2,000,000	12/10/2023
Accidental Death & Dismemberment (Volunteers)	Federal Insurance Co.	9912-02-43	\$ 1,000,000	4/15/2024

(1) Insurance policies have been renewed, as appropriate, for the next year.

## **Additional Reports of the Independent Auditors'**



**Independent Auditor's 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***

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

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Las Vegas Convention and Visitors Authority (the "LVCVA"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the LVCVA's basic financial statements and have issued our report thereon dated November 28, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the LVCVA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the 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 entity's 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 or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the LVCVA 's 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Las Vegas, Nevada  
November 28, 2023





## Independent Accountant's Report

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

Senate Bill 1 of the 30<sup>th</sup> (2016) Special Session of the Nevada Legislature (the "Bill"), requires the Las Vegas Convention and Visitors Authority ("LVCVA") to provide the Oversight Panel established by the Bill with an annual third-party examination. Sections 59 and 60 of the Bill require distribution to the LVCVA of the resultant financing proceeds to be used by the LVCVA solely for the expansion and renovation of the Convention Center and to pay the principal and interest on securities issued to fund the costs of such project.

We have examined management of LVCVA's assertion that LVCVA has complied with the applicable criteria stated in Sections 56–60 of the Act (the "Criteria"), in all material respects, for the year ended June 30, 2023 (the "Assertion"). The LVCVA's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion, based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertion that LVCVA has complied with the applicable criteria stated in sections 56-60 of the Act, in all material respects, for the year ended June 30, 2023, is fairly stated in all material respects.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Las Vegas, Nevada  
November 28, 2023

## **Accompanying Information – Expenditures of Federal Awards**

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## **Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance**

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

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on the Major Federal Program***

We have audited Las Vegas Convention and Visitors Authority's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Las Vegas Convention and Visitors Authority's major federal program for the year ended June 30, 2023. Las Vegas Convention and Visitors Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Las Vegas Convention and Visitors Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2023.

#### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Las Vegas Convention and Visitors Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Las Vegas Convention and Visitors Authority's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Las Vegas Convention and Visitors Authority's federal program.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Las Vegas Convention and Visitors Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Las Vegas Convention and Visitors Authority's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Las Vegas Convention and Visitors Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Las Vegas Convention and Visitors Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Las Vegas Convention and Visitors Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control over Compliance***

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such

that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Las Vegas, Nevada  
November 28, 2023

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Financial Assistance Listing	Grant or Pass- Through Number	Total Federal Financial Assistance	Amounts Passed- Through to Subrecipients
U.S. DEPARTMENT OF COMMERCE				
Passed Through Department of Nevada Tourism and Cultural Affairs:				
Economic Development Cluster				
COVID-19 American Rescue Plan Act State Travel, Tourism, and Outdoor Recreation Grants (State Tourism Grants) Supplemental Disaster Recovery and Resiliency Awards	11.307	07-79-07804	\$ 7,000,000	\$ -
Total U.S. Department of Commerce, Economic Development Cluster			\$ 7,000,000	\$ -
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 7,000,000	\$ -

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

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**NOTE 1. REPORTING ENTITY:**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of Federal financial assistance programs of the Las Vegas Convention and Visitor's Authority (the "LVCVA"). The LVCVA's reporting entity is defined in Note 1 to its basic financial statements. All Federal financial assistance received by the LVCVA directly from Federal agencies as well as Federal financial assistance passed through other government agencies is included in the schedule.

**NOTE 2: BASIS OF PRESENTATION:**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity and is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). LVCVA received a single federal award indirectly through a pass-through entity. LVCVA did not award any amounts to sub-recipients. Because the schedule presents only a selected portion of the operations of the LVCVA, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the LVCVA.

**NOTE 3. SIGNIFICANT ACCOUNTING POLICIES:**

Governmental fund types account for LVCVA's federal grant activity. Therefore, expenditures in the Schedule of Expenditures of Federal Awards are recognized on the modified accrual basis when they become a demand on currently available financial resources. Such expenditures are recognized following the cost principles contained in Subpart E – Cost Principles of the Uniform Guidance. The LVCVA's summary of significant accounting policies is presented in Note 1 in the LVCVA's basic financial statements. The LVCVA does not draw for indirect administrative expenses and has not elected to use the 10% de minimis cost rate.

**NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS:**

Expenditures of Federal Awards reported in the LVCVA's basic financial statements are in the General Fund in the amount of \$7,000,000.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**  
Schedule of Findings and Questioned Costs – Federal Awards  
For the Year Ended June 30, 2023

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**Section I – Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified not  
Considered to be material weaknesses ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

**Federal Awards**

Internal Control over major program:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified not  
Considered to be material weaknesses ☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required  
to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
11.307	COVID-19 Economic Adjustment Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

**Section II – Financial Statement Findings**

None noted.

**Section III – Federal Award Findings and Questioned Costs**

None noted.





Las Vegas Convention and Visitors Authority  
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702-892-0711 | [LVCVA.com](http://LVCVA.com)