

LAS VEGAS CONVENTION AND VISITORS AUTHORITY



# POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2014 | LAS VEGAS, CLARK COUNTY, NEVADA



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## Introductory Message



It is my pleasure to present the Las Vegas Convention and Visitors Authority's (LVCVA) Popular Annual Financial Report (PAFR) for the fiscal year (FY) ended June 30, 2014.

The PAFR summarizes the LVCVA's financial activities and performance results gathered from our FY 2014 Comprehensive Annual Financial Report (CAFR). The CAFR is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and was audited by the firm of Piercy, Bowler, Taylor & Kern, receiving an "unqualified" opinion. An unqualified opinion is given when the auditor can state that the financial statements are accurately and fairly presented.

However, the PAFR is an unaudited report and presented on a non-GAAP basis as its condensed and simplified presentation does not include all segregated funds, required presentations, and all financial statements or notes to the financial statements. The PAFR is intended to simplify, but not to replace the CAFR. Individuals desiring to view a full disclosure of our financials can obtain a copy of the CAFR at <http://www.lvcva.com/who-we-are/funding-and-finance/> or by contacting the Sr. Vice President of Finance.

On behalf of Las Vegas Convention and Visitors Authority, I would like to thank you for taking the time to read our PAFR. We hope this report will provide you with information about our financials and the services we provide.

Sincerely,

A handwritten signature in black ink that reads "Rana D. Lacer". The signature is fluid and cursive.

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

To view this report and other financial information, including the Comprehensive Annual Financial Report (CAFR), please visit the Financial Information link at <http://www.lvcva.com/who-we-are/funding-and-finance/>

## *About the Las Vegas Convention and Visitors Authority*

The LVCVA was originally created in 1955 as the Clark County Fair and Recreation Board in order to acquire and operate convention facilities within the Las Vegas metropolitan area. It is a unique organization as it does not operate as a typical membership-based convention and visitor's bureau. Instead, we are a government agency established by state law, funded primarily by room tax revenues and governed by an autonomous Board of Directors.

While resorts advertise and market their individual properties, the LVCVA is the marketing organization for all of Southern Nevada and the extended destinations, including Laughlin, Mesquite, Boulder City, and Primm.

In response to challenges presented by increased global competition for both convention and tourist travelers, the LVCVA has continued to stand by its mission:

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



*(The Las Vegas Strip)*

It fulfills its mission primarily through national and international advertising campaigns, sales efforts, public relations, special events and operation of the Las Vegas Convention Center (LVCC) and Cashman Center.

Internationally, the LVCVA has representative offices in Australia, Brazil, Canada, China, France, Germany, Ireland, Japan, Mexico, South Korea, India, and the United Kingdom. In addition to the international offices, the LVCVA operates regional offices in Chicago, Illinois and Washington, D.C. Locally, the LVCVA maintains five visitor information centers in Southern Nevada.

## Las Vegas Convention Center

The LVCC opened in 1959 with a 20,340-square-foot rotunda, 18 meeting rooms and a 90,000-square-foot exhibit hall. Today, the LVCC has 3.2 million square feet of meeting and exhibit space. The LVCC hosted 47 conventions and tradeshows in FY 2014, along with other special events. Some of the largest conventions and shows held here include: MAGIC International, Specialty Equipment Marketing Association (SEMA), International Consumer Electronics Show (CES), World of Concrete, The National Mining Association, the National Finals Rodeo Cowboy Christmas Fest, CONEXPO-AGG equipment show, and National Association of Broadcasters (NAB). The LVCC attracted nearly 1.5



million total attendees for the fiscal year. The LVCC can host nearly any event imaginable, from the largest conventions to international sporting events and full-scale concerts. The LVCVA partnered with Cox Telecom Nevada for major technology upgrades including substantial internet bandwidth increase and unrivaled wireless internet access.

## Cashman Center

The LVCVA also owns and operates Cashman Center which opened in 1983. Cashman Center is a multi-use facility encompassing 483,000 square feet on a 55-acre site near downtown Las Vegas. The facility includes more than 98,000 square feet of exhibit space, 14 meeting rooms, a 1,922 seat state-of-the-art theater, and a 10,000-seat baseball stadium which is the home of the Las Vegas 51s, currently a AAA affiliate of the New York Mets. The center is frequently used for local events, but has hosted national events.



## ***MAJOR INITIATIVES IN FY 2014***

### **Las Vegas Global Business District**

The LVCVA unveiled its long-range plan for the Las Vegas Global Business District (LVGBD) in FY 2013, and focused on the preliminary stages of the plan during FY 2014. The transformational project is designed to launch Las Vegas decades ahead of competing cities and further develop Las Vegas as an international business destination. The LVCVA purchased just over 5 acres of land during FY 2014 related to the project. Some of the visionary components of the LVGBD include:

- Expansion of exhibition space, meeting rooms, general session and support space.
- Renovation and modernization of the existing facilities including space utilization, cutting edge technologies, enhanced food service, and outdoor green space.
- Integrated transportation plans to facilitate the movement of exhibitors and attendees within the campus, as well as the tourism corridor.
- International Business Center leveraging the World Trade Center designation.

This project is expected to occur over an eight to ten year construction horizon, with a total estimated budget of \$2.3 billion. Completion of the entire scope of the proposed project is dependent on identifying sufficient revenue streams to support the anticipated debt requirements. The LVCVA is currently working on new sources of revenue that would require stakeholder support and legislative approval. The actual phasing of the construction will be aligned with those approvals.



### ***Las Vegas Global Business District***

### **Bond Issuance**

The LVCVA issued a new bond for \$50 million related to the LVGBD vision. The LVCVA was also given approval for an additional \$100 million in new funding. Current expectations are for the \$100 million in new financing, in addition to \$68.5 million in refunding, to be issued over the next year should conditions, timing and terms prove favorable to the LVCVA. Additionally, the LVCVA is evaluating the use of revenue backed bank revolving line of credit facilities to provide flexible access to funds prior to issuing bonds.

## Financial Management and Accountability

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

In addition, Finance staff continued to review the design and compliance performance of the LVCVA's internal policies, procedures, and external reporting adherence to accounting principles and Governmental Accounting Standards. This included a review of government finance industry best practices and reviews of several new accounting standards statements.

Also, in FY 2014 the LVCVA successfully finalized a 5-year contract with our only union, the Service Employees International Union, Local 1107. This gives consistency to one of the most significant cost components in our operating budget as we continue long-term strategic planning.

## Marketing

The primary objectives of the advertising programs are to promote domestic and international visitation for leisure activities, and emphasize the importance of the meetings and convention industry. In FY 2014, we took an aggressive approach to marketing the destination by implementing multiple initiatives and proactively seeking out new research, partnerships and marketing vehicles. From media programs to public relations initiatives to social media campaigns, the marketing department executed successful programs that produced results and kept the Las Vegas brand top of mind. Industry Relations and Sales initiatives included hosting impactful events with global reach such as Meeting Professionals International-World Education Congress (MPI-WEC), IMEX America, International Pow Wow (IPW), South by Southwest Vision to Venture (SXSW V2V) and World Routes Development Forum.

Some other significant initiatives included:

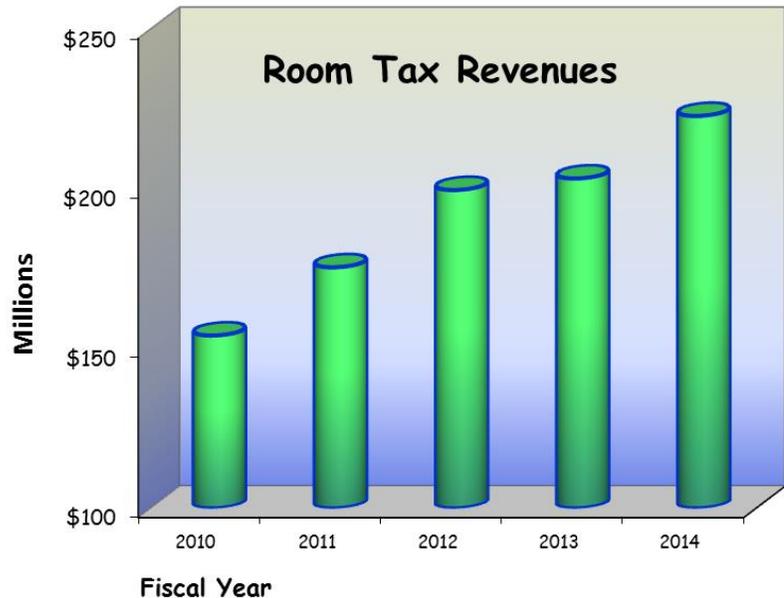
- **Consumer:** Emphasizing and expanding LasVegas.com, the LVCVA's primary website for visitors. This included globalizing the website to include capabilities of five new language translations. The LVCVA also created new spots for its famous "What Happens Here, Stays Here" campaign. Other consumer initiatives included partnering with Google on GeoVegas, launching mobile apps, and continuing to bring many special events to Las Vegas.
- **Business:** We created new Business to Business, and Business to Consumer initiatives to further the Vegas Means Business campaign.
- **International:** The LVCVA conducted international research to establish benchmarks for perceptions and sentiment toward Las Vegas in the countries of Germany, Australia, Japan, South Korea and France. Also, the LVCVA hosted 30 international group media familiarization tours with 147 journalists from 18 countries.

## ***ECONOMIC INDICATORS***

### Room Tax Revenues - Last Five Fiscal Years

The overall economy of the Las Vegas area is heavily dependent upon its tourism and convention industries. Room tax revenues showed substantial growth, increasing nearly 10% over FY 2013. This represents the highest room tax revenues in LVCVA history.

Visitor volume and hotel stays are very important to the LVCVA, especially since the largest revenues for the LVCVA are those derived from room taxes. Several factors come into play in determining what these revenues will be, including: number of available rooms, rate of occupancy, average daily room rate (ADR), and total annual visitors.



### Area Room Inventory

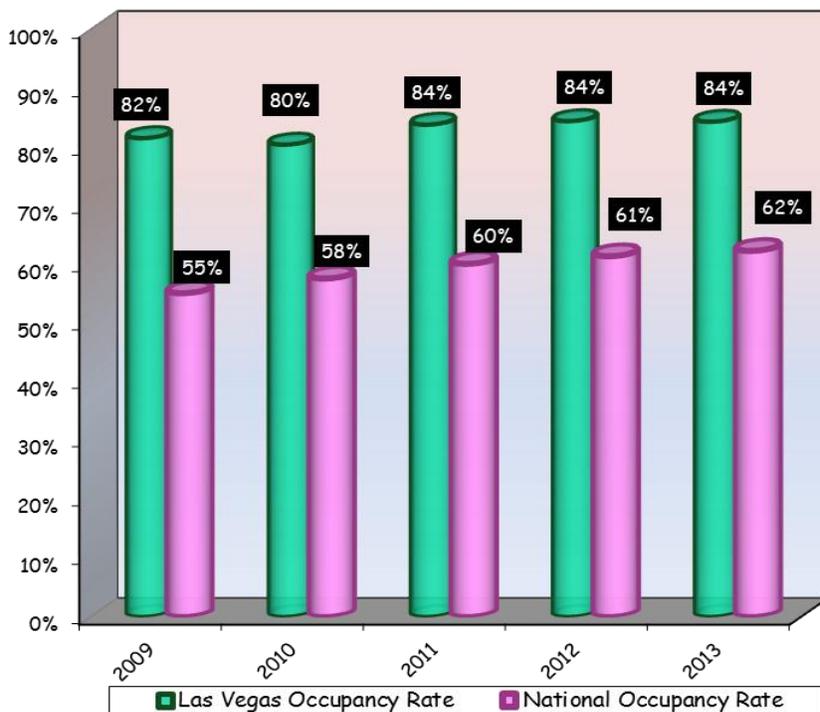
There are in excess of 162,000 hotel/motel rooms in the Southern Nevada Region served by the LVCVA. Las Vegas continues to rank as the No. 1 city in the U.S. for hotel/motel room inventory. These hotels and motel stays not only provide tax revenues, but are also important in providing area jobs. Six of the companies operating major hotels in the area are top ten Southern Nevada employers. Las Vegas has continued to reinvest in its future and engage visitors with new amenities including expanding restaurants and nightlife options, renovated rooms, and exciting attractions.

#### **Top Ten Las Vegas Hotels by Number of Rooms**

	Estimated Rooms at 6/30/14	% of Total Rooms
➤ MGM Grand	5,044	3.1%
➤ Luxor	4,400	2.7%
➤ Mandalay Bay	4,328	2.7%
➤ Venetian	4,027	2.5%
➤ Aria Resort	4,004	2.5%
➤ Excalibur	3,991	2.5%
➤ Bellagio	3,933	2.4%
➤ Ceasars Palace	3,776	2.3%
➤ Circus Circus	3,767	2.3%
➤ Flamingo	3,460	2.1%

Additionally, the Las Vegas market has another 107,000 rooms, while Laughlin exceeds 10,000 rooms, Jean & Primm provide almost 3,000 rooms, and Mesquite has over 1,700 rooms.

### Occupancy Rates - Last Five Calendar Years



The occupancy rate for the Las Vegas metropolitan area continued to exceed the national average by 22 points during the 2013 calendar year. This, coupled with an increase of over 2.5% in the ADR, provided revenue growth during the year.

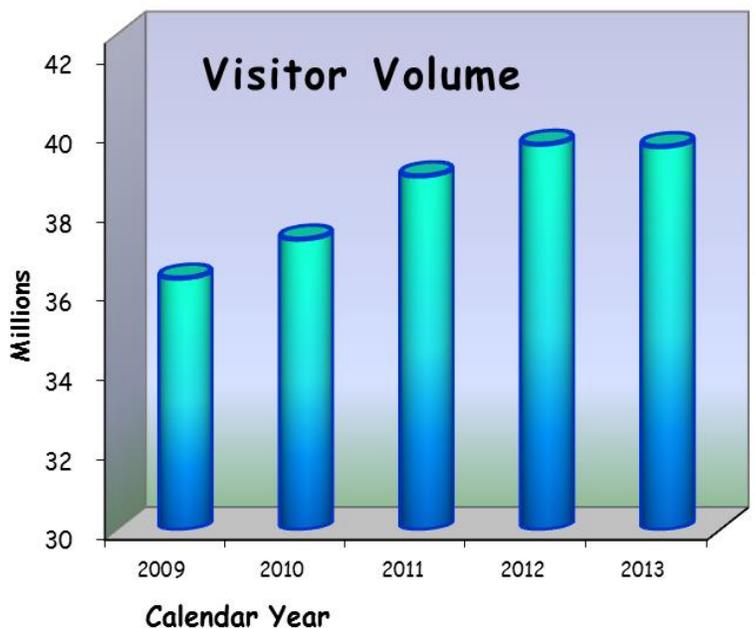
### ADR Impact

Each \$1 change in ADR changes LVCVA room tax revenue by more than **\$2 million annually**

### Visitor Volume - Last Five Calendar Years

Market research for calendar year 2013 shows that the number of visitors to Las Vegas was nearly 39.7 million, and comparable to calendar year 2012. Room tax revenues during the first six months of the 2014 calendar year (which was the second half of FY 2014), continue to show an upward trend.

Increasing room tax revenues, coupled with high visitor volumes, suggest that the market continues to stabilize. The LVCVA projects that total visitor volume will reach more than 40 million in the 2014 calendar year, the most in Las Vegas history.



### Conventions & Meetings

Las Vegas was recognized for the 20th consecutive year as the No. 1 destination of the Trade Show News Networks Top 250 Trade Shows in the United States for calendar year 2013. Las Vegas hosted over 22,000 annual events and in excess of 5 million annual delegates.

## *Principal Officials*

### Board of Directors

The LVCVA is governed by a Board of Directors consisting of fourteen members. Eight members are elected officials from either Clark County or one of the incorporated cities therein. The Las Vegas Chamber of Commerce (CC) and the Nevada Resort Association (NRA) each nominate three of the remaining six members.

The terms of appointment for the eight elected officials are coterminous with their terms of office. The six remaining members serve a two-year term but can be reappointed to additional two-year terms. The members of The Board of Directors at June 30, 2014 were:

Commissioner Tom Collins, Chairman	Clark County
Commissioner Lawrence Weekly, Vice-Chairman	Clark County
Mr. Charles Bowling, Secretary	Resort Hotel Industry (NRA)
Mr. Tom Jenkin, Treasurer	Resort Hotel Industry (CC)
Mr. John Caparella	Resort Hotel Industry (NRA)
Mr. Paul Chakmak	Central Business District (NRA)
Mayor Carolyn Goodman	City of Las Vegas
Mayor Andy Hafen	City of Henderson
Mr. Gregory Lee	Tourism (CC)
Mayor John J. Lee	City of North Las Vegas
Ms. Kristin McMillan	Other Commercial Interests (CC)
Councilman George Rapson	City of Mesquite
Councilman Steven D. Ross	City of Las Vegas
Mayor Pro Tem Cam Walker	City of Boulder City

### Executive Committee

The LVCVA Board serves as a policy-making body and employs a president to serve as chief executive officer. The LVCVA executive committee, at June 30, 2014 consisted of:

Mr. Rossi Ralenkotter	President/CEO
Ms. Cathy Tull	Sr. Vice President, Marketing
Ms. Rana Lacer	Sr. Vice President, Finance
Mr. Terry Jicinsky	Sr. Vice President, Operations
Mr. Rob Elliott	Sr. Vice President, Public Affairs
Mr. Mark Olson	Sr. Vice President, Human Resources
Ms. Caroline Coyle	Vice President, Brand Strategy
Mr. Michael Goldsmith	Vice President, International Marketing
Mr. Chris Meyer	Vice President, Global Business Sales
Mr. Luke Puschnig	Vice President, Legal Counsel
Mr. Hugh Sinnock	Vice President, Customer Experience

## *Overall Financial Position*

The Statement of Net Position presents the LVCVA's financial position from a long-term perspective. It reports all of the LVCVA's assets and deferred outflows of resources (what we have) and liabilities and deferred inflow of resources (what we owe), with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the LVCVA's financial position is improving or deteriorating. The effective financial measures that the LVCVA is continuing to implement allow the LVCVA to continue to meet operating cash needs and satisfy debt service obligations.

FY 2014 was our fourth consecutive year of recovery from the recession. The LVCVA is focused on planning and preliminary stages of the LVGBD to ensure the continued long-term success of the organization and the destination. The LVCVA remains vigilant to maintain fiscal stability through conservative budgeting and continuous monitoring. This provides the organization with the ability to react swiftly to economic conditions. The LVCVA is dedicated to the preservation of adequate fund balances to meet operating cash flow requirements and to satisfy debt service obligations.



*(Downtown Las Vegas)*

The following financial information includes a Statement of Net Position for governmental activities. Governmental funds normally include the general fund, capital funds, debt service funds, special revenue funds, and certain internal service funds. The LVCVA does have a general fund, capital fund, debt service fund, and internal service fund however, no special revenue funds at this time. The general fund is the primary operating fund for the LVCVA. The information for revenues and expenditures is presented on a modified accrual basis.

**Las Vegas Convention & Visitors Authority's**  
**Statement of Net Position**  
**As of June 30, 2014**

	Governmental Activities FY 2013	Governmental Activities FY 2014
<b>ASSETS</b>		
Current and other assets	\$ 188,096,100	\$ 234,222,320
Capital assets	474,953,052	486,206,676
<b>TOTAL ASSETS</b>	<b>663,049,152</b>	<b>720,428,996</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>5,933,122</b>	<b>4,727,741</b>
<b>LIABILITIES</b>		
Current liabilities	77,800,386	79,897,215
Noncurrent liabilities	602,164,876	630,095,552
<b>TOTAL LIABILITIES</b>	<b>679,965,262</b>	<b>709,992,767</b>
<b>NET POSITION</b>		
Net investment in capital assets	163,258,154	170,537,604
Restricted	64,167,079	66,143,854
Unrestricted	(238,408,221)	(221,517,488)
<b>TOTAL NET POSITION</b>	<b>\$ (10,982,988)</b>	<b>\$ 15,163,970</b>

**Explanation of Significant Differences:**

The primary increase in current and other assets relates to bond proceeds received during FY 2014. Part of these funds were used during FY 2014 to purchase land, however, some of the unspent proceeds remained in cash and investments at the end of the year. Those proceeds will be used for additional land purchases and site improvements in FY 2015. The increase in capital assets is primarily due to the land purchases made during FY 2014. The Statement of Net Position contains a new category, "Deferred Outflows of Resources", which is a new requirement by the Governmental Standards Accounting Board (GASB). This new category is similar to assets as they also have a positive effect on net position. Deferred outflows of resources are uses of net assets that are related to future periods. FY 2013 has been restated to show these deferred items, which were previously shown as assets.

The increase in Total Liabilities relates primarily to the issuance of the debt in FY 2014, and was also driven by the rise in liabilities for our employees' future Other Post Employment Benefits

(OPEB) costs. The LVCVA provides retired LVCVA employees the opportunity to participate in the LVCVA's medical insurance programs. This liability is to recognize those future costs to the LVCVA. In order to address this increasing liability, the LVCVA established an internal service fund in FY 2013 to set aside resources for future payments relating to OPEB benefits. The LVCVA transferred \$3 million from the general fund in FY 2013, and an additional \$3 million in FY 2014 into this internal service fund. A ten-year funding plan is anticipated.

The LVCVA had an increase in net position of \$26.1 million. This was primarily attributed to increased room tax and facility revenues. Net position is made up of three components. 1) The net investment in capital assets portion represents the LVCVA's investment in capital assets, less any related outstanding debt used to acquire those assets. 2) Restricted net position is reported separately to show legal constraints from debt covenants or other restrictions that limit the LVCVA's ability to use those assets for day-to-day operations. 3) Funds related to unrestricted net position are those which are accessible resources.

### *Where the Money Came From*

The revenues presented in the table below are from general fund activities, the LVCVA's primary operating fund. In FY 2014, general fund revenues represented 98% of total revenues. All amounts are reported using the modified accrual basis of accounting, which means that revenues are recognized when they become measurable and available to pay current period liabilities. Overall general fund revenues increased \$32 million from the prior year.

#### **General Fund** (Modified accrual basis)

REVENUES	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	% Change from FY 2013
Room Taxes & Gaming Fees	\$ 156,006,696	\$ 177,345,164	\$ 201,406,046	\$ 205,028,018	\$ 224,491,493	9%
Use of Facilities	41,939,382	45,641,854	46,756,947	45,043,436	56,927,724	26%
Other Fees & Charges	2,596,351	2,516,806	2,412,021	2,803,458	3,858,682	38%
Interest & Other	194,938	556,204	245,570	176,440	357,484	103%
	<u>\$ 200,737,367</u>	<u>\$ 226,060,028</u>	<u>\$ 250,820,584</u>	<u>\$ 253,051,352</u>	<u>\$ 285,635,383</u>	<u>13%</u>

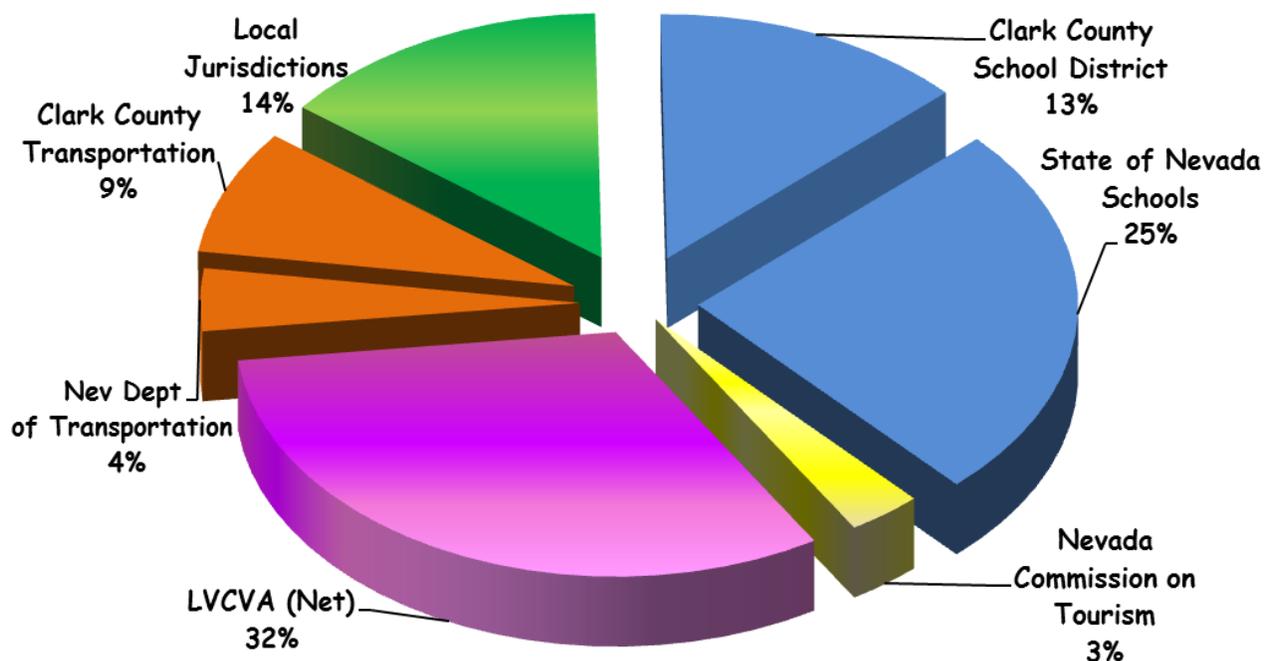
**Room Taxes & Gaming Fees:** These two revenues accounted for an increase of nearly \$20 million, or about 9% over the previous fiscal year. While gaming fee revenue had a slight decrease due to a lower number of gaming units, the gain in room taxes was primarily attributable to increased ADR and visitation.

**Use of Facilities:** This category includes revenues from Facilities Use and Reimbursement of Expenditures generated by the LVCC and Cashman Center. These revenues showed substantial increases. These increases are primarily due to the cyclical nature of some shows. CONEXPO-AGG is a large equipment and construction show taking place every three years, and it was held in FY 2014.

**Other Fees & Charges:** The primary increase in revenues is due to registration and rent. Registration revenue increased because of increased area shows serviced. Rent revenue increased as a result of the first full year of American Express Open Business Lounge.

**Interest Earned & Other:** This includes investment interest, interest and penalties related to room tax and gaming fee collections, and other miscellaneous revenues.

**Primary Revenue Source:** Room tax collections are the LVCVA's primary revenue source; however, the LVCVA benefits from only a portion of all Southern Nevada room tax collections. The following chart indicates the allocation of room tax revenues. The LVCVA has discretionary use of less than one third of all room tax revenues collected, after taking into account "collection allocation" and debt service payments for NDOT transportation projects (each described on the next page).



### *Where the Money Went*

The expenditures presented in the following information are from general fund activities. The general fund is the largest source of expenditures for the LVCVA, and it is used for the general operations and activities of the LVCVA, and does not include capital, debt service activities, nor the internal service fund. The remaining expenditures are accounted for in the capital, debt service, and internal service funds. The modified accrual basis of accounting is used for the general fund, which recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash.

**General Fund**  
(Modified accrual basis)

EXPENDITURES	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	% Change from FY 2013
General Government	\$ 10,700,951	\$ 10,373,913	\$ 12,452,224	\$ 13,246,144	\$ 14,208,721	7%
Marketing	26,754,911	27,458,590	30,289,998	30,301,848	28,242,821	-7%
Advertising	87,199,280	79,504,487	83,636,231	90,587,216	92,470,992	2%
Global Business District	34,186,143	34,008,771	37,131,878	36,690,902	44,964,997	23%
Special Events Grants	7,437,670	8,058,471	7,713,777	8,233,771	8,570,890	4%
Other Community Support	16,749,540	18,985,179	21,157,585	20,509,181	22,449,149	9%
	<u>\$ 183,028,495</u>	<u>\$ 178,389,411</u>	<u>\$ 192,381,693</u>	<u>\$ 199,569,062</u>	<u>\$ 210,907,570</u>	<u>6%</u>

**General Government:** The increase in General Government is primarily attributable to salary and benefit programs.

**Marketing/Advertising:** Marketing functions showed a decrease of 7% related to the transfer of certain functional cost centers from Marketing to Global Business District. Advertising costs increased modestly, as it is directly tied to the LVCVA's core mission.

**Global Business District (Previously Operations):** The majority of the increase for this function was due to the transfer of cost centers from Marketing to the Global Business District. Increases were also driven by convention operating costs connected directly to increased show activity in FY 2014. Utility costs alone made up over \$1.1 million of the increase.

**Special Events Grants:** The LVCVA continued its commitment to special events in Southern Nevada during FY 2014. Expenditures increased by 4% over FY 2013. These events included The National Finals Rodeo, The Billboard Music Awards, The World Food Championship, Vegas Uncork'd by Bon Appetit, and many others.

**Other Community Support:** Other Community Support costs increased nearly \$2 million, or over 9%. This expenditure reflects "collection allocation", which is a 10% fee returned to the collecting government agencies for room taxes and gaming fees. The increase of this expenditure corresponds directly to the increase in room tax revenues.

***Debt at June 30, 2014***

The LVCVA issues general obligation bonds and revenue bonds to provide funding for the improvement, acquisition or construction of major capital assets. At June 30, 2014, the LVCVA had a total outstanding bonded debt of \$623.7 million. This includes \$50 million in general obligation bonds issued by the LVCVA in FY 2014 for the first phase of the LVGBD. Debt related to NDOT transportation projects comprises \$281.0 million of the total debt.

## Summary of Debt Instruments

(In thousands)

	General		
	Obligation Bonds	Revenue Bonds	Total
Principal balance, June 30, 2013	\$ 364,375	\$ 232,000	\$ 596,375
Principal payments	(8,930)	(13,720)	(22,650)
New issuances	50,000		50,000
Principal balance, June 30, 2014	\$ 405,445	\$ 218,280	\$ 623,725

### Types of Debt

**General Obligation Bonds (G.O.):** The LVCVA may issue general obligation bonds in the name of, and on behalf of Clark County. General obligation bonds are direct and general obligations of Clark County and the full faith and credit of the County is pledged for the payment of principal and interest, subject to certain Nevada constitutional and statutory limitations. These general obligation bonds are additionally secured by a pledge of revenues from the LVCVA. As a matter of practice, the LVCVA has never had to use property taxes for debt service, using only net pledged revenues derived from operations.

**Direct Pay Bonds:** Some of the outstanding LVCVA bonds are considered to be direct pay bonds, which are also referred to as "Build America Bonds". The LVCVA was able to obtain certain tax advantages when issuing taxable obligations for capital projects that meet certain requirements of the U.S. Tax Code, and U.S. Treasury Regulations under the American Recovery and Reinvestment Act of 2009 (the "Recovery Act"). In FY 2014, the LVCVA received approximately \$4.8 million in federal subsidies to offset a portion of interest obligations on these bonds.

**Revenue Bonds:** Under NRS 244A.637, the LVCVA may issue revenue bonds payable solely from the net revenues derived from operations and room taxes. Revenue bonds are not general obligations of the County and no ad valorem taxes may be levied to pay the debt service.

### Bond Ratings

The LVCVA's bonds issued through Clark County are rated "AA" by Standard and Poor's and "Aa1" by Moody's. A Moody's "Aa1" rating indicates that bonds are judged to be of high quality with very low credit risk. LVCVA's separate bond ratings are "A+" and "AA" by Standard and Poor's and "A1" by Moody's for the previous bond issues.

### Debt Issuance Compliance Policy

The Board of Directors has adopted a debt issuance compliance policy, which is applicable to all debt issuance activities of the LVCVA. This 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.

## Awards

### PAFR Award

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the LVCVA for its Popular Annual Financial Report for the fiscal year ended June 30, 2013. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to achieve an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program stands of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The LVCVA has received a Popular Award for the last seven consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA.



Government Finance Officers Association

**Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting**

Presented to

**Las Vegas Convention  
and Visitors Authority, Nevada**

For its Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan', is written over a thin horizontal line.

Executive Director/CEO

## Comprehensive Annual Financial Report (CAFR) Award

The LVCVA comprehensive annual financial reports for the years ended 2010-2013, from which the information on pages, 7 and 11-14 has been drawn, were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both general accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our CAFR continues to conform to the Certificate of Achievement program requirements and we will be submitting our CAFR for the current year to the GFOA.

We hope you found reading the Las Vegas Convention and Visitors Authority FY 2014 Popular Annual Financial Report as being both informative and enjoyable, and we invite you to read our other financial documents: the Comprehensive Annual Financial Report (CAFR) and the Annual Budget, along with this document, by going to: <http://www.lvcva.com/who-we-are/funding-and-finance/>.





**LAS VEGAS CONVENTION AND VISITORS AUTHORITY**

3150 Paradise Road, Las Vegas, Nevada 89109-9096 | 702-892-0711

[LVCVA.com](http://LVCVA.com)