



LAS VEGAS CONVENTION AND VISITORS AUTHORITY

# Adopted Annual Budget

FISCAL YEAR 2019 | 2020 ▪ CLARK COUNTY, NV



# TABLE OF CONTENTS

	<u>PAGE</u>
<b><u>BUDGET MESSAGE</u></b>	
CEO's Budget Message	i
<b><u>BUDGET STRUCTURE &amp; POLICY</u></b>	
Distinguished Budget Presentation Award	1
Organizational Chart	2
Board of Directors & Executive Officers	3
History of the LVCVA	5
Reader's Guide	
LVCVA Facility	7
Financial Structure	8
Structure of the Budget Document	9
New Policies/Significant Events	11
Financial Management Policies	11
Marketing Policies	14
Facility Policies	14
Community Policies	15
Budget Process	16
Budgetary Controls	17
Budget Calendar	18
Budget Summaries	
All Funds	19
Comparison to Prior Years – Total All Funds	20
Fund Balance Analysis	21
<b><u>ANNUAL OPERATING BUDGET</u></b>	
General Fund Summary	22
Graphs - General Fund Expenditures by Division	25
<b><u>Revenues</u></b>	
Graphs - Sources of Proposed Revenues & Major Revenue Sources	26
Revenue Summary	27
Room Taxes	28
Gaming Fees	30
Facility Charges & Services	31
Other Fees & Charges/Interest/Other Financing Sources	33
<b><u>General Government</u></b>	
Organizational Chart	34
Budget Analysis	35
Board of Directors & Executive	36
Public Affairs	38
People and Possibilities (formerly Human Resources)	39
Finance	40
Graphs – Expenditures & Comparison of Actual to Budget	42
<b><u>Marketing</u></b>	
Organizational Chart	43
Budget Analysis	44
Industry Relations	45
Public Relations	46
Brand Strategy	47
Sports Marketing	49
Destination Events	50
Business Sales	51
Global Sales	52
Research Center	54
Customer Experience	55
Graphs – Expenditures & Comparison of Actual to Budget	56
<b><u>Operations</u></b>	
Organizational Chart	57
Budget Analysis	58
Engineering	59
Customer Experience	60
Customer Safety	61

# TABLE OF CONTENTS

	<u>PAGE</u>
<b><u>ANNUAL OPERATING BUDGET (continued)</u></b>	
<b><u>Operations (continued)</u></b>	
Client Services	62
Convention Services	63
Cashman Center	64
Graphs – Expenditures & Comparison of Actual to Budget	65
<b><u>Community Support</u></b>	
Graphs – Expenditures & Comparison of Actual to Budget	66
Budget Analysis	67
<b><u>LVCCD FUNDS</u></b>	
LVCCD Capital Fund	68
Five-Year Capital Plan	69
LVCCD Debt Service Fund	70
<b><u>CAPITAL FUNDS</u></b>	
Capital Projects Funds Summary	71
Capital Improvement & Replacement Fund	71
Historical Schedule of Capital Projects Fund	73
Capital Building & Land Improvements Listing	75
Capital Furniture & Equipment Listing	77
Five-Year Capital Improvement Plan	78
<b><u>DEBT SERVICE FUND</u></b>	
Debt Service Fund Summary	91
Debt Limits & Capacity	95
Bond Coverage	96
Historical Perspective	97
<b><u>OTHER-POST EMPLOYMENT BENEFITS (OPEB) FUND</u></b>	
OPEB Summary	99
<b><u>PERSONNEL ALLOCATION</u></b>	
Summary of Personnel Requests	100
Summary of Authorized Positions	101
Authorized Positions by Organizational Unit/Section	102
Position Classifications	105
<b><u>STATISTICAL DATA</u></b>	
General Fund Revenues by Source - Last Ten Fiscal Years	109
General Fund Expenditures by Source - Last Ten Fiscal Years	111
Facility Charges & Services - Last Ten Fiscal Years	113
Excerpt of Rental Rates per Facility	115
Demographic Statistics - Clark County, NV - Last Ten Fiscal Years	116
Visitor Analysis - Last Ten Calendar Years	117
Visitor Demographic Statistics - Last Ten Fiscal Years	119
Principal Room Tax Payers - December 31, 2018	120
Occupancy Rate – Last Ten Calendar Years	121
Room Tax Rate Distribution by Jurisdiction - June 30, 2019	122
<b><u>GLOSSARY</u></b>	123



May 22, 2019

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

It is with great pleasure that I respectfully submit the fiscal year (FY) 2020 budget for your review and consideration. The annual budget represents the expected revenues and planned expenditures for the fiscal year beginning July 1, 2019 and ending June 30, 2020. The FY 2020 budget reflects Board and organizational priorities and follows the fundamentals of our financial management policies. This budget is the product of months of work on the part of many of the members of this organization. It has been prepared in conformance with the requirements of state law, Board policies, and governmental budgeting "best practices".

---

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

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

---

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

**PREFACE**

In FY 2018, room tax revenue moderated after seven years of strong growth. From FY 2011-FY 2017, the room tax average annual growth rate was 9%, with FY 2018 growth less than 1%. FY19 is projected to surpass FY 2018, at a rate less than 1%. Investment and reinvestment in the destination from resort partners and other local businesses provide support for continued moderate growth in the near-term.

The LVCVA will continue to remain alert and assess economic factors and other key visitation statistics while leading by example and reinvesting in the future growth of the tourism market for Las Vegas and Southern Nevada. The transformational Las Vegas Convention Center District (LVCCD) project is in its second phase, the expansion of the LVCC, which is currently under construction and expected to open in December 2020.

As the tourism industry navigates through economic ebbs and flows, the LVCVA will continue to assess its position with a commitment to remain flexible, responsive, and timely. The FY 2020 budget resource allocations align with the objectives of the LVCVA's core mission.

## **FY 2020 BUDGET ENVIRONMENT**

Current room tax results for FY 2019 general fund are projected to be approximately \$285.8 million, up less than 1% as compared to the previous year, due in part to lower available room inventory due to renovations and lower visitation from drive traffic. STR/Tourism Economics indicated in January 2019, that, in the U.S., ADR is expected to grow by 2.3% in 2019 and 2.2% in 2020. Accordingly, the FY 2020 room tax revenue budget reflects a modest increase of 1.75% over FY 2019 projected results.

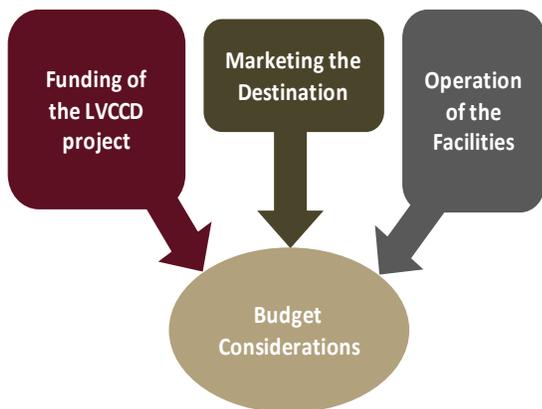
The LVCVA continually monitors numerous key visitation statistics to ensure appropriate budgeting of our primary revenue source. Visitor volume in Las Vegas was 42.1 million in calendar year 2018, representing a slight decrease from 2017. For the 2018 calendar year, average daily auto traffic was up 2.3%, and enplaned/deplaned passengers at McCarran International Airport were up 2.5%; however, convention and meeting attendance was down 2.2% compared to 2017, as result of cyclical tradeshow rotation. Las Vegas is an international destination with approximately 20% of total visitors from international markets in 2018, up from 16% international visitation in 2017. These factors continue to indicate strong fundamentals for the destination. Although these are good signs for the local economy, the LVCVA is keenly aware of national and global economic conditions, as well as legislative actions that could affect future revenue. Conservative budgeting techniques and continuous monitoring of the environment are used to reduce the potential impact of these risks. Long-term plans for LVCVA expansion and renovation, as described below, are phased to align with available revenues to ensure the financial integrity of the entity.

Las Vegas is known for continually reinventing itself to deliver on the brand promise of being the premier destination in the world. Significant private investor optimism is taking place in Southern Nevada. During the most recent year, the destination focused on refreshing and enhancing current properties, as well as adding additional convention and meeting space. Long-term private investor confidence in Las Vegas is evident with over \$10 billion worth of projects announced or under construction over the next several years, including over \$7 billion on the development of Resorts World Las Vegas, The Drew Las Vegas, Circa Resort and Casino, and the MSG Sphere, an 18,000-seat performance venue at the Venetian expected in 2021. Las Vegas is becoming a sports mecca, in addition to the NFR and two NASCAR races, Las Vegas has become home to the NHL's Vegas Golden Knights, the WNBA's Las Vegas Aces, and the future Las Vegas Raiders of the NFL, coming in 2020. These multi-million dollar projects continue to show that Las Vegas does not stand still and continues to provide new experiences and reasons to visit.

The Las Vegas Convention Center plays a pivotal role in Southern Nevada's meeting and convention market. It hosted 57 events in FY 2018, with attendance of 1.3 million. LVCC attendees supported approximately 13,800 leisure and hospitality jobs and nearly \$2.2 billion in total economic output.

The LVCVA remains fiscally sound because of a conservative fiscal management strategy. The LVCVA builds flexibility into the planning process, allowing for continuous adjustments in reaction to changes in the market place. Continued growth in the revenue base allows the LVCVA to allocate resources to capital and operating projects to sustain our operational excellence.

Current and future goals encompass marketing, business, and organizational strategy for the future growth of tourism and its economic impact on Las Vegas and Southern Nevada. For FY 2020, these goals include increase visitation, improve traveler mobility to and within the destination, provide a "Las Vegas" experience to trade shows, exhibitors and attendees, build a world-class convention center district, on time and on budget.



The LVCCD project is considered necessary to remain the No. 1 tradeshow destination in North America. The LVCCD project positions the organization for continued long-term success and expands the reach and impact of the Las Vegas brand. There are three major conceptual phases in the LVCCD. Phase One, completed in January 2017, was the acquisition and site preparation of the former Riviera Casino property. The property was purchased in 2015 and has been cleared for an expansion of the Las Vegas Convention Center.

LVCCD Phase Two, which is currently under construction, includes the development of a 1.4 million square foot facility with 600,000 square feet of new exhibit space, including meeting rooms, additional parking, new food and beverage outlets, and support and service spaces. The estimated budget for Phase Two is \$935 million. As of May 2019, Phase Two is 22% complete and on schedule to open in December 2020.

Phase Three consists of renovation and additions to the current facility. This includes upgrades to the exhibit halls, meeting rooms, and entrances with upgraded technology, lights, and design. This phase will also provide upgraded restrooms and new food and beverage outlets, as well potential improvement to the walking space between the current halls. Phased structuring of the project provides space for our trade shows while pieces of existing facilities are closed for renovation in Phase Three. Phase Three’s estimated budget is \$540 million and is expected to be completed in 2023.

In order to accomplish Phases Two and Three, the LVCVA required additional resources to supplement existing revenues. In October 2016, during a special legislative session, the Nevada State Legislature approved a 0.5% increase to the room tax rate for the LVCVA, to be used solely for the LVCCD project (Senate Bill 1 or SB1). The new portion of room tax went into effect in January 2017. The partial year revenue from the LVCCD room tax was \$11.2 million in FY 2017, and the first full year of LVCCD room tax, FY 2018, was \$29.2 million. The FY 2019 projected room tax is \$29.4 million, an increase of 1% over FY 2018. FY 2020 budgeted LVCCD room tax is up 2%, to \$29.9 million. Additionally, the legislation capped the amount of collection allocation fee the LVCVA may return to the jurisdictions who collect room tax on our behalf. The amount returned to cities and counties is prohibited from exceeding \$25 million annually, and the amount of the fee calculated in excess of the cap is restricted to be used solely for the LVCCD capital program. As a result, \$3.3 million was transferred to the LVCCD fund in FY 2017, \$3.5 million in FY 2018, the FY 2019 projected transfer is \$3.7 million, and FY 2020 budgets a transfer of \$4.2 million. New capital and debt funds were created to account for all project revenues, including those received as part of the new legislation, as well as all the expenditures related to the LVCCD Phase Two and Three.

Phased flexible financing is intended to be utilized throughout the LVCCD, ensuring adequate debt coverage ratios and reserves are maintained. This will balance the use of current debt capacity, while minimizing diversion of resources from our primary operating activities. In FY 2018, the LVCVA issued \$200 million in debt to fund planning, design, and early construction programs related to Phase Two. These proceeds and related expenditures are accounted for in the LVCCD Capital Fund. In FY 2019, an additional \$500 million in debt was issued for the project. The FY 2020 budget includes a \$200 million debt issue related to the LVCCD.

In order to properly align with this long-term capital expansion, capital funding from the General Fund for FY 2020 budget focuses on facility projects not covered by the Phase Three renovation project. Regular capital funding budget for FY 2020 is \$5.5 million compared to \$3.3 million in FY 2019. This is strategic in nature as capital funding is targeted to complement and align with the LVCCD project. The largest project of \$1.2 million is a technology upgrade related to an event management system.

In May 2019, the LVCVA completed the transfer of the Cashman Center property and land to the City of Las Vegas, and the related operating agreement was terminated, and there is no funding related to Cashman in the FY 2020 budget.

Also in May 2019, the LVCVA Board approved the construction of an underground autonomous people mover conveyance to move exhibitors, attendees and guests around the 100-acre campus. This project is estimated to cost \$52.5 million and revenue debt was issued to pay for the construction.

The FY 2020 budget also reflects the LVCVA's commitment to our core mission of marketing Southern Nevada as a leisure and business destination worldwide and operating the LVCC. The LVCVA continually conducts research to assist us in creating effective messaging for consumers. Advertising in the current year will continue to use unique, innovative ways to make the Las Vegas message stand out and drive awareness and favorability for the destination. Business marketing initiatives will continue to emphasize that serious business gets done in Las Vegas while highlighting the tremendous value available compared to other major business destinations.

---

“What Happens Here, Stays Here” is one of the more famous taglines in modern tourism marketing and one of the most quoted, talked about, and recognized ad campaigns in any industry.

---

Significant advertising, marketing, and public relations programs include:

- Implemented several research studies (including ethnojournals, focus groups in six US cities, and national quantitative studies with nearly 1,400 respondents) to assess and define the current state of the brand “What Happens Here, Stays Here”. The next phase will focus on creative development and include additional research to develop and refine messaging in preparation for a January 2020 campaign roll out.
- Launched a drive market campaign (August – December 2018) that targeted our core audience in Los Angeles, San Diego, and Phoenix. Campaign assets created included four broadcast TV spots, four radio spots, 20 social media cuts, emails, digital and public relations. Forty (40) hotel deals and offers were featured on [VisitLasVegas.com/deals](http://VisitLasVegas.com/deals), which garnered 220,000 page visits and generated 23,000 property referrals during the campaign.
- The Sports Marketing department oversaw the 2019 Ultimate Vegas Sports Weekend, which included a Fan Fest featuring NASCAR, USA Sevens Rugby, UFC, Vegas Golden Knights, Tuff Hedeman Bull Riding, Las Vegas Aces, UNLV, Las Vegas Lights, and the Las Vegas Aviators. This public event consisted of interactive experiences, athlete appearances, and the ultimate tailgate party held at the Downtown Events Center. To maximize this event, Public Relations hosted 40 domestic and international media from 11 countries with journalists experiencing and covering at least three of the weekend's signature events.
- The Public Relations department hosted more than 250 international journalists from 21 countries and 140 domestic journalists. This resulted in 3.8 billion impressions/circulation with a PR value of \$78.7

million internationally, and 3.1 billion impressions/circulation with a PR value of \$18 million domestically.

- Increased total Las Vegas airline seat capacity by a projected 3.1% in FY 2019; domestic capacity is up 2.9%, while international is up 5.3%. The estimated annualized overall economic impact of new air service for FY19 is projected to hit \$1.8 billion. As a result of increased capacity, McCarran International Airport welcomed 49.7 million arriving and departing passengers for 2018, making it the busiest year in the airport's history.
- Secured and launched first nonstop service from Amsterdam to Las Vegas by KLM. El Al Israel Airlines launched service to Las Vegas from Tel Aviv in June 2019. In addition, Las Vegas was the first trans-border destination by two new Canadian airlines, Swoop and Flair Air. Domestically, air service continued to grow with 27 markets receiving new airline service to Las Vegas and 62 markets gaining capacity increases by existing airlines, which represents more than 1.65 million new inbound domestic seats for the fiscal year. Overall, 27 markets saw new airline entrants or significant capacity increases by existing airlines, representing more than 366,000 new inbound international seats for the fiscal year.
- The International Sales department exceeded 1,000 participants in educational Familiarization Programs, which brought travel professionals from 22 countries with over 90% of air tickets sponsored by airlines and tour operators.
- The Leisure Sales team increased the Travel Advisor database to 15,129 users with 19% completing online destination courses entering over 14,000 bookings to date.
- Elevated the LVCVA brand and its national advocacy strength in the community by engaging 13 educational institutions from the local hospitality and culinary workforce sectors to provide content to the Department of Commerce's U.S. Travel and Tourism Advisory Board (TTAB) for the creation of a National Workforce Training and Best Practices Strategy.

### **FY 2020 BUDGET HIGHLIGHTS**

The total FY 2020 General Fund budgeted revenues are \$357.8 million, an increase of 4% over the projected FY 2019 budget. FY 2020 General Fund expenditures and uses are budgeted at \$356.4 million. This reflects a less than 1% increase from the projected FY 2019 expenditure budget. Operating expenditures, including the Board of Directors contingency account, total \$252.1 million, while transfers to other funds total \$104.3 million.

### **REVENUE**

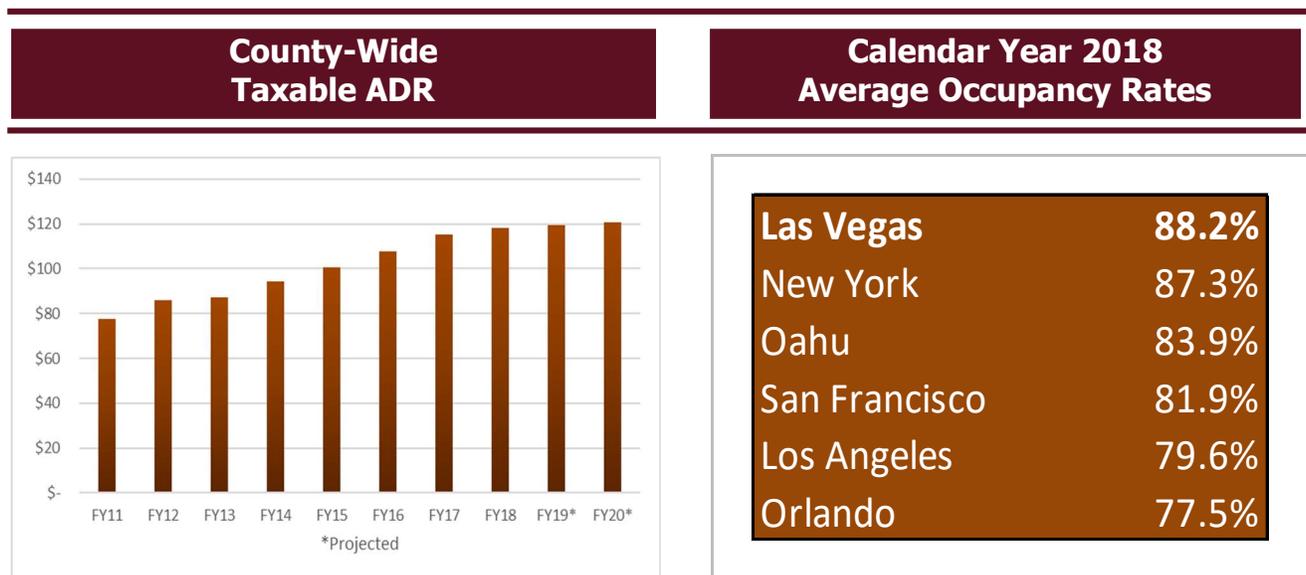
Room tax, the LVCVA's primary source of revenue, is budgeted to increase in FY 2020 for the tenth consecutive year. Room taxes authorized under SB1 are recorded in LVCCD Capital Fund, and all other room taxes are recorded in the General Fund. Total budgeted room tax is approximately \$320.7 million, of which \$29.9 million is related to the LVCCD Capital Fund. Due to lower than budgeted year-to-date results, the projected FY 2019 room tax revenue for the General Fund is \$285.8 million, lower than the budgeted \$289.8 million and a less than 1% increase when compared to FY 2018. FY 2020 budget reflects \$290.8 million in room tax revenue, a 1.75% increase over FY 2019 projected, which would be a record high for LVCVA room tax collections.

Room tax is projected to provide 81% of total general fund revenues and is based on the number of lodging rooms available, occupancy rate, and the average daily taxable room rental rate (ADR). In 2018, Las Vegas ranked as the No. 1 city in the United States for hotel/motel room inventory. Room inventory in Clark County for 2019 is expected to remain stable with approximately 161,000 rooms of which 149,000 rooms are in the metropolitan Las Vegas area. Las Vegas is continually investing in its future by engaging the visitor with new amenities and

experiences. This is coming to fruition through reinvestment in facilities and properties by renovating rooms, expanding dining and nightlife options, and a variety of other activities to captivate and increase visitation. These investments do not provide significant increases in the number of rooms, and major grand openings for new resort properties will take multiple years to complete.

The county-wide average occupancy rate was 86.3% in FY 2018, while the first nine months of FY 2019 year-to-date has shown a slight increase of 0.8% over the same period in FY 2018. The greater Las Vegas area occupancy rate exceeded the national average by 22 percentage points in 2018. On any given night, Las Vegas has an average of over 130,000 hotel rooms occupied, which is more than any other destination in the United States.

The most volatile factor in calculating room taxes is the average daily room rate (ADR). With hotel rooms being booked over the internet, price fluctuations are common, as hotels have the ability to respond quickly to occupancy trends. ADR has shown consistent improvement over the last nine fiscal years and is on track to remain stable in FY 2019.



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

The facility use revenue forecast for FY 2020 includes effects of the seasonal rotation of major tradeshow. The budget of \$60.3 million forecasts an increase of 12% as compared to the projected FY 2019 amounts. This is anticipated and consistent with historical impact of the rotation of tradeshow, including the tri-annual CONEXPO-CON/AGG construction tradeshow

Other revenues include gaming fees, interest earnings, operating transfers in, and revenue agreements for marketing events. These combined revenue streams are projected to increase in FY 2020, which is due to in-kind revenue from a one-time sponsorship of a large international travel trade show event.

<b>REVENUE SUMMARY</b> <i>(In millions)</i>	FY 2019 Budget	FY 2019 Projected	FY 2020 Budget	Change from FY 2019 Projected
Room Tax	\$ 289.8	\$ 285.8	\$ 290.8	2%
LVCC Revenue*	53.9	53.9	60.3	12%
Other Revenue**	5.3	5.3	7.1	32%
<b>Total Revenues</b>	<b>\$ 349.0</b>	<b>\$ 345.0</b>	<b>\$ 358.2</b>	<b>4%</b>
<p>* Revenue related to the rental of the Las Vegas Convention Center.</p> <p>** Comprised of gaming fees, use of facilities at Cashman Center, other fees and charges, interest, and transfers from other funds.</p>				

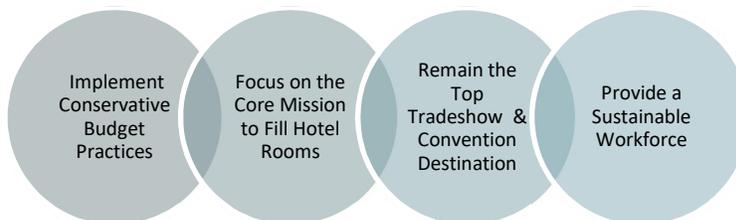
## **EXPENDITURES**

FY 2020 total General Fund expenditures and uses of funds are budgeted at \$356.4 million, with \$252.1 million dedicated to operating expenditures and reserve for contingency and \$104.3 million budgeted to transfer to other funds. The LVCVA creates the expenditure budget by focusing on budget priorities.

Approximately 45% of the total General Fund budget is allocated to marketing and advertising the destination through the Marketing division, while 26% supports the General Government and Operations divisions as well as Community Support. The remaining 29% is transferred to other funds and contingency, including Capital, LVCCD, Debt Service, and an internal service fund for Other Post-Employment Benefits (OPEB).

Overall, the General Fund operating expenditure budget is 4% higher than the FY 2019 projected level and 3% higher than the final FY 2018, generally reflecting conservative budgeting.

### **Expenditure Budget Priorities**



*General Government* includes the activities of the Board of Directors, Executive, Legal, Human Resources, Public Affairs, and Finance departments. The *Operations Division* encompasses all of the maintenance and support functions to operate the LVCC. The *Marketing Division - Marketing & Sales* includes the activities of Domestic and International Leisure Sales, Global Business Sales, Industry Relations, and Brand Strategy. General Government expenditures are down 3% compared to FY 2019 projections. Operations expenditures are budgeted at a 10% increase compared to FY 2019 projections, mainly due to the movement of Customer Experience from the Marketing division to the Operations division.

The *Advertising* budget, which is also part of the Marketing Division, supports the promotion of Las Vegas and Southern Nevada through a variety of mediums. Advertising programs are instrumental to staying ahead of travel trends. Industry initiatives are targeted to stimulate visitation to the destination and to reinforce that Las Vegas is an appropriate setting to conduct business. Advertising is critical to our mission and therefore remains a priority in FY 2020. The Advertising budget is \$101.5 million in FY 2020, unchanged from the FY 2019 budget.

The *Marketing – Special Event* budget is up 24% compared to FY 2019 projected expenditures. This budget component evolves each year to keep up with new opportunities for the destination. FY 2020 reflects the funding of a full year of naming rights agreement for the new Las Vegas Ballpark and the creation of an event reserve. This budget includes \$7.7 million in funding for Las Vegas Events (LVE), a non-profit corporation dedicated to securing and sponsoring events that encourage visitation to the area.

<b>OPERATING EXPENDITURES</b> (In millions)	FY 2019 Budget	FY 2019 Projected	FY 2020 Budget	Change from FY 2019 Projected
General Government	\$ 22.9	\$ 21.3	\$ 20.7	-3%
Marketing				
Advertising	101.5	100.5	101.5	1%
Marketing & Sales	40.8	40.2	40.3	0%
Special Event	17.2	15.7	19.6	24%
Operations	41.3	40.8	44.8	10%
Community Support*	25.0	25.0	25.0	0%
<b>Total Operating Expenditures</b>	<b>\$ 248.7</b>	<b>\$ 243.5</b>	<b>\$ 252.0</b>	<b>4%</b>
*Represents Collection Allocation (10% of Room Tax and Gaming Fees, but no more than \$25.0 million) returned to the local entities under SB1. Amounts above do not include contingency amounts and may not foot due to rounding.				

## **TRANSFERS**

Transfers from the General Fund are budgeted at \$104.3 million, a decrease of 6% from FY 2019 projections, primarily related to a reduction of required transfers to the Debt Service Fund due to strategic debt structuring during Phase Two and Three of the LVCCD projects.

Transfers to the Debt Service Fund totals \$44.5 million. Debt service on current outstanding bond issues related to LVCVA capital programs total \$9.7 million, and debt service transfers related to the LVCCD program Phase One total \$15.3 million. Debt service transfers on outstanding bond issues to fund Nevada Department of Transportation (NDOT) projects, as approved by the 2007 Nevada legislature, total \$17.4 million, and debt reserves of \$2.1 million.

Transfers to the LVCCD Capital Fund total \$50 million for pay-as-you go funding and reserves related to the LVCCD project as well as \$4.2 million in collection allocation funds that are over the \$25 million cap on collection allocation returned to collecting jurisdictions, as required under SB1.

Scheduled transfers include \$5.5 million from the General Fund to the Capital Fund for FY 2020 for normal funding capital requirements. Current year capital allocations are prioritized to acquire an event management system and upgrade HVAC and electrical facilities in the building, and are slightly higher than last year due to smaller projects and enhancements not related to LVCCD.

The LVCVA maintains capital sub-funds that are used for diverse purposes. Any capital improvement or asset costing \$10,000 or more, not related to the LVCCD, is budgeted in the Capital Fund, including furniture and equipment. The Capital Improvement Program (CIP) is a multi-year plan that includes capital acquisitions or projects (excluding the LVCCD) expected to cost \$30,000 or more in one fiscal year, in addition to multi-year equipment replacements and additions. These projects are included on page 79.

The LVCVA has budgeted \$100 thousand in fund transfers from the general fund to the internal service fund for other post-employment benefit (OPEB) costs in FY 2020. Eligible retirees self-pay 100% of post-employment health care premiums based on blended rates with active employees. This results in the LVCVA providing an implicit subsidy of the retiree's health insurance costs. Liabilities for the actuarial calculated future costs have been accumulating on the balance sheet since FY 2008, when the accounting standards required the recognition of these future expenses. The LVCVA has completed yearly transfers since FY 2013. FY 2020 budget incorporates a total of \$28.9 million allocated to OPEB funding to date.

## **FUND BALANCE**

Ending General Fund balance on June 30, 2020 is budgeted at \$31.7 million. State law provides guidance for an ending fund balance minimum of 4% of budgeted expenditures. The LVCVA targets an ending fund balance of between 4% and 16% to prepare for future volatile economic conditions without detriment to operations. The FY 2020 ratio is just over 12%, which meets statutory guidance and internal policy.

---

## **SUMMARY**

Las Vegas is one of the most popular domestic and international travel destinations and was recognized for the 25<sup>th</sup> consecutive year as the No. 1 destination for the Trade Show News Network's (TSNN) Top 250 Trade Shows in the United States. Las Vegas hosted over 21,300 events and 6.5 million convention delegates in 2018. This is a 2% decrease in attendance as compared to the prior year, mainly due to the rotation of trade shows.

The travel and tourism industry is Southern Nevada's No. 1 economic driver, generating over \$59.9 billion in total economic impact for the local economy and supporting approximately 382,700 jobs. Las Vegas' appeal has remained strong even throughout difficult times and continued competition from other destinations around the world. The LVCVA's mission remains steadfast, and we have redoubled our efforts to promote Southern Nevada as the world's most desirable destination for leisure and business travel. As we invest in the future of Southern Nevada through our marketing efforts and operational activities, we ensure the long-term success of the destination. The LVCCD project not only secures the facility's future competitiveness, but the destination's current number one ranking for many years to come.

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

In closing, I want to thank the entire LVCVA workforce for their continued commitment and dedication. I would also like to thank the Board of Directors for their support and input during the budget process. Lastly, I would like to thank the members of the Finance Department for their commitment to monitoring the budget and ensuring the financial integrity of the organization. I also congratulate the Finance Department for receiving the Government Finance Officers Association's Distinguished Budget Presentation Award for the 30<sup>th</sup> consecutive year.

Sincerely,

A handwritten signature in blue ink that reads "Steve Hill". The signature is written in a cursive, flowing style.

Steve Hill  
CEO/President

## DISTINGUISHED BUDGET PRESENTATION AWARD

For the 30<sup>th</sup> consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Las Vegas Convention and Visitors Authority for its annual budget for the fiscal year beginning July 1, 2018.

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

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Las Vegas Convention and Visitors Authority  
Nevada**

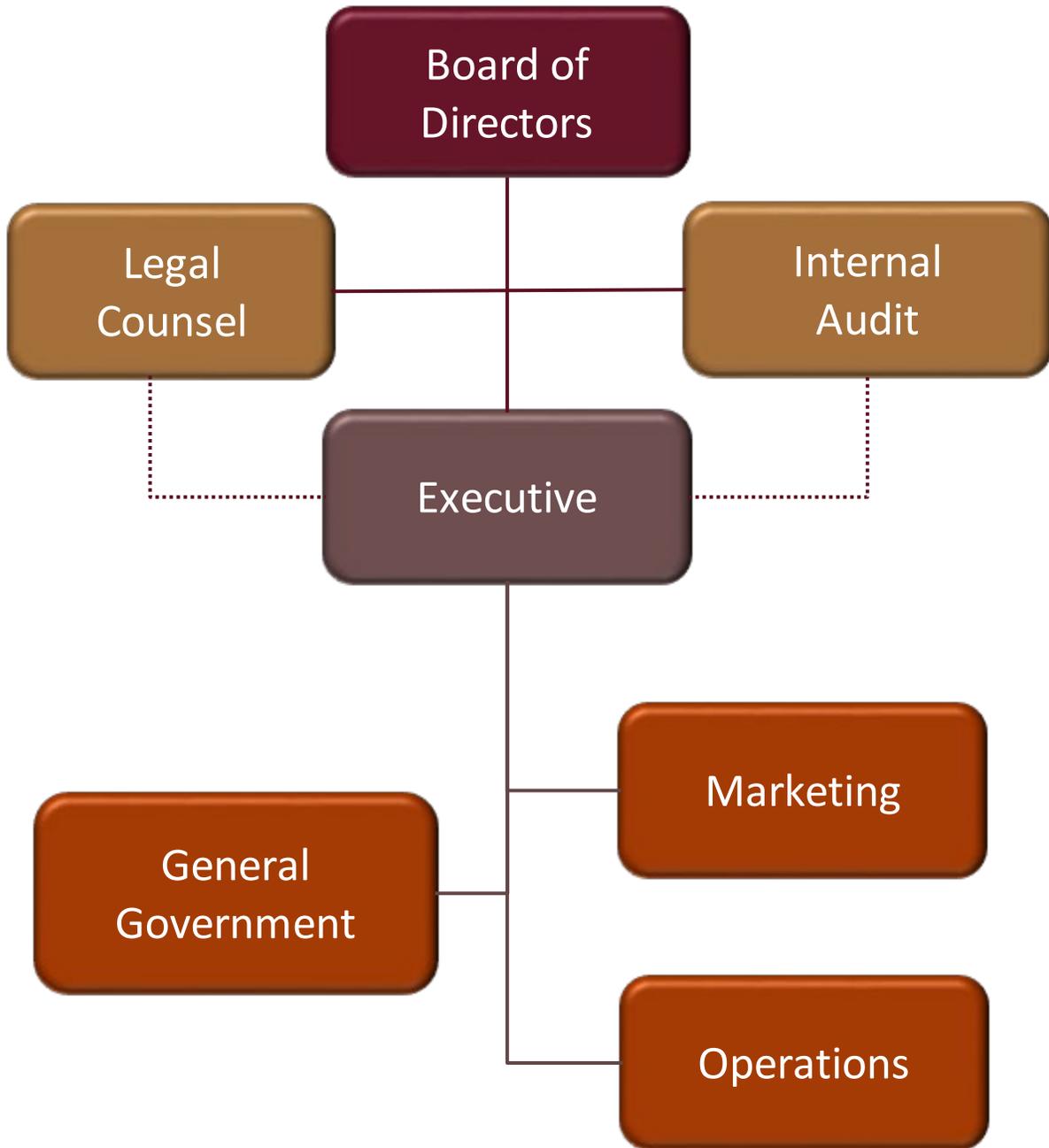
For the Fiscal Year Beginning

**July 1, 2018**

*Christopher P. Merrill*

Executive Director

LVCVA ORGANIZATIONAL CHART



## BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The Las Vegas Convention and Visitors Authority (LVCVA) is governed by a board of directors consisting of fourteen members. Eight members are elected officials from either Clark County or one of the incorporated cities therein. The Las Vegas Chamber of Commerce (CC) and the Nevada Resort Association (NRA) each nominate three 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 elected official from the second least populated incorporated city serves a two-year term, starting with the electee's term in office. The six private sector members serve staggered two-year terms. As of May 22, 2019, members of the board included:



**LARRY BROWN**  
*Chairman*  
 Commissioner  
 Representing Clark County  
 Term: Jan 2017 – Dec 2020



**BILL NOONAN**  
*Vice Chairman*  
 Representing Central Business District  
 Nominated by NRA  
 Term: Oct 2014 – Jun 2020



**PEGGY LEAVITT**  
*Secretary*  
 Mayor Pro Tem  
 Representing City of Boulder City  
 Term: Jul 2017 – Jun 2019



**CHUCK BOWLING**  
*Treasurer*  
 Representing Resort Hotel  
 Nominated by NRA  
 Term: Jun 2005 – Jun 2019



**MICHELE FIORE**  
*Councilwoman*  
 Representing City of Las Vegas  
 Term: Mar 2018 – Jun 2021



**CAROLYN G. GOODMAN**  
*Mayor*  
 Representing City of Las Vegas  
 Term: Aug 2016 – Jun 2019



**PAMELA GOYNES-BROWN**  
*Mayor Pro Tem*  
 Representing City of North Las Vegas  
 Term: Dec 2018 – Jun 2019



**TOM JENKIN**  
 Representing Resort Hotel  
 Nominated by CC  
 Term: Dec 2003 – Jun 2019



**GREGORY LEE**  
 Representing Tourism  
 Nominated by CC  
 Term: Jul 2012 – Jun 2020



**JOHN MARZ**  
 Councilman  
 Representing City of Henderson  
 Term: Jul 2015 – Jun 2021



**GEORGE RAPSON**  
 Councilman  
 Representing City of Mesquite  
 Term: Aug 2011 – Jun 2019



**MARY BETH SEWALD**  
 Representing Other Commercial  
 Nominated by CC  
 Term: Jan 2018 – Jun 2019



**MARILYN SPIEGEL**  
 Representing Resort Hotel  
 Nominated by NRA  
 Term: Jan 2019 – Jun 2019



**LAWRENCE WEEKLY**  
 Commissioner  
 Representing Clark County  
 Term: Jan 2009 – Dec 2020

## BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The Board serves as a policymaking body and employs the Chief Executive Officer. The LVCVA's senior executive committee consists of:



Steve Hill  
Chief Executive Officer / President



Brian Yost  
Chief Operating Officer



Ed Finger  
Chief Financial Officer



Barbara Bolender  
Chief People Officer

Vacant:  
Chief Marketing Officer

## HISTORY OF LAS VEGAS CONVENTION AND VISITORS AUTHORITY

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

Original construction of the Las Vegas Convention Center began in 1957. It consisted of a rotunda, 18 meeting rooms, and 90,000 square feet of exhibit space. Official opening ceremonies took place in April 1959, when the World Congress of Flight became the first convention to meet at the Las Vegas Convention Center. Resolutions passed by the board of directors on June 27, 1967 and March 19, 1974 led to the renaming of the Clark County Fair and Recreation Board to the current Las Vegas Convention and Visitors Authority. The Las Vegas Convention Center completed multiple expansions over its 50-year history. It now contains more than 3.2 million square feet of total space, with 13 exhibit halls, 144 meeting rooms, restaurants, a business center, warehouses, administrative offices, and parking for over 4,500 cars.



In February 2015, the LVCVA Board approved the acquisition of the Riviera Hotel & Casino. This purchase provided over 26 acres of additional property for Las Vegas Convention Center District (LVCCD) project. The project consists of three essential phases and one future conceptual phase. Phase One was completed in FY 2017 with the demolition of the Riviera property, followed by clearing and improvements to the land for client use. Phase Two consists of the expansion that will add 1.4 million square feet to the current convention center facility, including 600,000 square feet of new, leasable exhibit space, and is currently under construction. Phase Three consists of renovation and additions to the current facility.



## HISTORY OF LAS VEGAS CONVENTION AND VISITORS AUTHORITY

The LVCCD is discussed in more detail on page 68.

The LVCVA mission is now:

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

The LVCVA's primary source of revenue is provided by a tax imposed on hotels, motels, and other transient lodging establishments in Clark County. The rate levied varies from 12% to 14% for resort hotels and 10% to 13% for non-resort hotels, depending on the establishment's jurisdiction (see page 122 for room tax rate breakdown by jurisdiction). The division of room tax, as of July 1, 2019, as follows:

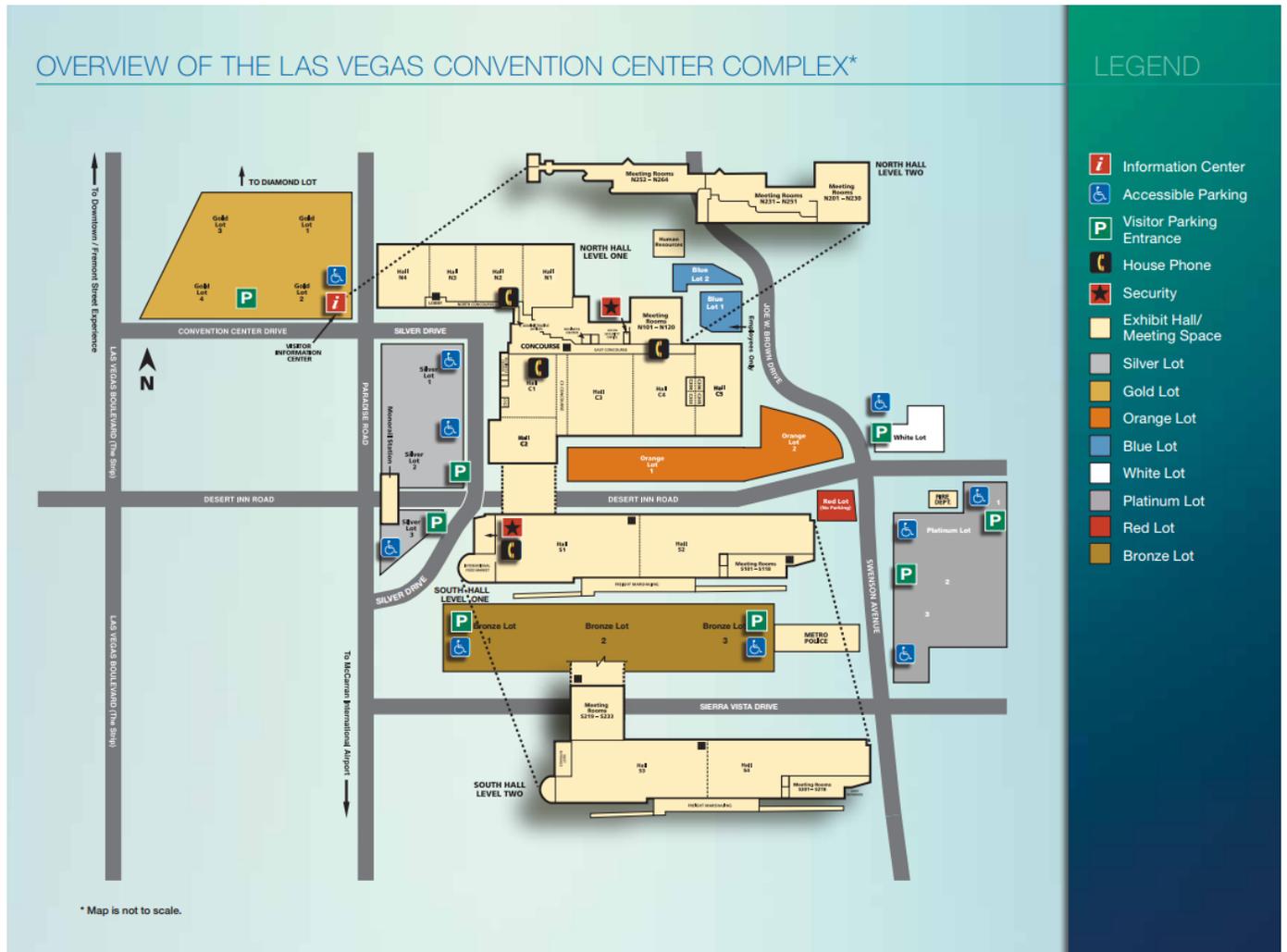
Resort Hotels					
LVCVA	Taxing Entity	State of Nevada	County Transportation	Clark County School District	Stadium Authority
4-5 1/2%	0-2%	3 3/8%	1%	1 5/8%	0 - 7/8%

Other Hotels / Motels					
LVCVA	Taxing Entity	State of Nevada	County Transportation	Clark County School District	Stadium Authority
2-4 1/2%	0-2%	3 3/8%	1%	1 5/8%	0 - 7/8%

The LVCVA is empowered by the Nevada state legislature to:

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

LAS VEGAS CONVENTION CENTER



The Las Vegas Convention Center is one of the largest tradeshow facilities in the world - a 3.2 million square foot facility located within a short distance of more than 100,000 guest rooms. Approximately two million square feet of exhibit space and 144 meeting rooms (more than 241,000 square feet) can handle seating capacities ranging from 20 to 7,500. A grand lobby and registration area (more than 109,500 square feet) efficiently link the original exhibit halls with added exhibit halls and meeting rooms, allowing simultaneous set-up, break-down, and exhibiting of multiple events.

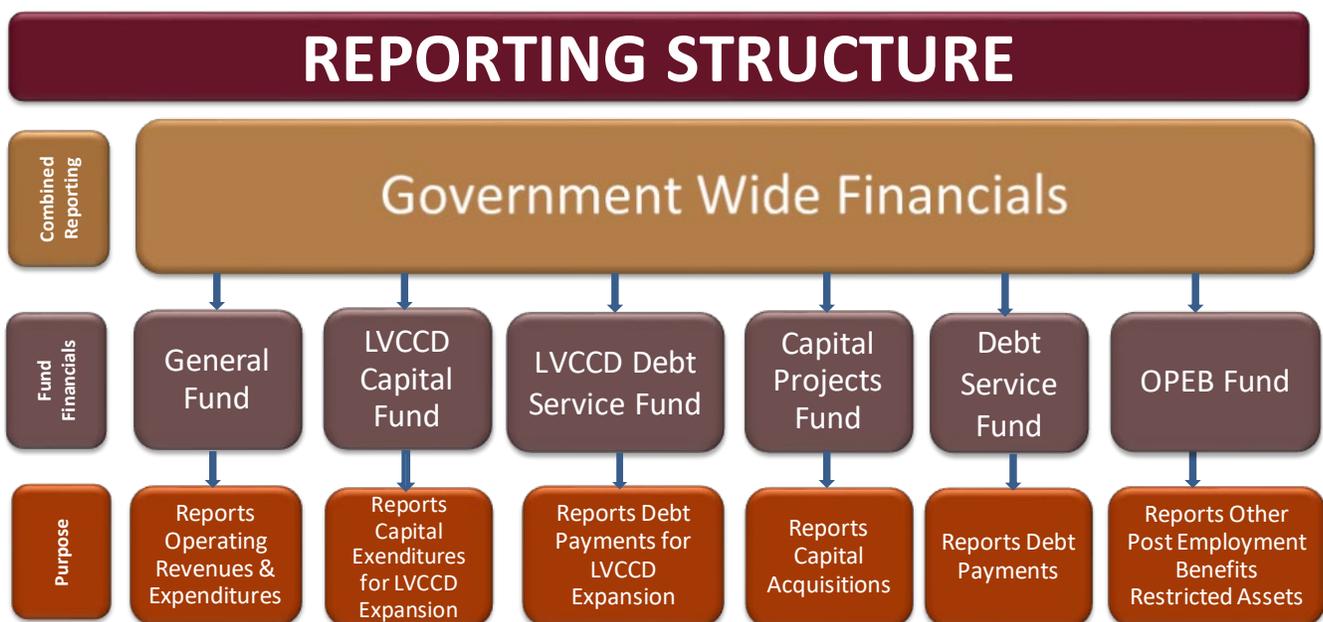
FINANCIAL STRUCTURE

Nevada Revised Statutes govern most of the LVCVA's activities, including financial structure, purchasing procedures, budgeting, debt, and investments. Accounting and budgeting for a governmental organization is somewhat different from profit-making businesses, in that governmental organizations use funds. A fund is a separate accounting entity with its own assets, liabilities, revenues, and expenditures. The LVCVA has six reportable fund groups: the General Fund, LVCCD Capital Fund, LVCCD Debt Service Fund, Capital Projects Fund, Debt Service Fund, and Other Post-Employment Benefits (OPEB) Fund.

The LVCVA budgets its governmental funds, which encompass the General Fund, LVCCD Capital Fund, LVCCD Debt Service Fund, Capital Projects Fund, and Debt Service Fund, based on the modified accrual basis of accounting. Under this method, revenues (income) are recognized, and any related receivable is recorded, when they become both measurable and available to finance expenditures. Room tax, the primary source of LVCVA revenue, is recognized at the time it is received and held for disbursement by the collecting governmental entity. Interest and facilities rental revenues are recognized when earned. Expenditures (expenses) are recognized when the liability is

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

The LVCVA's governmental funds are presented in the Comprehensive Annual Financial Report (CAFR) based on Generally Accepted Accounting Principles (GAAP) and conform to the manner that the LVCVA prepares its budget (i.e. modified accrual basis). Encumbrances are sometimes viewed as an extension of the formal budget integration even though those amounts were adopted in the previous year's budget. They consist of purchase orders, contracts, and other commitments for expenditures of monies that are recorded in the accounting system to reserve the portion of the applicable appropriation. At fiscal year-end, outstanding encumbrances are reported as reservations of fund balance and are re-appropriated in the next fiscal year, as they are not considered expenditures or liabilities. The OPEB Fund is presented in the CAFR on full accrual basis.



STRUCTURE OF THE BUDGET DOCUMENT

The goal of this budget document is to provide not only comprehensive information about estimated revenues and expenditures but also the policies, goals, financial structure, operations, and an organizational framework that show how the LVCVA will work towards its mission for fiscal year 2020. The main objective is to communicate to the readers (i.e. the board of directors, management, other organizational units, and the public) in a manner that is clear, concise, and understandable.

The budget is comprised of ten main sections: Budget Message, Budget Structure and Policy, General Fund, LVCCD Funds (which includes the LVCCD Capital Fund and LVCCD Debt Service Fund), Capital Projects Fund, Debt Service Fund, OPEB Fund, Personnel Allocation, Statistical Data, and Glossary.

Budget Message and Budget Structure and Policy

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

General Fund

The operating budget (i.e. General Fund), beginning on page 22, presents budgetary information for revenues, followed by the functions of General Government, Marketing, Operations, and Community Support. The emphasis is on the nature of the tasks to be undertaken by the organization. This section identifies the purpose of each organizational unit, its responsibilities and goals for the ensuing fiscal year, and selected appropriations. Appropriations are summarized in major categories of salaries, employee benefits, services, and supplies. Also included is the number of full-time employees and capital outlay related to the division. For financial reporting and budgeting purposes, the LVCVA has classified its expenditures by functions, activities, and organizational units. The function classification arranges related activities, providing information on the overall purposes or objectives of expenditures. Activities are similar endeavors or groupings of organizational units performing a specific and distinguishable type of work.

<b>FUNCTIONS</b>	<b>ACTIVITIES</b>	<b>ORGANIZATIONAL UNITS</b>
General Government	Board of Directors Executive People and Possibilities (formerly Human Resources) Public Affairs Finance	Board of Directors Executive, Internal Audit, Legal, Board Office People and Possibilities Communications, Media Relations, News Bureau Finance & Accounting, Information Technology, Purchasing & Business Services
Marketing	Global Sales Marketing Business Sales Industry Relations Research Center	International Sales, International Offices, Airline Development, Leisure Sales, Extended Destinations Brand Public Relations, Advertising, Digital Engagement, Marketing Systems, Sports Marketing, Special Events Business Sales Industry Relations Research Center
Operations	Operations Customer Experience	Client Services, Engineering, Customer Safety Customer Experience, Convention Services, Registration, Visitor Information Services

## READER'S GUIDE TO THE LVCVA BUDGET DOCUMENT

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

### LVCCD Capital Fund

The capital fund for Phase Two (expansion) and Phase Three (renovation) of the LVCCD project. It records the restricted revenues from SB1 for the project. This capital fund is shown separately for enhanced transparency of the fund.

### LVCCD Debt Service Fund

A restricted fund established to account for payment of all debt issuances related to Phases Two and Three of the LVCCD project.

### Capital Projects Fund

The Capital Projects Fund budget, starting on page 71, includes a capital project and purchases listing and the five-year capital plan, which is reviewed and updated annually. This section explains the capital projects review and selection process and includes a description of major projects and estimated impacts on the operating budget.

### Debt Service Fund

The Debt Service Fund budget on page 91 provides not only a historical perspective concerning the LVCVA's past bond issues, but also a review of current and proposed bond obligations, the bond issuance process, and debt limit and capacity.

### OPEB Fund

The OPEB fund was established in FY 2013 to accumulate reserves for Other Post-Employment Benefits. Additional information can be found on page 99.

### Personnel Allocation

Information on personnel requests, including justifications, authorized positions by organizational unit, and wage schedules is in the personnel allocation section, beginning on page 100.

### Statistical Data

Statistical data starts on page 109. It contains information on demographics for Clark County, visitor analyses, principal room taxpayers, and a room tax schedule, along with ten-year schedules of facility usage for the Convention Center and Cashman Center and general fund revenues and expenditures.

NEW POLICIES/SIGNIFICANT EVENTS

The board of directors acted upon the following items during fiscal year 2019.

<b>NEW POLICIES / SIGNIFICANT EVENTS</b>	
Aug-18	LVCVA Board of Directors approved a five-year collective bargaining agreement with Service Employees International Union (SEIU).
Aug-18	LVCVA's CEO, Rossi Ralenkotter, retired. COO/President Steve Hill was approved by the board as his successor.
Sep-18	LVCVA took ownership of an apartment complex and shopping center (approximately 8.3 acres) for a sale price of approximately \$49.8 million. The complex was closed and demolished as part of the LVCCD land expansion project.
Sep-18	LVCVA sold \$500 million in revenue bonds via negotiated sale at a true interest cost of 4.14%. This bond issuance is part of the \$900 million bond issuance related to the LVCCD Phase Two project.
Sep-18	LVCVA entered a guaranteed maximum price of \$935 million with Turner Martin- Harris Joint Venture for the LVCC District Phase Two Expansion project pursuant to the Construction Manager at Risk (CMAR) delivery method. Completion date is set for December 1, 2020.
Oct-18	LVCVA purchased another apartment complex in exchange for \$9.8 million and 0.8 acres of land. This added 1.34 acres of land and allowed the expansion to shift to the West, eliminating an Eastside pinch point.
Nov-18	LVCVA completed the issuance of \$80 million in revenue bonds, the proceeds of which were used to repay the line of credit, which was closed on November 7, 2018.
Dec-18	LVCVA approved TVS Design as the Design Consultant for the LVCC District Phase Three Renovation project.
Mar-19	LVCVA extended Cox term to 2023 as telecommunications provider.
Mar-19	LVCVA authorized the CEO/President to negotiate an agreement with The Boring Company for design, construction, and operations of the LVCCD Campus-Wide People Mover system.
Apr-19	LVCVA approved the Klai Juba Wald Professional Services Agreement to provide professional services as the Architect of Record for the LVCC District Phase Three Renovation project. The total amount of this Professional Services Agreement is \$32 million.
May-19	LVCVA approved Martin- Harris/Turner to provide pre-construction and construction services for the LVCC District Phase Three Renovation project.

FINANCIAL MANAGEMENT POLICIES

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

OPERATING MANAGEMENT

- ✧ Although long-term projections are highly uncertain, multi-year analysis will periodically be prepared and evaluated by management. Long-term projections rely on numerous assumptions about economic and fiscal factors, and many different assumptions are possible; thus, long term forecasts are not considered a fixed plan for balancing revenues to expenditures in future years.
- ✧ Conservative but realistic revenue projections will be prepared to assess the limits of budget appropriations. If projections are too high, under-realized revenues could cause budget cuts mid-fiscal year.

## READER'S GUIDE TO THE LVCVA BUDGET DOCUMENT

- ✧ Operating expenditures will be funded with current revenues. For FY 2020, the operating revenue budget of \$358.2 million includes other financing sources and is used to fund operating expenditures of \$252.1 million (including contingency).
- ✧ The LVCVA is required by law to submit a balanced budget each year to the State of Nevada for approval. This is defined as a budget in which total revenues, including other financing sources, plus beginning fund balance must equal total expenditures, including other financing uses, plus proposed ending fund balance.
- ✧ Investments of cash funds will be maintained in accordance with the Board-approved investment policy and state statute. The primary objectives of this policy are to invest funds prudently, in a manner that is legal, maintains the principal of the portfolio, meets operational and capital liquidity demands, and that provides yields consistent with the risk profile of the investment portfolio.
- ✧ Interest earnings on investments in the debt service funds will be transferred into the General Fund, except for earnings on the proceeds from construction financing (i.e. bonds) which are part of the Capital Fund.
- ✧ The Board authorizes adjustments to the full-time position roster, currently at 538 positions in FY 2019, and 494 authorized positions for FY 2020 of which \$60.4 million is budgeted for total payroll. All requests for new positions must contain a justification and evaluate total costs, including benefits and capital outlay. Temporary employees are used only to augment regular staffing on a temporary or intermittent basis. Staffing is discussed in detail in the personnel allocation section, page 100.
- ✧ The existing collective bargaining agreement with Service Employees International Union Local 1107, along with additional LVCVA personnel policies, direct items such as annual pay increases, personal time off (PTO) accruals, and pension plan contributions. All are considered in the preparation of the budget.

### CAPITAL MANAGEMENT

- ✧ A five-year capital improvement plan is updated annually. It is presented to the Board of Directors with the annual budget and is adopted at the same time.
- ✧ The capital improvement plan must include a list of proposed capital improvements or purchases with cost estimates, methods of financing (i.e. room taxes, use of facilities revenue, or debt issue), and any estimated income or cost associated with the constructed facilities. Only projects or purchases costing over \$30,000 in one fiscal year or included in a multi-year equipment replacement program appear in the plan. A five-year capital plan is included in this budget book.
- ✧ A balance of pay-as-you go capital improvements versus financing will be evaluated taking into account the various economic factors.
- ✧ Nevada Administrative Code 354.750 requires that local governments perform a physical inventory every two years and accordingly will be performed again during FY 2020. Each item subject to the inventory must be assigned an identifying number and be labeled as belonging to the LVCVA. This same code sets the guidelines for the establishment of capitalization thresholds by resolution.

### DEBT MANAGEMENT

- ✧ The LVCVA will actively seek to maintain and, if possible, improve our current bond ratings to minimize borrowing costs, resulting in lower interest rates.
- ✧ Debt issuance is governed by Nevada state law. The LVCVA's Board of Directors is empowered to issue general obligation bonds; however, state statute requires that these bonds be issued in the name of the County.
- ✧ Debt Coverage is the ratio of pledged revenues to related debt service for a given year. The LVCVA targets a minimum coverage ratio of 3.0.
- ✧ Although state statute allows the LVCVA to use property taxes for debt service on general obligation bonds, only net pledged revenues derived from room taxes and use of facilities revenue have ever been used. No ad valorem property tax revenues are allocated to the LVCVA for any purpose, and no change in this practice is contemplated.
- ✧ The LVCVA is required to file an indebtedness report, which includes a capital improvement plan, with the Debt Management Commission prior to August 1, whether new debt is contemplated or not. The specifics of the reports can be found on page 91.

### RESERVE/FUND BALANCE

- ✧ Based on Nevada Administrative Code 354.650-660, a minimum unreserved fund balance of 4% of budgeted general fund operating expenditures must be maintained. The LVCVA's fiscal practice is to target an ending fund balance between 4% - 16% to prepare for potential variances in economic conditions without detriment to operations. Our proposed FY 2020 unreserved fund balance is projected to be just over 12%.
- ✧ Reserves will be sufficient to pay principal and interest on the outstanding bond issues due on July 1<sup>st</sup>, in addition to any debt reserve amount as required by the bond covenants.
- ✧ A contingency reserve of \$100,000 will be funded for the discretionary use of the Board of Directors. However, use of these funds should be utilized only after the availability of all other budget sources has been examined.
- ✧ The LVCVA is required, by an inter-local agreement with Clark County, to provide funding for all allocated costs to support the Clark County Self-Funded insurance program, including annual supplemental billing, if required, to ensure appropriate fund balances are maintained. The LVCVA is a member of the CCSF executive board to monitor financial conditions and premium changes.

### FINANCIAL REPORTING

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

### MARKETING POLICIES

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

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

### FACILITY POLICIES

The Las Vegas Convention Center is one of the largest meeting facilities in the nation, with more than 3.2 million square feet. In FY 2018, the Center hosted 79 conventions, public events, and meetings. Over 6.5 million delegates attended trade shows and conventions in Clark County during calendar year 2018. The goal to "have a show in the building, another one moving in, and one moving out" is closer to being realized than ever. Reasonable rates and the flexible indoor and outdoor facilities are the secret of our success. Policies that guide us toward this goal include:

- ✧ Maintain competitive in the facility rate structure. The Authority approved two phased rate increases as a part of the fiscal year 2016 budget process. The first increase, from 29¢ to 33¢ per net square foot, became effective for leases executed on or after July 1, 2016. The second increase from 33¢ to 35¢ per net square foot, became effective for leases executed on or after July 1, 2018.
- ✧ Create an outstanding experience for every visitor via the appearance and the amenities found in the facilities, and provide excellent customer service.
- ✧ Prevent deterioration of buildings and equipment through scheduled preventive maintenance programs.
- ✧ Pursue aggressive energy and water conservation programs, thereby reducing operating costs.

COMMUNITY POLICIES

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

- ✧ Return a collection fee (up to 10% of total room tax and gaming fees received by the LVCVA) to the collecting entities (i.e. Clark County and its incorporated cities). The amount of fees paid to the collecting entities that exceed the reasonable costs incurred in collecting the room taxes and gaming fees must be used for the operations and maintenance of recreation programs or facilities. Per SB1 legislation enacted October 2016, the collection fee returned to the collecting entities is capped at \$25 million, with the excess transferred to the LVCCD Capital Fund.
- ✧ A Community Event Sponsorship Program is funded in the FY 2020 budget. The LVCVA will allocate funds to sponsor community events for the purpose of driving tourism to and within Clark County, as well as garnering exposure for Southern Nevada tourism destinations.



### BUDGET PROCESS

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

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

1. Revenue Estimates and Projection Updates - The process begins with the Finance Department evaluating the multi-year analysis and preparing preliminary revenue projections, taking into consideration national, state, and local economic indicators and analyses of the LVCVA's major revenue sources. Executive management meets to review the information, update strategic plans, and determine preliminary budget guidelines.
2. Budget Training Sessions - Budget preparation manuals are distributed by Finance to all departmental budget preparers at budget training sessions. The manual contains instructions for accessing and using the computerized online budgeting system (OLB), preparing narratives, goals and activity measures, requesting new personnel, and justifying capital requests.
3. Goals and Objectives - Departments are required to develop goals and objectives to show what services are going to be provided. The goals must complement the organization's and division's mission statements and goals.
4. Tentative Budget Adoption - As required by Nevada Revised Statutes, the tentative budget document is filed with the Nevada Department of Taxation and the County Clerk, usually on or before April 15<sup>th</sup>.
5. Budget Book Development - Since the financial and narrative information is completed by this point, the Finance Department prepares the budget book, which is comprised of the operating, capital, debt service, and OPEB fund budgets.
6. Public Hearing and Final Budget Adoption - 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 in May. The hearing provides the public an opportunity to comment on the proposed budget to the board of directors.

### BUDGETARY CONTROLS

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

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

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

### BUDGET TRANSFERS

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

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

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

### BUDGET AUGMENTATION

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



## SUMMARY OF ALL FUNDS

FY 2020 BUDGET - ALL FUNDS							
	GENERAL	LVCCD	LVCCD DEBT	CAPITAL	DEBT		TOTAL
	FUND	CAPITAL	SERVICE	PROJECTS	SERVICE	OPEB	ALL FUNDS
	FUND	FUND	FUND	FUND	FUND	FUND	
<b>REVENUES:</b>							
Room Taxes and Gaming Fees	\$ 292,370,300	29,910,000	-	-	-	-	\$ 322,280,300
Facility Charges and Services	64,996,900	-	-	-	-	-	64,996,900
Interest and Investment Earnings	400,000	5,200,000	300,000	800,000	2,847,000	560,000	10,107,000
Other Fees and Charges	5,000	-	-	-	-	-	5,000
Build America Bond's Subsidy	-	-	-	-	4,450,290	-	4,450,290
<b>Total Revenues</b>	<b>357,772,200</b>	<b>35,110,000</b>	<b>300,000</b>	<b>800,000</b>	<b>7,297,290</b>	<b>560,000</b>	<b>401,839,490</b>
<b>EXPENDITURES:</b>							
General government	20,741,900	-	-	-	-	-	20,741,900
Marketing:							
Advertising	101,500,000	-	-	-	-	-	101,500,000
Marketing and sales	40,315,400	-	-	-	-	-	40,315,400
Special events	19,574,852	-	-	-	-	-	19,574,852
Operations	44,818,500	-	-	-	-	-	44,818,500
Community support and grants:							
Capital grants to other governments	-	-	-	5,300,000	-	-	5,300,000
Other Community Support	25,000,000	-	-	-	-	-	25,000,000
Capital Outlay	-	650,000,000	-	103,333,500	-	-	753,333,500
Debt service:							
Principal	-	-	-	-	27,830,000	-	27,830,000
Interest	-	-	38,424,500	-	45,187,637	-	83,612,137
Debt issuance costs	-	1,200,000	-	1,000,000	-	-	2,200,000
<b>Total Expenditures</b>	<b>251,950,652</b>	<b>651,200,000</b>	<b>38,424,500</b>	<b>109,633,500</b>	<b>73,017,637</b>	<b>-</b>	<b>1,124,226,289</b>
<b>Excess (Deficiency) of Revenues</b>							
<b>Over (Under) Expenditures</b>	<b>105,821,548</b>	<b>(616,090,000)</b>	<b>(38,124,500)</b>	<b>(108,833,500)</b>	<b>(65,720,347)</b>	<b>560,000</b>	<b>(722,386,799)</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers In	325,000	54,537,000	16,007,500	5,500,000	44,500,000	100,000	120,969,500
Transfers Out	(104,337,000)	(16,007,500)	(300,000)	-	(325,000)	-	(120,969,500)
Proceeds of Debt Issuance	-	200,000,000	-	52,500,000	-	-	252,500,000
Proceeds from Sale of Capital Assets	55,000	-	-	-	-	-	55,000
<b>Total Other Financing Sources (Uses)</b>	<b>(103,957,000)</b>	<b>238,529,500</b>	<b>15,707,500</b>	<b>58,000,000</b>	<b>44,175,000</b>	<b>100,000</b>	<b>252,555,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>1,864,548</b>	<b>(377,560,500)</b>	<b>(22,417,000)</b>	<b>(50,833,500)</b>	<b>(21,545,347)</b>	<b>660,000</b>	<b>(469,831,799)</b>
<b>RESERVE FOR CONTINGENCY</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>
<b>FUND BALANCE, BEGINNING</b>	<b>29,889,142</b>	<b>435,739,692</b>	<b>37,636,548</b>	<b>52,001,027</b>	<b>208,903,179</b>	<b>28,287,948</b>	<b>792,457,536</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 31,653,690</b>	<b>\$ 58,179,192</b>	<b>\$ 15,219,548</b>	<b>\$ 1,167,527</b>	<b>\$ 187,357,832</b>	<b>\$ 28,947,948</b>	<b>\$ 322,525,737</b>

## SUMMARY OF ALL FUNDS

COMPARISON TO PRIOR YEARS - TOTAL OF ALL FUNDS					
	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20
<b>REVENUES:</b>					
Room Taxes and Gaming Fees	\$ 261,613,917	\$ 294,229,290	\$ 314,284,301	\$ 316,778,620	\$ 322,280,300
Facility Charges and Services	60,835,567	68,007,099	65,829,400	56,960,500	64,996,900
Interest and Investment Earnings	1,201,484	1,014,447	3,736,224	8,994,200	10,107,000
Other Fees and Charges	855,070	1,328,542	2,022,285	753,150	5,000
Build America Bond's Subsidy	4,773,722	4,711,257	4,663,956	4,614,838	4,450,290
<b>Total Revenues</b>	<b>329,279,760</b>	<b>369,290,635</b>	<b>390,536,166</b>	<b>388,101,308</b>	<b>401,839,490</b>
<b>EXPENDITURES:</b>					
General government	16,146,746	19,532,835	20,029,693	21,299,738	20,741,900
Marketing:					
Advertising	95,012,365	95,905,154	106,726,431	100,500,000	101,500,000
Marketing and sales	36,537,160	45,094,547	39,813,998	40,159,567	40,315,400
Special events	11,665,284	12,196,297	12,551,768	15,735,900	19,574,852
Operations	41,415,858	39,289,787	39,898,070	40,814,395	44,818,500
Community support and grants:					
Capital grants to other governments	671,219	17,754,180	191,690	4,200,000	5,300,000
Other Community Support	26,161,392	25,000,000	25,000,000	25,000,000	25,000,000
Capital Outlay	37,976,785	26,977,761	25,222,972	496,062,996	753,333,500
Debt service:					
Principal	27,779,440	27,892,672	27,991,301	27,210,000	27,830,000
Interest	34,316,586	35,382,991	33,117,170	49,646,183	83,612,137
Principal retirement	-	70,200,000	-	-	-
Payment to Refunded Debt Escrow Agent	-	69,200,000	-	-	-
Debt issuance costs	-	1,013,919	2,694,688	2,186,278	2,200,000
<b>Total Expenditures</b>	<b>327,682,835</b>	<b>485,440,143</b>	<b>333,237,781</b>	<b>822,815,057</b>	<b>1,124,226,289</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,596,925	(116,149,508)	57,298,385	(434,713,749)	(722,386,799)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	76,630,873	115,216,370	126,797,487	118,766,162	120,969,500
Transfers Out	(76,630,873)	(115,216,370)	(126,797,487)	(118,766,162)	(120,969,500)
Proceeds of Debt Issuance	-	192,080,000	400,925,094	665,824,262	252,500,000
Bond Premium	-	13,870,085	19,359,398	4,172,260	-
Issuance of Capital Leases	-	379,273	-	-	-
Refunded Bonds	-	(66,316,402)	(84,532,839)	(61,500,000)	-
Proceeds from Sale of Capital Assets	45,964	24,271	104,887	48,000	55,000
<b>Total Other Financing Sources (Uses)</b>	<b>45,964</b>	<b>140,037,227</b>	<b>335,856,540</b>	<b>608,544,522</b>	<b>252,555,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>1,642,889</b>	<b>23,887,719</b>	<b>393,154,925</b>	<b>173,830,773</b>	<b>(469,831,799)</b>
RESERVE FOR CONTINGENCY	-	-	-	-	100,000
FUND BALANCE, BEGINNING	199,941,230	201,584,119	225,471,838	618,626,763	792,457,536
<b>FUND BALANCE, ENDING</b>	<b>\$ 201,584,119</b>	<b>\$ 225,471,838</b>	<b>\$ 618,626,763</b>	<b>\$ 792,457,536</b>	<b>\$ 322,525,737</b>

## SUMMARY OF ALL FUNDS

### FUND BALANCE ANALYSIS

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

Fund balances will vary by fund. Total FY 2020 ending fund balance for all funds is projected to be \$322.5 million. This is comprised of: \$31.7 million in the General Fund, \$58.2 million in LVCCD Capital Fund, \$15.2 million in LVCCD Debt Service Fund, \$1.2 million in the Capital Projects Fund, \$187.4 million in the Debt Service Fund, and \$28.9 million in the OPEB Fund.

General Fund – Beginning fund balance for FY 2020 is projected to be \$29.9 million. Fund balance is the amount of unencumbered cash that ensures services could be provided for a short time if commitments exceeded revenues. Because all room tax received in July is accrued back to June 30, 2019, it is already part of ending fund balance. Most facility rental revenue received in July is earned in June; thus, it, too, is a part of ending fund balance. The first "new" money we receive is in the middle of August. Therefore, the LVCVA operates for four to six weeks off of beginning fund balance. This is used to cover expenditures (i.e. payroll, and supplies and services) for at least two to four weeks.

LVCCD Capital Fund – The LVCCD Capital Fund was established in FY 2017. Resources are legislatively restricted and are accumulated from revenue streams and general fund transfers to support the capital financing program for Phase Two and Phase Three of the LVCCD project. There is no minimum balance, and amounts unspent will roll each year.

LVCCD Debt Service Fund – The LVCCD Debt Service Fund was established in FY 2018. This fund will be used to account for debt repayment related solely to Phase Two and Phase Three of the LVCCD project.

Capital Projects Fund – Fund balance in the Capital Fund is used as a supplement to capital projects, if necessary. Capital reserves, unless spent, roll each fiscal year through fund balance, which accounts for fluctuations. There are no requirements to maintain a specific excess of assets over liabilities in the capital fund. Most capital funding is budgeted to be spent in FY 2020.

Debt Service Fund – The obligations of the Debt Service Funds are met by transferring funds adequate to make the principal and interest payments on the various issues. Approximately \$39.6 million of the remaining \$187.4 million fund balance on June 30, 2020 is used to pay the principal and interest payments due on the first day of the next fiscal year (July 1). In addition, \$135 million is held in escrow, which is related to a crossover refunding from December 2017, and will remain in escrow until the ten-year call date in 2020 as required by bond documents. Debt Service Fund balance has increased over the last decade due to the rising debt service requirements associated with the state mandate to fund a portion of NDOT projects in Clark County and the beginning stages of the LVCCD project.

OPEB Fund – The OPEB Fund is the accumulation of funds specifically restricted for the Other Post-Employment Benefits liability. The LVCVA has completed yearly transfers since FY 2013. The FY 2020 tentative budget incorporates a total of \$28.9 million allocated to OPEB funding. The LVCVA continues to evaluate the annual funding requirement based on biannual actuarial studies.

## GENERAL FUND SUMMARY

The General Fund is the general operating fund of the LVCVA, accounting for most financial resources not specifically accounted for in another fund. General Fund revenues include room taxes and gaming fees, use of facilities, other fees and charges, and interest earnings. The LVCVA has classified its expenditures by functions, activities, and organization units (see table on page 9). General Fund expenditures are those that are made in the normal operations of the LVCVA.

	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20	% CHANGE
<b>REVENUES:</b>						
Room Taxes and Gaming Fees	\$ 261,613,917	\$ 282,982,617	\$ 285,122,002	\$ 287,383,620	\$ 292,370,300	2%
LVCC Revenue						
Facility Use	31,188,845	33,958,087	33,207,046	31,268,500	34,392,400	10%
Ancillary	24,898,413	25,332,328	25,549,786	22,600,000	25,925,500	15%
Cashman Revenue	2,053,317	1,974,349	1,360,096	353,000	-	-100%
Other	2,857,130	6,997,313	6,072,090	2,991,000	4,974,000	66%
Interest	37,935	142,628	93,427	180,600	110,000	-39%
<b>Total Revenues</b>	<b>322,649,557</b>	<b>351,387,321</b>	<b>351,404,446</b>	<b>344,776,720</b>	<b>357,772,200</b>	<b>4%</b>
<b>EXPENDITURES:</b>						
General Government	16,146,746	19,532,835	20,029,693	21,299,738	20,741,900	-3%
Operations	41,415,858	39,289,787	39,898,070	40,814,395	44,818,500	10%
Marketing						
Marketing Sales	36,537,160	45,094,547	39,813,998	40,159,567	40,315,400	0%
Advertising	95,012,365	95,905,154	106,726,431	100,500,000	101,500,000	1%
Destination Events						
Special Events - LVE	8,735,358	9,266,828	8,176,647	8,400,000	7,744,852	-8%
Special Events - LVCVA	2,929,926	2,929,469	4,375,121	5,335,900	5,330,000	0%
Baseball Naming Rights Agreement	-	-	-	2,000,000	4,000,000	100%
Special Events Reserve	-	-	-	-	2,500,000	100%
Collection Allocation	26,161,392	25,000,000	25,000,000	25,000,000	25,000,000	0%
<b>Total Expenditures</b>	<b>226,938,805</b>	<b>237,018,620</b>	<b>244,019,960</b>	<b>243,509,600</b>	<b>251,950,652</b>	<b>3%</b>
Excess of Revenues over Expenditures	95,710,752	114,368,701	107,384,486	101,267,120	105,821,548	4%
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In:						
Debt & LVCCD Debt	120,416	209,689	290,639	170,300	325,000	91%
Transfers Out:						
OPEB Fund	(4,500,000)	(10,500,000)	(2,500,000)	(100,000)	(100,000)	0%
Capital Projects Fund	(14,000,000)	(11,500,000)	(7,900,000)	(3,250,000)	(5,500,000)	69%
LVCCD Capital Fund	-	(23,298,262)	(51,012,200)	(48,738,362)	(54,237,000)	11%
Debt Service Fund	(58,010,457)	(66,453,419)	(63,159,503)	(58,500,000)	(44,500,000)	-24%
Proceeds from Sale of Capital Assets	45,964	24,271	83,824	48,000	55,000	15%
<b>Total Other Financing Sources (Uses)</b>	<b>(76,344,077)</b>	<b>(111,517,720)</b>	<b>(124,197,241)</b>	<b>(110,370,062)</b>	<b>(103,957,000)</b>	<b>-6%</b>
Reserve for Contingency	-	-	-	-	100,000	100%
<b>FUND BALANCE, BEGINNING</b>	<b>33,587,181</b>	<b>52,953,857</b>	<b>55,804,838</b>	<b>38,992,084</b>	<b>29,889,142</b>	<b>-23%</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 52,953,857</b>	<b>\$ 55,804,838</b>	<b>\$ 38,992,084</b>	<b>\$ 29,889,142</b>	<b>\$ 31,653,690</b>	<b>6%</b>
<b>Total Capital Outlay</b>	<b>\$ 38,768,408</b>	<b>\$ 48,449,048</b>	<b>\$ 28,650,048</b>	<b>\$ 501,991,279</b>	<b>\$ 758,333,500</b>	<b>51%</b>
<b>Total Full-Time Personnel</b>	<b>529</b>	<b>541</b>	<b>538</b>	<b>538</b>	<b>494</b>	<b>-8%</b>

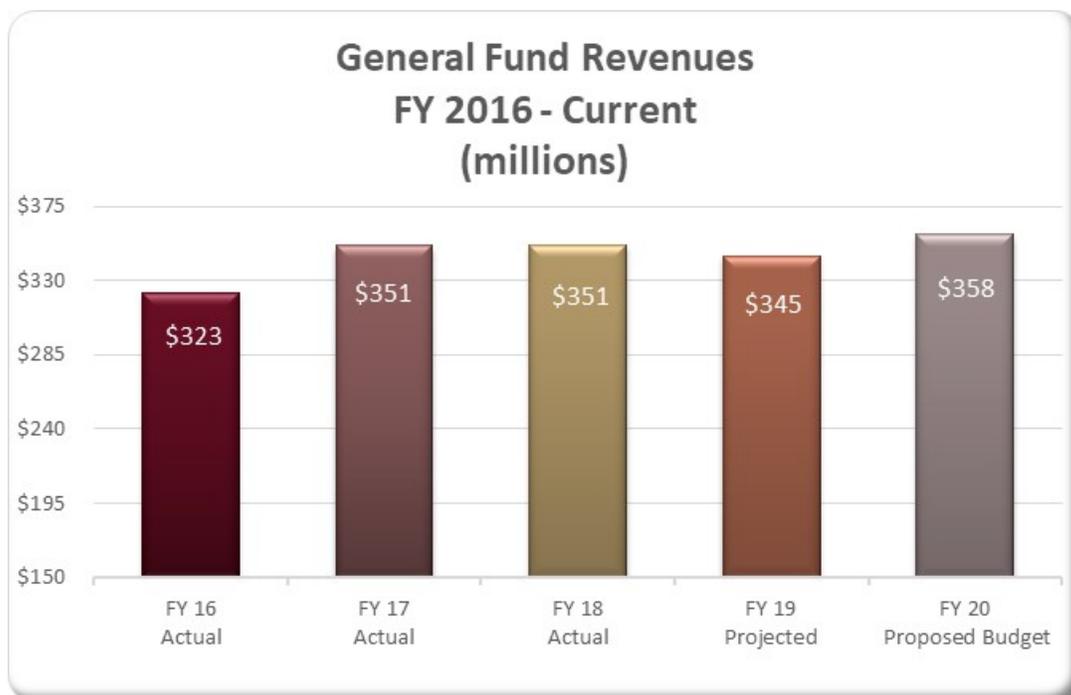
## GENERAL FUND SUMMARY

### REVENUES

Operating revenues, including other financing sources, for FY 2020 total \$357.8 million, an increase of 4% over FY 2019 projected revenue. Use of facilities revenue for the Las Vegas Convention Center is up 12%, mainly due to the expected rotation of tradeshows. Room taxes, the major source of revenue, are expected to increase 2% over the FY 2019 projection. Gaming fees are expected to decline 1% and are budgeted at \$1.56 million.

Use of facilities revenue for the Las Vegas Convention Center represents approximately 17% of total revenues. Building usage, which is based on actual leases confirmed and signed, is projected to grow 12% compared to FY 2019 projected, mainly due to the rotation of trade shows.

Other fees and charges are expected to increase 66% from in-kind revenue to support the LVCVA's hosting of a leading international travel trade show being held in Spring 2020.



### EXPENDITURES

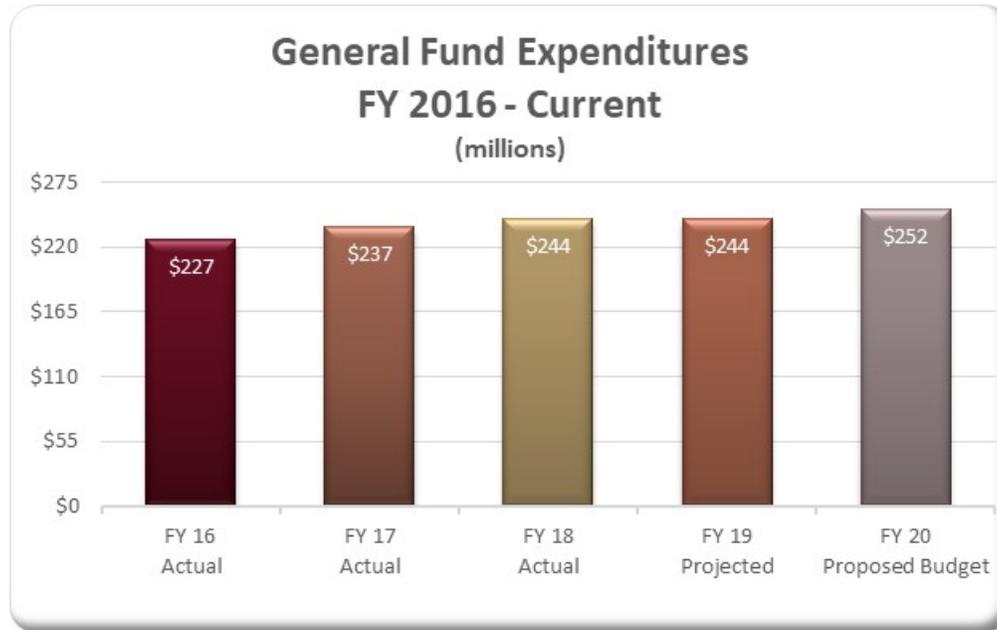
General Fund expenditures are divided into three main categories: salaries and wages, employee benefits, and services and supplies. Salaries and wages represent 17% of total general fund expenditures. Included in this amount are temporary salaries and overtime of \$2.3 million. Employee benefits are 42% of the total salaries budget.

On a division level, salaries and wages make up 47% of the General Government budget and 51% of the Operations budget. In the Marketing Division, advertising, destination event funding, and supplies represent 91% of the budget, while salaries and wages account for 6% and 3% for employee benefits.

Total operating expenditures are \$251,950,652, increasing 3% compared to the projected FY 2019 expenditures.

## GENERAL FUND SUMMARY

### EXPENDITURES (continued)



### OTHER FINANCING SOURCES (USES)

These are usually comprised of transfers in (i.e. interest earned in other funds) and transfers out (i.e. funding for other funds), along with sale of capital assets. A transfer is a legally authorized transfer from a fund receiving revenue to the fund through which the resources are to be expended. A total of \$104.3 million is being transferred to other funds.

### FUND BALANCE

Projected ending fund balance on June 30, 2020 is \$31.7 million. State law provides guidance for an ending fund balance of no less than 4% of budgeted expenditures. The FY 2020 ratio is approximately 13%, which meets statutory guidance and internal policy.

### CAPITAL OUTLAY

Capital outlay includes all projects accounted for in the LVCCD Capital Fund (starting on page 68) and the Capital Projects Fund (starting on page 71). The total amount shown includes capital expenditures for furnishings, equipment, improvements, or additions to land and buildings financed by revenues and bond proceeds. In each division's budget analysis, the amount includes only furnishings and equipment. Two exceptions are: (1) all computer-related items are accounted for in the Information Technology Department's (General Government division) capital budget; and (2) all recurring building, land, and leasehold improvements are coordinated by the Facility Projects section of the Engineering department (Operations division). For FY 2020 \$5.5 million is being transferred to the Capital Projects Fund, which will be used for routine capital repair and maintenance, technology upgrades, enhancements to ensure facility safety, and to enhance the customer experience. \$54.2 million is being transferred to the LVCCD Capital Fund that will be used to support the capital financing program for Phase Two and Phase Three of the LVCCD project.

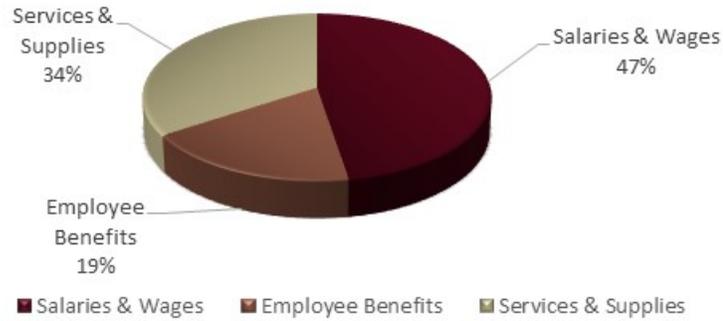
### TOTAL FULL-TIME PERSONNEL

The total number of authorized positions currently stands at 538 for FY 2019, reducing to 494 for FY 2020. For supplementary information concerning personnel allocation, see pages 100-108.

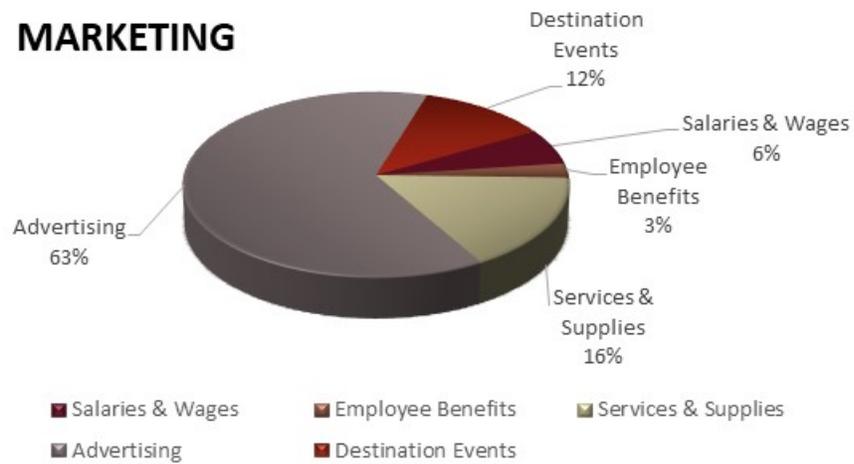
# GENERAL FUND SUMMARY

## FY 2020 EXPENDITURES BY DIVISION

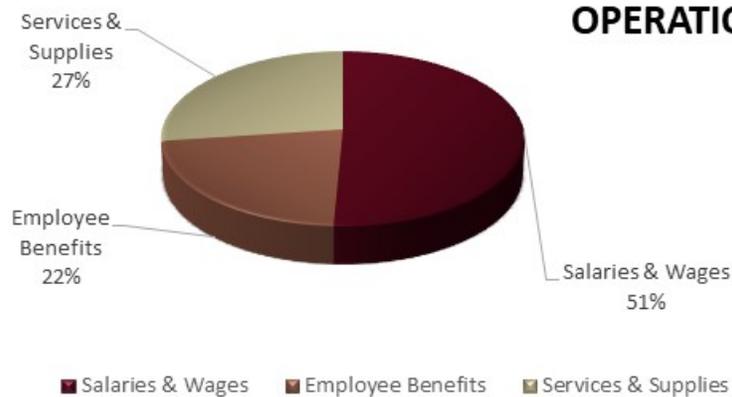
### GENERAL GOVERNMENT



### MARKETING

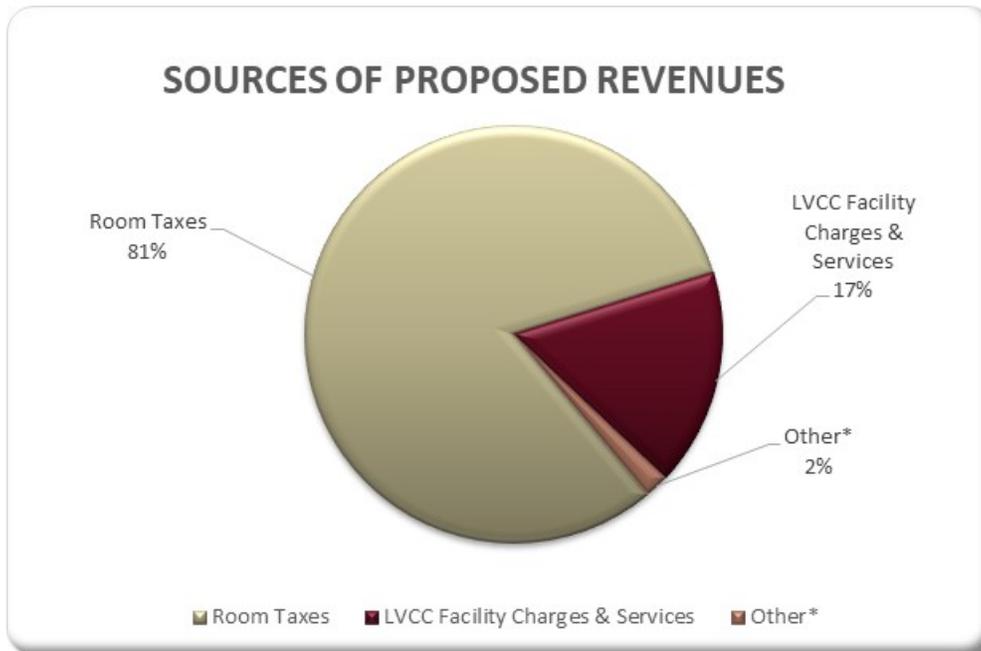


### OPERATIONS

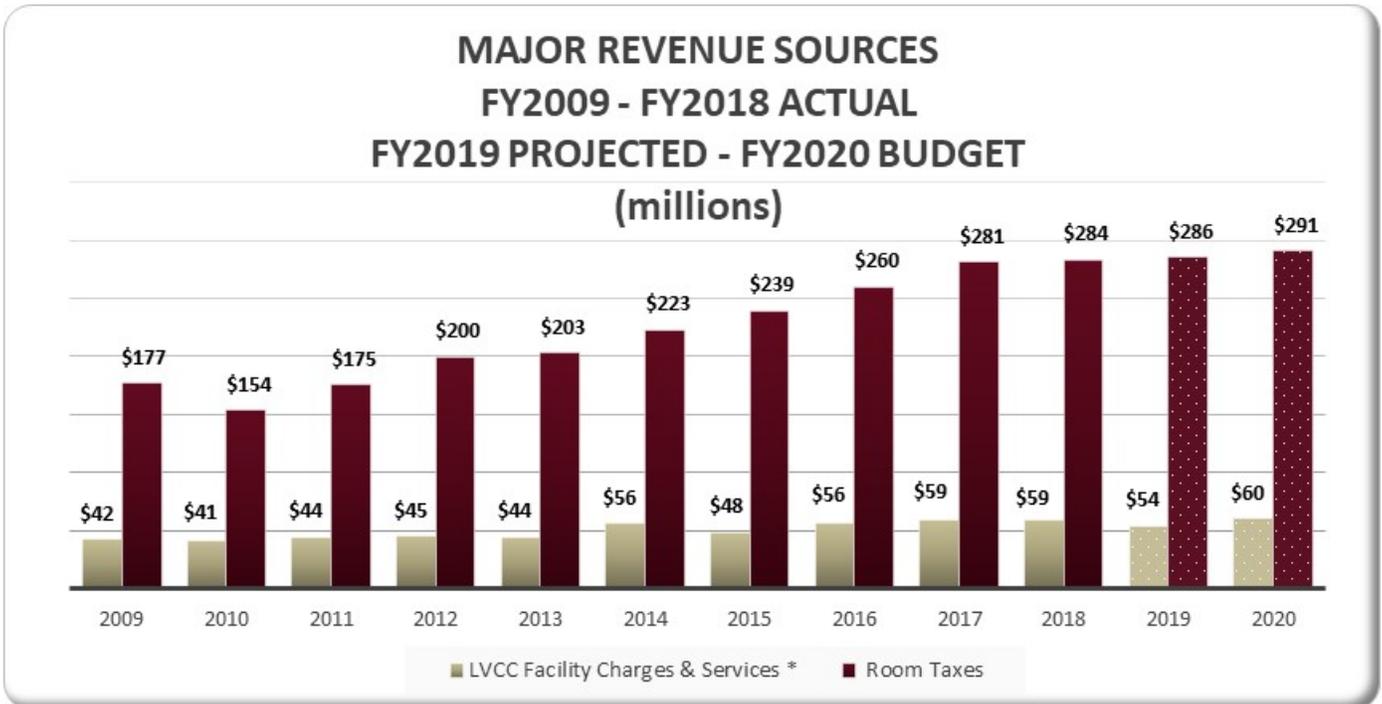


# REVENUES

## GENERAL FUND



\*Other includes Other Fees and Charges, Gaming Fees, Interest, and Proceeds from Sale of Assets.



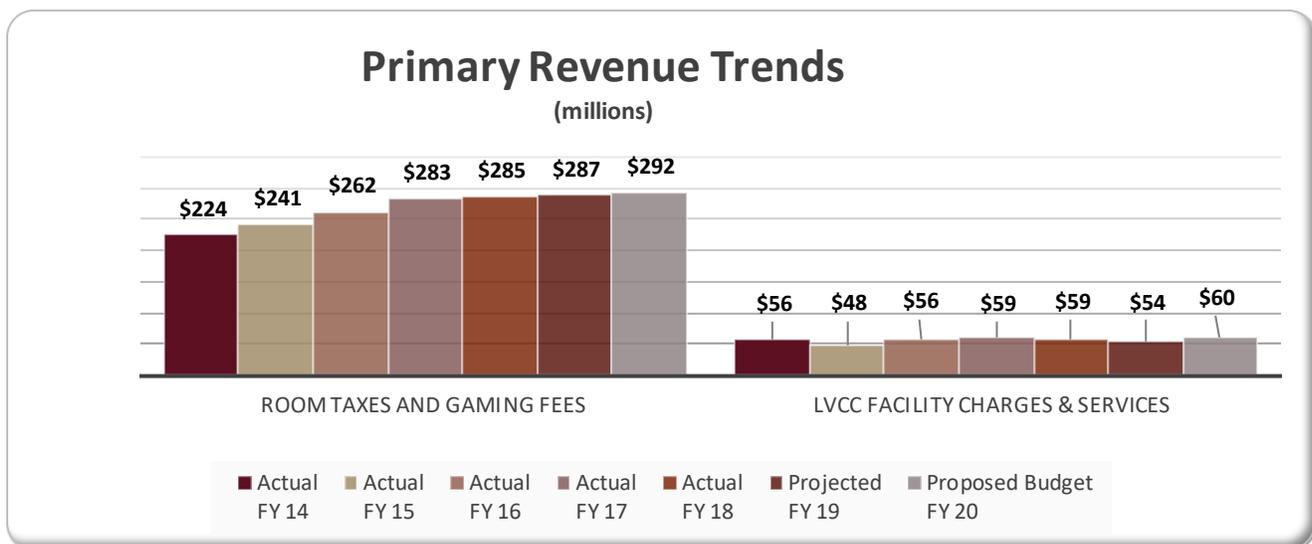
\* LVCC Facility Charges & Services include Facility Rental, Concessions, Business Center, Rent, and Other Miscellaneous Charges.

## REVENUES

### REVENUE SUMMARY

Total General Fund revenues, including other financing sources for FY 2020 are \$358.2 million, which is a 4% increase compared to projected FY 2019 of \$345.0 million. Revenue components are Room Taxes and Gaming Fees, Facility Charges and Services, Other Fees and Charges, and Interest and Other.

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	REVENUES AND OTHER FINANCING SOURCES	PROJECTED FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$261,613,917	\$282,982,617	\$285,122,002	Room and Gaming Fees	\$287,383,620	\$292,370,300	2%
58,140,575	61,264,763	60,116,927	Facility Charges & Services *	54,221,500	60,317,900	11%
2,857,130	6,997,313	6,072,090	Other Fees and Charges	2,991,000	4,974,000	66%
37,935	142,628	93,427	Interest and Other	180,600	110,000	(39%)
322,649,557	351,387,321	351,404,446	Total Revenues	344,776,720	357,772,200	4%
166,380	233,960	374,463	Other Financing Sources	218,300	380,000	74%
\$322,815,937	\$351,621,282	\$351,778,909	Total Revenues & Other Financing Sources	\$344,995,020	\$358,152,200	4%



\* Facility Charges & Services on the chart include Facility Rental, Concessions, Business Center, Rent, and Other Miscellaneous Charges for LVCC & Cashman.

#### Room Tax Revenue

Room tax revenue is budgeted to increase 2% in FY 2020 as compared to FY 2019 projections, while gaming fee revenue is budgeted at \$1.56 million, down 1% from projected FY 2019. The primary factors affecting room taxes are the average daily rate (ADR) and occupancy rates. ADR is driven by visitation levels combined with the number of rooms available. The number of rooms available is expected to remain steady, along with visitation in FY 2020. Taxable ADR has increased steadily since FY 2010 and is tracking slight growth of 1% year-to-date in FY 2019. Occupancy rate is averaging 86% year-to-date in FY 2019. The Occupancy Rate in the greater Las Vegas metropolitan area consistently exceeds that in other major resort destinations and significantly outpaces the national average each year.

#### Facility Charges and Services

Facility charges and services revenue projections are based on actual confirmed and signed leases, as well as conservative expectations for additional facility usage. The rental income related to the Las Vegas Convention Center is expected to increase 12% in FY 2020 compared to projected FY 2019, mainly due to the rotation of tradeshow. An excerpt of rental rates per facility is included in the statistical data section, page 115.

## REVENUES

### Other Fees and Charges

Other Fees and Charges are expected to increase 66% in FY 2020, mainly due to in-kind revenue related to the sponsorship of a major international travel trade show.

For additional information on historical revenue trends, please see the statistical data section, pages 109-110.

### ROOM TAXES

The LVCVA's primary source of revenues, projected to be 81% for both the General Fund and all funds in FY 2020, is from a tax levied on hotels, motels, and other lodging establishments throughout Clark County and the incorporated cities therein. The incorporated cities are Las Vegas, North Las Vegas, Henderson, Boulder City, and Mesquite. The rate of tax levied varies from 10% to 14% on lodging facilities. The rate of taxes can only be increased by action of the Nevada State Legislature.

In October 2016, Senate Bill 1 (SB1) passed during the 30<sup>th</sup> Special Session of the Nevada Legislature. SB1 provides for a one-half of one percent (0.5%) increase to transient lodging tax. The new revenues are legislatively restricted to support the capital financing program for the LVCCD Capital Fund.

SB1 also provided for an additional one-half of one percent (0.5%) to eighty-eighths percent (0.88%) increase to the lodging tax, to create and fund the Las Vegas Stadium Authority (LVSA). The LVSA will be responsible for the ownership and oversight of a new NFL stadium to be built in Clark County, for the expressed purpose of housing an NFL team. The Authority approved the stadium location, development plan, and operating agreement, as well as manage the stadium capital improvement fund and related expenditures.

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

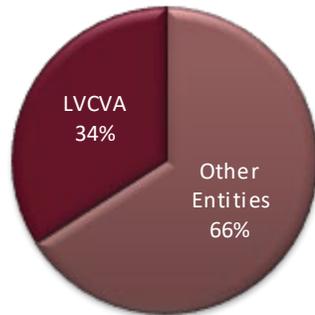
4% - 5%	LVCVA - General Fund
0.5%	LVCVA – LVCCD Capital Fund
0% - 0.88%	Las Vegas Stadium Authority
1.625%	Clark County School District - Capital Projects
0% - 2%	City/County (collecting entities jurisdiction) - General Fund
1%	Clark County - County transportation tax
0.375%	State General Fund – a portion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

The LVCVA's portion of room tax is generally 1% less on non-resort room rentals. It is projected that the total tax on rooms collected county-wide will be approximately \$813 million in FY 2020.

The LVCVA retains only 34% of the total room tax collected in Clark County (\$320,720,300 less \$25,000,000, which is returned to the entities in the form of collection allocation, and \$18,186,556 for NDOT funding). Currently, 10% or a maximum of \$25 million of the total room taxes and gaming fees collected for the LVCVA are returned to the county and the cities. The division of this collection allocation is set forth in an agreement between the various entities and must be used by the cities for operation, maintenance, or construction of recreation programs or facilities, and the county must put 25% of their distribution into a capital fund to develop parks and recreational facilities of regional significance (see collection allocation detail on page 66).

## REVENUES

### Projected County-Wide Room Tax



The remaining 66% is allocated by law as follows:

- \$73,018,000 retained by collecting jurisdictions
- \$25,000,000 to collecting jurisdictions from LVCVA
- \$61,000,000 to Clark County for transportation projects
- \$99,125,000 to the Clark County School District for capital project construction
- \$18,186,556 for Nevada Department of Transportation debt service funding
- \$184,000,000 to the State of Nevada for education and other state programs
- \$22,875,000 to the State General Fund – a portion of the proceeds are allocated to tourism
- \$52,000,000 to Stadium Authority

The table below presents a breakdown of all room taxes received from the County and the incorporated cities. FY 2020 proposed room taxes are expected to increase 2% over FY 2019 projected room tax.

	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20
General Fund					
Clark County	\$ 239,469,354	\$ 258,814,625	\$ 260,488,169	\$ 262,572,072	\$ 267,270,700
Las Vegas	13,607,247	15,206,184	15,332,083	15,454,740	15,721,900
North Las Vegas	1,104,943	1,236,988	1,268,561	1,278,709	1,293,600
Henderson	4,818,604	5,071,188	5,220,341	5,262,103	5,316,700
Boulder City	76,389	77,618	152,214	153,432	131,000
Mesquite	891,099	982,414	1,078,933	1,087,564	1,076,400
	\$ 259,967,636	\$ 281,389,017	\$ 283,540,300	\$ 285,808,620	\$ 290,810,300
% Change	9%	8%	1%	1%	2%

	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20
Room Tax - SB1	\$ -	\$ 11,246,673	\$ 29,162,299	\$ 29,395,000	\$ 29,910,000

Calendar Year	ACTUAL 2015	ACTUAL 2016	ACTUAL 2017	ACTUAL 2018	PROJECTED 2019
Hotel Rooms	160,946	161,164	160,653	160,802	160,802
% Growth	(1.0%)	0.1%	(0.3%)	0.1%	0.0%

	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20
Gaming Fees	\$ 1,646,281	\$ 1,593,600	\$ 1,581,702	\$ 1,575,000	\$ 1,560,000
Room Tax - SB 1	-	11,246,673	29,162,299	29,395,000	29,910,000
Room Tax	259,967,636	281,389,017	283,540,300	285,808,620	290,810,300
Total Room & Gaming	\$ 261,613,917	\$ 294,229,290	\$ 314,284,301	\$ 316,778,621	\$ 322,280,300

## REVENUES

### ROOM TAXES (continued)

Most visitors to Las Vegas are unaware that the fabled “Las Vegas Strip” is not within the boundaries of the incorporated city of Las Vegas. That fact accounts for the disparity in room taxes with 92% of the budgeted room taxes from Clark County.

The average rate of growth in room tax revenue has been 7% over the past decade based on FY 2011 – FY 2018 actual, FY 2019 projected, and FY 2020 budget. Factors considered in projecting room taxes are:

- ✧ Monitoring domestic economic indicators as consumer and business capital spending, unemployment and interest rates, the airline transportation market, and crude oil prices.
- ✧ Number of available hotel rooms (see statistical data section page 120)
 

There are approximately 160,802 hotel and motel rooms in the county from over 300 properties. Not included in the 160,802 rooms, is approximately 10,000 timeshare-unit inventory. In FY 2020, the destination anticipates minimal new room additions to inventory.
- ✧ Blended occupancy rates (see statistical data section page 121)
 

It is a combined rate from the Las Vegas, Mesquite, and Laughlin properties, which participate in our monthly survey.
- ✧ Blended average daily room rate, which is based upon rates from revenue generating rooms at Las Vegas, Mesquite, and Laughlin hotel and motel properties.
- ✧ National and international economic conditions and events.

### GAMING FEES

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

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

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

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

Gaming fees are anticipated to be \$1.56M in FY 2020, a decline of 1% from projected FY 2019.

## REVENUES

### GAMING FEES BY JURISDICTION

	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20
Clark County	\$ 1,271,387	\$ 1,198,738	\$ 1,193,548	\$ 1,188,491	\$ 1,175,900
Las Vegas	73,247	92,559	90,905	90,520	90,000
North Las Vegas	110,484	111,638	110,493	110,025	109,100
Henderson	153,920	153,790	148,926	148,294	148,100
Mesquite	37,243	36,875	37,830	37,670	36,900
	\$ 1,646,281	\$ 1,593,600	\$ 1,581,702	\$ 1,575,000	\$ 1,560,000
% Change	(5%)	(3%)	(1%)	(0%)	(1%)

### FACILITY CHARGES AND SERVICES

The LVCVA owns and operates the Las Vegas Convention Center. This facility was not originally intended to be self-supporting but, rather, to generate visitors to the Las Vegas area. These visitors, in turn, generate room tax revenues while contributing to the overall economy. LVCC facility operations are anticipated to generate 17% of total revenues. Over the last 10 years, based on FY 2011 – FY 2018 actual, FY 2019 projected, and FY 2020 budget, the average rate of growth has been 4% for the Convention Center. This is attributable to a heightened emphasis on selling the facility, raising rental rates, and the cycle of show rotation and show growth.

	Convention Center		Cashman Center	
	Facility Charges & Services *	% Increase	Facility Charges & Services	% Increase
2011	44,360,424	8%	1,484,160	7%
2012	45,423,009	2%	1,752,683	18%
2013	44,170,819	(3%)	1,815,215	4%
2014	56,363,999	28%	1,790,323	(1%)
2015	48,332,299	(14%)	1,907,624	7%
2016	56,087,260	16%	2,053,317	8%
2017	59,290,414	6%	1,974,349	(4%)
2018	58,756,832	(1%)	1,360,096	(31%)
2019**	53,868,500	(8%)	353,000	(74%)
2020**	60,317,900	12%	-	(100%)

\* Includes Business Center and Rent for all reporting periods.

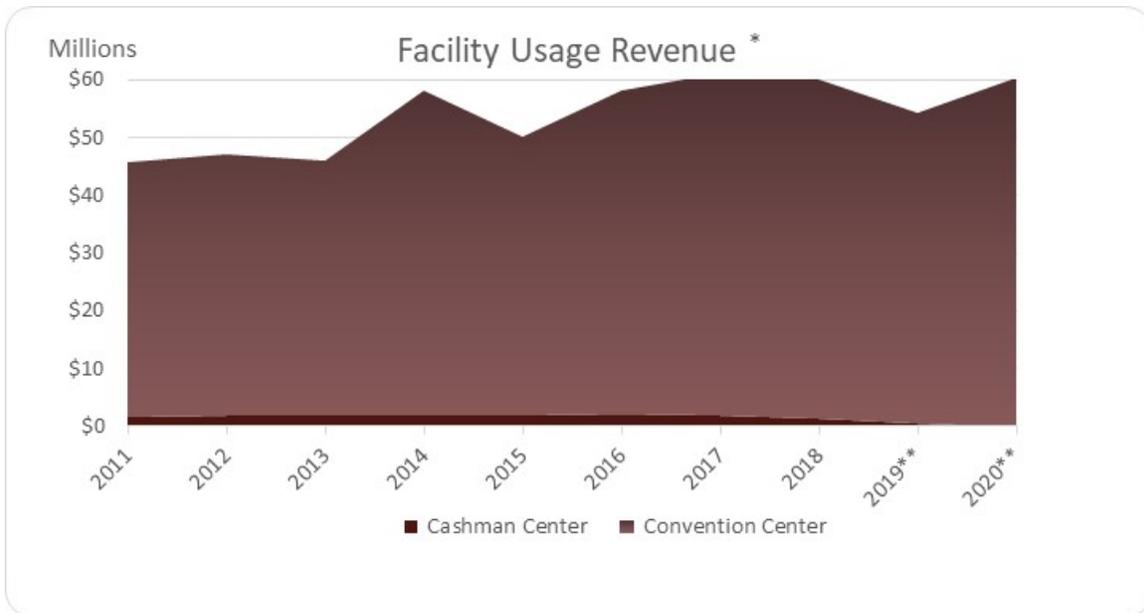
\*\* Projected FY 2019 and Proposed FY 2020 Budget.

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

The revenue spikes in facility charges and services at Convention Center in FY 2011, FY 2014, FY 2017, and FY 2020 are due to hosting CONEXPO – CON/AGG, the world's largest construction show, in those years.

Decrease in Cashman Center facility charges and services, reflects the closure of the meeting space in December 2017 and full facility transfer in May 2019, pursuant to an agreement with the City of Las Vegas to take over and redevelop the space.

## REVENUES



\* Includes Business Center and Rent for all reporting periods.

\*\* Projected FY 2019 and Proposed FY 2020 Budget.

Facility charges and services revenues, excluding Business Center and Rent, is budgeted to be \$58,957,900 for the Las Vegas Convention Center.

These projections are based on the following:

- ✧ Below are rental rates for the Las Vegas Convention Center (for excerpt, see page 115). As new clients are obtained, and current clients renew agreements, these lease agreements will come under the new rates. A few multi-year agreements remain outstanding, which are honored at the rate applicable on the date of the agreement.

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

\* Board Approved on April 3, 2015.

- ✧ In April 2015, the Board approved facility rental rate increases effective July 1, 2016 and July 1, 2018. The fiscal impact of the approved increase is estimated to be \$0.7 million in FY 2019 and is expected to continue to increase up to \$5.1 million in FY 2023.
- ✧ Analysis of actual bookings signed lease agreements and prior experience, such as cyclical shows that hold their meetings and tradeshows every number of pre-determined years or for three to five years consecutively.
- ✧ Commission revenue from building partners, such as food and beverage, telecommunication, and utility services, are based on a percentage of the gross sales of the various providers.

## REVENUES

### OTHER FEES AND CHARGES

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

	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20
Other Fees and Charges	\$ 2,694,993	\$ 6,742,336	\$ 5,712,472	\$ 2,739,000	\$ 4,679,000
% Change	56%	150%	(15%)	(52%)	71%

In FY 2020, Other Fees and Charges are expected to increase 71% over FY 2019, based on operational history and contractual agreements.

### INTEREST AND OTHER

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

	ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20
Interest	\$ 195,706	\$ 389,506	\$ 450,657	\$ 427,600	\$ 400,000
% Change	4%	99%	16%	(5%)	(6%)
Other	4,366	8,100	2,387	5,000	5,000
% Change	(4%)	86%	(71%)	109%	0%

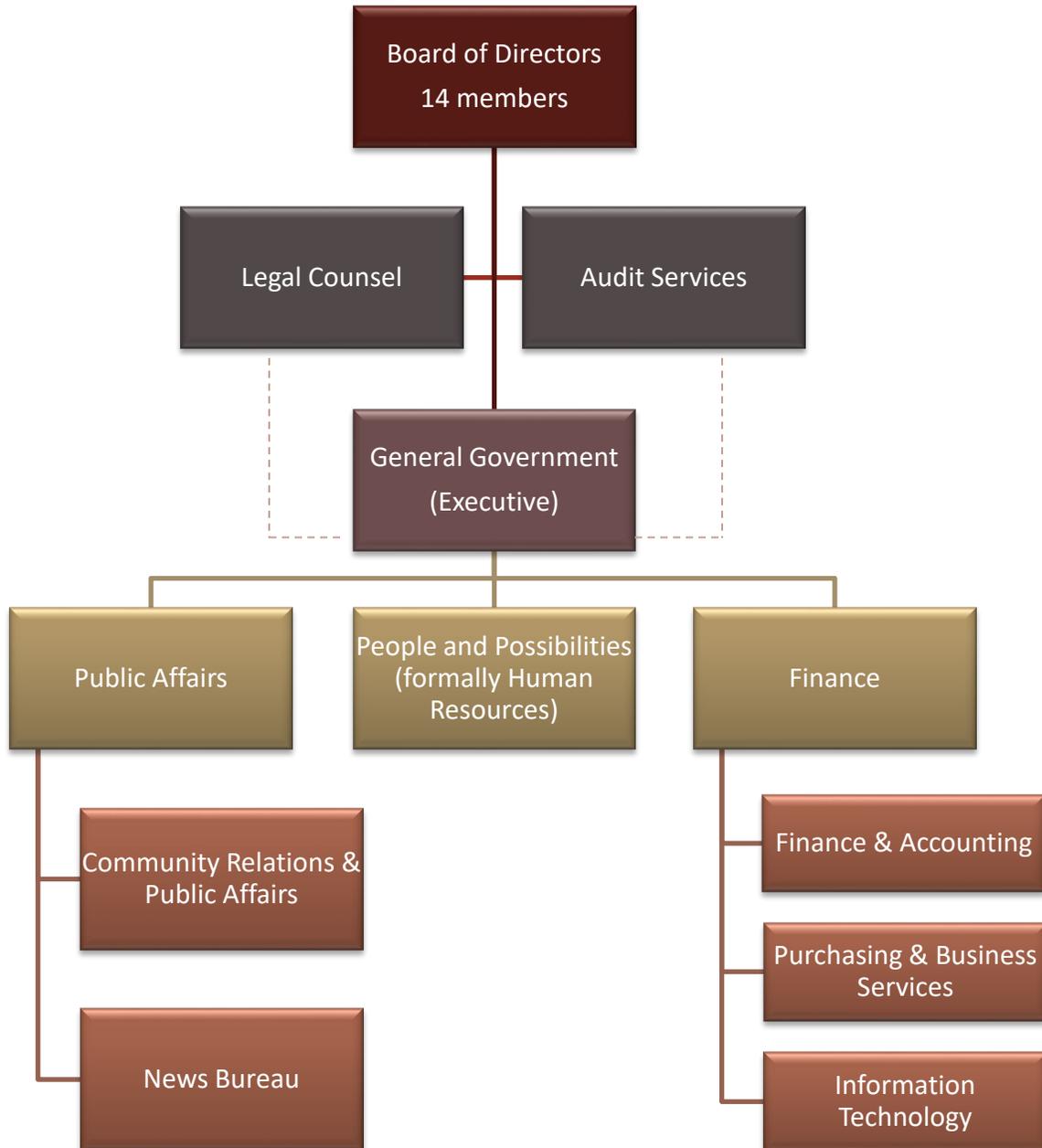
It is difficult to project interest earnings because of their dependency on the size of the portfolio, fluctuations in interest rates, and availability of policy-approved securities. For the FY 2020 budget, total interest and other are estimated to be \$400,000 and \$5,000 respectively.

### OTHER FINANCING SOURCES

Typically, other financing sources accounts for transfers in from other funds (i.e. interest earnings from Debt Service Fund) and sale of capital assets, but it can also include proceeds of sale of bonds. FY 2020 transfers from debt service relate to interest earnings of \$325,000. Proceeds from the sale of capital assets are anticipated to be \$55,000.

## GENERAL GOVERNMENT

The general government function includes the Board of Directors along with the Executive, Public Affairs, People and Possibilities, and Finance departments. The Executive department is responsible for the general administration of the LVCVA and is comprised of the office of the CEO/President, Audit Services, and Legal Counsel.



## GENERAL GOVERNMENT

### BUDGET ANALYSIS

The general government function includes the Board of Directors along with the Executive, Public Affairs, People and Possibilities, and Finance departments. The FY 2020 salaries and benefits decreased 18% compared to FY 2019 revised budget, due to a more conservative estimate of merit and bonus projections, in addition to eliminating or not funding unfilled positions.

#### General Government Division:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 7,972,195	\$ 10,038,703	\$ 9,895,952	Salaries & Wages	\$ 11,958,600	\$ 9,829,500	(18%)
2,815,022	3,769,824	3,824,749	Employee Benefits	4,174,000	3,825,200	(8%)
5,359,529	5,724,308	6,308,992	Services & Supplies	6,774,100	7,087,200	5%
16,146,746	19,532,835	20,029,693		22,906,700	20,741,900	(9%)
\$ -	\$ 397,448	\$ 389,719	Capital Outlay	\$ 2,862,167	\$ 1,529,755	(47%)
83	107	106	Full-time Personnel	106	88	(17%)

No new positions were approved in FY 2020 for the General Government division.

Capital items totaling \$1.5M (i.e. furniture and equipment over \$10,000) are incorporated this fiscal year, with \$1.2 million budgeted to procure an event management system, and \$186,000 for a capital lease obligation for computers. Those requests are accounted for in the Capital Projects Fund (see page 71). All computer-related budget requests (i.e. computers, printers, software, scanners, and network servers) are accounted for in Information Technology's capital budget.

## GENERAL GOVERNMENT – EXECUTIVE

### BOARD OF DIRECTORS

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

#### Board of Directors:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 11,360	\$ 12,400	\$ 11,840	Salaries & Wages	\$ 14,000	\$ 14,000	0%
-	-	-	Employee Benefits	-	-	-
388,317	340,417	1,096,147	Services & Supplies	826,000	1,140,800	38%
399,677	352,817	1,107,987		840,000	1,154,800	37%

### EXECUTIVE

The Executive Department is responsible for the leadership and strategy execution of the LVCVA. The Executive Department contains the offices of the CEO/President, Audit Services, and Legal Counsel. Executive management works with employees and stakeholders to strategically lead the LVCVA in its mission driving visitation to Las Vegas.

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

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

#### Executive:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 2,437,435	\$ 2,561,480	\$ 1,801,511	Salaries & Wages	\$ 3,456,100	\$ 1,575,300	(54%)
693,327	724,197	533,475	Employee Benefits	798,800	566,900	(29%)
1,581,047	1,429,149	1,377,938	Services & Supplies	1,321,000	1,259,500	(5%)
4,711,809	4,714,825	3,712,925		5,575,900	3,401,700	(39%)
\$ -	\$ -	\$ 38,845	Capital Outlay	\$ -	\$ -	-
16	17	13	Full-time Personnel	13	10	(23%)

EXECUTIVE (continued)

Goals

- ❖ Increase overall visitation to Las Vegas among new and repeat travelers from domestic and international markets.
- ❖ Grow Las Vegas’ position as a global leader in trade shows and meetings, as well as increase the number of conventions and meetings held at partner locations and the Las Vegas Convention Center.
- ❖ Achieve record visitations in 2020
  - Roll out a new Las Vegas global brand campaign that appeals across generations to achieve 40% ad awareness of target consumers with 90%+ favorability and increased travel consideration among 65% of those seeing our ads.
  - Inspire, educate, and expand base of brand advocates across social media channels
    - Increase digital engagement by 10%
    - Optimize the LVCVA’s website to inspire, inform, and help travelers plan their trips.
    - Surpass 11 million web visits and increase referrals to partner sites by 8%
- ❖ Prioritize innovative opportunities for improving traveler mobility to Las Vegas and within the destination.
- ❖ Provide a “Las Vegas” experience to trade shows, exhibitors and attendees.
- ❖ Continue to work towards the LVCCD promise of being built on-time, within intended funding, and completed as a best-in-class, state-of-the-art convention facility.
- ❖ Build a stronger and nimbler workforce and culture at the LVCVA that embraces innovative opportunities and solutions and continued excellence in customer service.

## GENERAL GOVERNMENT – PUBLIC AFFAIRS

### PUBLIC AFFAIRS

The Public Affairs department consists of communications/public relations, government affairs, the Las Vegas News Bureau and community relations. Public Affairs is responsible for a broad spectrum of strategically interlinked activities to communicate with a variety of stakeholders to promote Southern Nevada as the top leisure and business travel destination and a wonderful place to live and work because of the vital travel and tourism industry. Public Affairs works collaboratively with resort and community partners to keep the travel and tourism community informed of issues facing the travel industry and other strategic LVCVA initiatives.

#### Public Affairs:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 1,349,008	\$ 1,324,298	\$ 1,496,188	Salaries & Wages	\$ 1,634,900	\$ 1,236,900	(24%)
522,770	516,366	596,194	Employee Benefits	643,800	481,600	(25%)
711,137	656,023	702,228	Services & Supplies	688,200	644,800	(6%)
2,582,915	2,496,687	2,794,611		2,966,900	2,363,300	(20%)
\$ -	\$ -	\$ 49,454	Capital Outlay	\$ -	\$ -	-
18	18	18	Full-time Personnel	18	11	(39%)

#### Goals

- ❖ Evolve and deploy the strategic advocacy agenda at the state and federal level.
- ❖ Garner more earned media placements in consumer publications to support and enhance marketing efforts that drive visitation.
- ❖ Continue to advance the Las Vegas Convention Center District communications plan to include more community outreach and press events/outreach to bolster client and community information.
- ❖ Continue development and launch of comprehensive community relations program, focusing on core strategic pillars.

## GENERAL GOVERNMENT – PEOPLE AND POSSIBILITIES

### PEOPLE AND POSSIBILITIES

In late 2017, the Human Resources Department was rebranded to become People and Possibilities – just one part of a culture regeneration at the LVCVA. The culture initiative, entitled “Making Vegas Happen,” recognizes the role of each employee of the LVCVA as that of an ambassador to the destination.

A strong, defined culture affects business decisions, employee and customer interactions, policy creation, operational practices, enhanced communication, and, ultimately, achieving our objectives. Based on feedback from our ambassadors, we established our Culture Mission Statement:

- ❖ We are Informed, Innovative, Tenacious, Problem Solvers who are Savvy and Honest with ourselves, our partners, and our customers
- ❖ In other words, we anticipate what’s next, never give up or turn down a challenge, out-think every situation, and admit when we need help
- ❖ And finally, we’re Synergetic. This means we engage and nurture relationships with our customers, coworkers, industry groups, and local stakeholders to fulfill our purpose
- ❖ Since what we do lives beyond the moment, we need to reach beyond our assigned roles

Employees feel that knowledge motivates and empowers them. Therefore, we are making concerted efforts to ensure they are equipped with the information they need to be effective brand and destination ambassadors.

#### People and Possibilities:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 1,085,335	\$ 985,454	\$ 1,133,812	Salaries & Wages	\$ 1,383,000	\$ 1,143,600	(17%)
374,587	425,354	475,237	Employee Benefits	475,400	506,800	7%
465,502	783,880	406,479	Services & Supplies	664,100	676,900	2%
1,925,424	2,194,688	2,015,529		2,522,500	2,327,300	(8%)
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
10	11	11	Full-time Personnel	11	10	(9%)

#### Goals

- ❖ Executive and Management development and succession planning initiatives to ensure strong leadership at the LVCVA for years to come.
- ❖ Enhance health and wellness initiatives to assist our ambassadors with attaining physical, emotional, and financial well-being.
- ❖ Design and deployment of Managing with Authority management training curriculum, including both classroom and online learning to educate our leaders about effective management practices, policies, and internal initiatives.
- ❖ Reimagine the performance model, incorporating measurable goals and culture key principles.
- ❖ Improve communication with our ambassadors, incorporating key facts about both the LVCVA and the destination, as well as our key principles.
- ❖ Infusion of culture principles and terminology in all LVCVA policies, practices, processes, forms, etc.

## GENERAL GOVERNMENT – FINANCE

### FINANCE

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

The mission of the Finance Department is to develop, coordinate, and execute short and long-term financial strategies and to manage the financial operations of the LVCVA. From a technology perspective, the mission is to provide high-quality information technology operations that effectively deliver the purchase and implementation or development of new systems, maintain the reliability of systems, safeguard the integrity of systems, and drive the organization to explore and implement innovative and forward-moving technologies.

#### Finance:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 3,089,056	\$ 5,155,072	\$ 5,452,600	Salaries & Wages	\$ 5,470,600	\$ 5,859,700	7%
1,224,337	2,103,907	2,219,842	Employee Benefits	2,256,000	2,269,900	1%
2,213,527	2,514,839	2,726,200	Services & Supplies	3,274,800	3,365,200	3%
6,526,920	9,773,818	10,398,641		11,001,400	11,494,800	4%
\$ -	\$ 397,448	\$ 301,420	Capital Outlay	\$ 2,862,167	\$ 1,529,755	-46.6%
39	61	64	Full-time Personnel	64	57	(11%)

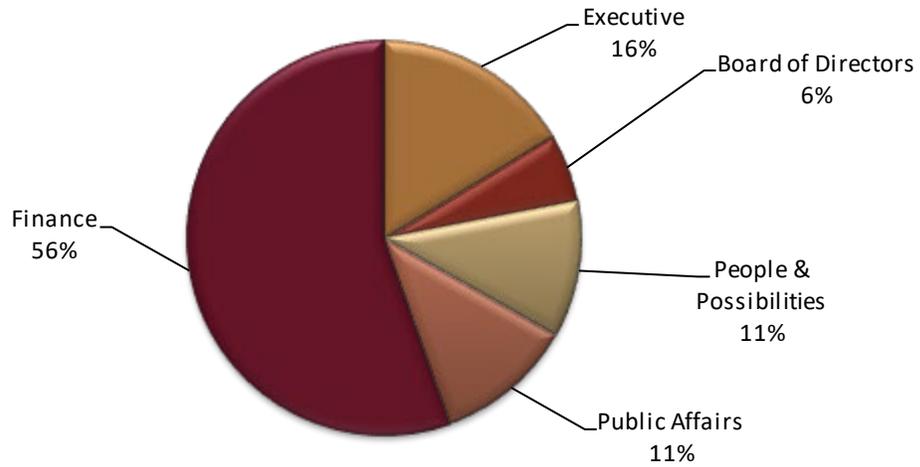
#### Goals

- ❖ Develop, coordinate, and execute short and long-term financial strategies. Evaluate and advise the CEO and the organization on the financial impacts of long-range planning, introduction of new programs, strategies, and regulatory actions.
- ❖ Report all financial information in accordance with professional accounting standards and federal, state, and local laws.
- ❖ Provide timely and informative financial information to departments, executive leadership, and the Board of Directors that facilitate the proper administration of the organization, are valuable as business decision tools, and are easily understood by our customers.
- ❖ Maintain high levels of professional accounting and reporting standards worthy of the Government Finance Officers Association (GFOA) "Certificate of Achievement for Excellence in Financial Reporting," the "Distinguished Budget Presentation Award," and the "Certificate of Excellence in Popular Financial Reporting" programs.
- ❖ Maintain superior levels of professional procurement ethics and benchmarked standards worthy of the National Purchasing Institute (NPI) "Achievement of Excellence in Procurement Award."
- ❖ Provide financial oversight for the LVCCD project, including planning, budgeting, accounting, financial reporting, internal control, auditing, funding, and development of sustainable financing plans.
- ❖ Increase the effectiveness of services and support with increased technological applications to support our internal customers and their mission.
- ❖ Provide oversight for technology design and innovation for the LVCCD expansion project.
- ❖ Expand the Authority's data repository and archiving capabilities to meet the growing needs for digital storage of documents, images, and multimedia content.

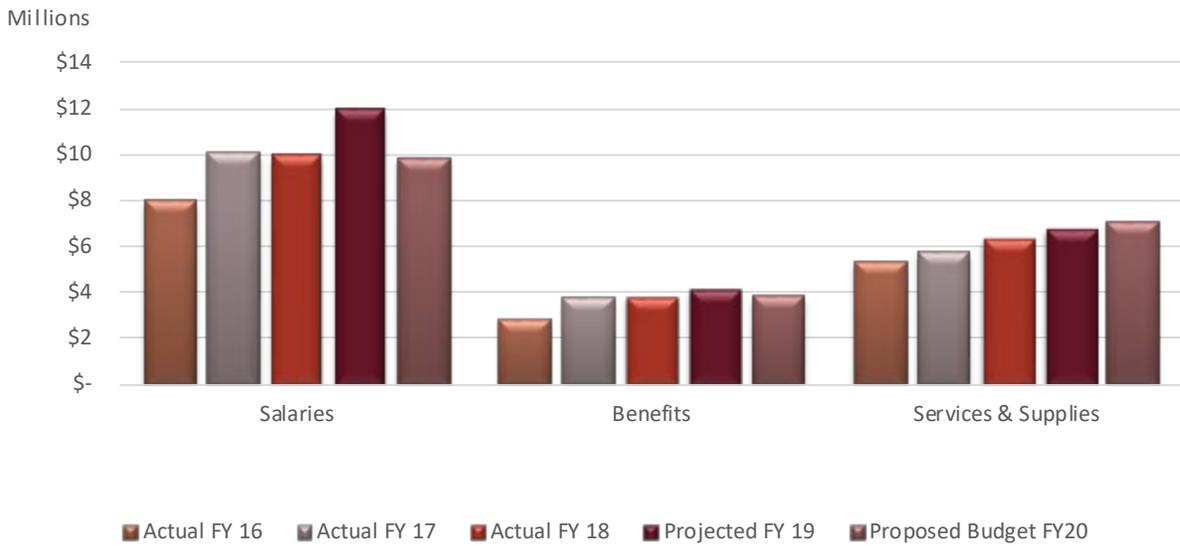
FINANCE (continued)

- ❖ Deploy new cybersecurity and threat avoidance systems to proactively respond to zero-day attacks and advanced spear phishing activities.
- ❖ Advance staff training in additional operating platforms, allowing for enhanced customer support as the Authority's technology needs progress.
- ❖ Continue deployment of redundant network infrastructure to minimize single points of failure for critical backbone connections.

**GENERAL GOVERNMENT  
FY 2020 EXPENDITURES**



**5 Year Expenditure Analysis**



## MARKETING

The Marketing division is responsible for increasing leisure travel visitors and convention and meetings attendance. The main functions of this division are Industry Relations, Marketing, Business Sales, Global Sales, and Research Center.



## MARKETING

### BUDGET ANALYSIS

The Marketing budget reflects a 1% increase in FY 2020 when compared to FY 2019 revised budget mainly due to the 17% increase in Services and Supplies as well as a 14% increase in Destination Events, offset by a 23% decrease in Salaries and Benefits. The increase of 17% in Services and Supplies is primarily due to the US Travel IPW sponsorship (\$3.5M) and IAEE Annual Meeting Expo (\$500K). In addition, the increase of 14% in Destination Events is due to the start of special events reserve for large-scale, city-wide event (\$2.5M), as well as the naming rights sponsorship for the Las Vegas 51's new stadium (\$4M). The 23% decrease in Salaries and Benefits is the result of the transfer of the Customer Experience department to the Operations division.

The Customer Experience department was moved from the Marketing division to the Operations division for budget FY 2020. The schedule below includes Customer Experience expenses for FY 2016 – FY 2019 revised budget for historical purposes.

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 12,089,941	\$ 12,456,580	\$ 12,948,073	Salaries & Wages	\$ 13,347,800	\$ 10,079,200	(24%)
4,320,059	4,527,079	4,830,804	Employee Benefits	5,057,700	4,029,400	(20%)
20,127,160	28,110,889	22,035,121	Services & Supplies	22,398,200	26,206,800	17%
95,012,365	95,905,154	106,726,431	Advertising	101,500,000	101,500,000	0%
11,665,284	12,196,297	12,551,768	Destination Events	17,161,200	19,574,852	14%
143,214,809	153,195,998	159,092,197		159,464,900	161,390,252	1%
\$ 314,202	\$ 567,015	\$ 43,920	Capital Outlay	\$ 54,300	\$ 500,000	821%
130	134	138	Full-time Personnel	138	96	(30%)

No new positions were approved in FY 2020 for the Marketing division.

The capital outlay budgeted for FY 2020 is \$500,000 (i.e. furniture, equipment, and computer-related items over \$10,000) for the tradeshow booth upgrade.

## MARKETING – INDUSTRY RELATIONS

### INDUSTRY RELATIONS

Industry Relations provides leadership and strategic direction in areas affecting travel and tourism to and within the destination. LVCVA leadership works closely with key stakeholder organizations to develop relationships and lines of communication with relevant audiences, to create and implement initiatives that effectively achieve the LVCVA’s goals.

In coordination with resort stakeholders and community business partners, Industry Relations addresses issues that impact the destination from a travel tourism perspective, including multi-modal transportation challenges and industry events that are hosted by the LVCVA.

The Events Design team has successfully facilitated a fundamental cultural change by partnering with the Marketing and Executive teams to manage the execution and logistics of Industry events both in and out of Las Vegas where the LVCVA is the primary sponsor to events such as International Pow Wow (IPW), International Meetings and Exhibitions (IMEX), American Society of Association Executives (ASAE), Society of Independent Show Organizers (SISO), and special events hosted around branded events.

#### Industry Relations:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 703,179	\$ 746,082	\$ 860,905	Salaries & Wages	\$ 772,200	\$ 985,600	28%
277,269	302,948	308,742	Employee Benefits	326,600	415,100	27%
4,411,794	11,042,148	4,138,161	Services & Supplies	4,249,900	8,178,800	92%
5,392,241	12,091,178	5,307,808		5,348,700	9,579,500	79%
\$ 314,202	\$ 567,015	\$ 43,920	Capital Outlay	\$ 29,300	\$ 500,000	1606%
8	8	8	Full-time Personnel	8	9	13%

#### Goals

- ❖ Continue to expand efforts of the CEO/President to increase awareness at the local, state, and federal levels on the benefits of tourism and its economic impact through participation in industry organizations such as Brand USA, US Travel Association, and Destinations International as well as national advisory boards such as Travel and Tourism Advisory Board (TTAB) and National Advisory Committee on Travel and Tourism Infrastructure (NACTTI).
- ❖ Increase awareness and expand efforts towards issues related to surface transportation including the I-15 corridor and understand the direct and indirect economic impact on the destination.
- ❖ Plan and execute a complete overhaul of the LVCVA.Com corporate website to better narrate the role of the LVCVA, our purpose, priority, and value to the community of Southern Nevada. The new website will provide more visibility of the Authority’s mission and economic impact for destination.
- ❖ Increase internal awareness of the Event Design Team’s objective to enhance the Las Vegas brand presence at industry events. We will conduct surveys to gather new ideas and verify event fulfillment. The team will plan and execute 135 events for the organization.

## MARKETING – PUBLIC RELATIONS

### PUBLIC RELATIONS

Brand public relations efforts support and enhance the overall marketing strategy of the LVCVA to expand destination awareness, shift perception, and increase brand affinity in key domestic and global markets.

Working with 14 international offices on five continents, the public relations (PR) team provides a comprehensive approach to maximize communications opportunities with proactive, forward-thinking strategies to increase leisure and business travel while aligning with international and business sales, digital engagement, airline development, advertising, and research efforts.

Brand public relations efforts support and enhance the overall marketing decisions of the LVCVA and domestic consumer efforts as we work with our advertising agency, digital engagement, sales, airline development, research, and internal marketing departments to create and implement strategic, holistic, integrated, and effective public relations programs. The department works to maximize public relations opportunities that encompass all product verticals to increase leisure and business travel to the destination.

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

#### **Public Relations:**

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ -	\$ -	\$ 417,781	Salaries & Wages	\$ 377,600	\$ 561,400	49%
-	-	153,867	Employee Benefits	154,900	232,300	50%
-	-	194,584	Services & Supplies	203,000	262,500	29%
-	-	766,233		735,500	1,056,200	44%
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
-	-	-	Full-time Personnel	5	7	40%

#### Goals

- ❖ Showcase the destination and keep Las Vegas top of mind as a top travel destination by hosting a variety of media domestically and from all over the world.
- ❖ Align and integrate public relations strategies with business sales, global sales, digital engagement, airline development, sports marketing, and advertising programs to expand global media exposure and increase visitation.
- ❖ Seek opportunities to allocate public relations resources in markets based on origin of non-stop flights and key airline feeder market connectivity. Heighten accessibility by promoting international air service as a beacon for generating new travel.
- ❖ Generate and maintain strategic partnership or co-branding opportunities with media, corporate, resort, airline, and other partners to extend public relations resources and maximize earned media visibility.

## MARKETING – BRAND STRATEGY

### BRAND STRATEGY

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

The LVCVA’s digital strategy is executed through various initiatives including activations, media collaborations, influencers, and social communication plans. We also ensure that, through each of these initiatives, we are localizing and sometimes translating our message, to result in the greatest potential impact.

The Digital Engagement section works to generate brand awareness and educate consumers and travel professionals on the destination through digital and social platforms. The section develops and implements digital strategies for our two domestic business and ten international consumer channels to appeal to various audiences and markets, and to execute initiatives that effectively achieve the LVCVA’s marketing goals. Social strategies are a fundamental element to developing positive perceptions of the destination, ensuring Las Vegas stays top of mind, and, ultimately, driving visitation, increasing length of stay, and generating brand advocates.

The Digital Engagement team also looks to align with the sales team on various international tradeshow executions. This team creates ways to increase the attendance at our booths, giving the sales team the opportunity to connect with more travel professions and gain additional leads.

#### **Brand Strategy:**

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 1,469,126	\$ 1,151,856	\$ 1,552,072	Salaries & Wages	\$ 1,651,200	\$ 1,748,200	6%
567,185	452,261	588,972	Employee Benefits	667,800	712,100	7%
478,117	487,187	669,215	Services & Supplies	786,100	813,200	3%
95,012,365	95,905,154	106,726,431	Advertising	101,500,000	101,500,000	0%
97,526,793	97,996,458	109,536,690		104,605,100	104,773,500	0%
\$ -	\$ -	\$ -	Capital Outlay	\$ 25,000	\$ -	-100%
19	14	18	Full-time Personnel	19	19	0%

#### Goals

- ❖ Utilize the destination brand planning research to guide, develop, and implement messaging and other content across all media channels.
- ❖ Continue to align with paid and earned media partnerships, as well as social media influencers, to create and distribute culturally relevant content that resonate with Las Vegas’ increasingly diverse consumer landscape.
- ❖ Grow brand awareness and consideration levels for visiting Las Vegas among domestic target markets, while maintaining high levels of advertising message favorability.
- ❖ Conduct business brand planning research to better understand the emotional and rational connections decision makers and meeting planners have with Las Vegas, in an effort to guide future message and content creation, that will help increase consideration of the destination.

### BRAND STRATEGY (continued)

- ❖ Conduct international brand planning research in our top three markets (Canada, Mexico, and the UK) to better understand how to communicate the new Las Vegas branding direction currently being developed for domestic travelers.
- ❖ Update international website navigation and features.
- ❖ Install ADA compliance tools on all sites to improve access.
- ❖ Add Listings Pro feature to activities, dining, show, and event sections of VisitLasVegas.com to improve filtering, which would provide more information to consumers.
- ❖ Create socially-optimized video content that is specific to the channel and target audiences for each of our international markets.
- ❖ Host 40 international influencers resulting in 240 pieces of content generating 30M impressions.
- ❖ Execute three large scale activations in three different international markets resulting in 3,000 attendees, three pieces of socially-optimized content, and 1.5M views of that content across social channels.
- ❖ Execute two media collaborations in two different international markets resulting in two pieces of co-branded content distributed on the publisher’s social channels resulting in 1M impressions.
- ❖ Generate 1M engagements on our @LVCVA business channels (Facebook and Twitter) through organic and paid content.

## MARKETING – SPORTS MARKETING

### SPORTS MARKETING

Las Vegas has long been considered a top destination for championship and high-profile sporting events, and, with the addition of professional sports leagues, including the NHL, NFL, USL (United Soccer League), second NASCAR race, and WNBA, the destination is primed to become the Sports Capital of the World. With the addition of three new structures, Las Vegas Ballpark, Las Vegas Stadium, and MSG Sphere, as well as the remodeling of current structures, including Las Vegas Motor Speedway, Thomas & Mack Center, and Mandalay Bay Events Center, Las Vegas continues to evolve to host sports and special events tourists.

In FY 2019, the governor approved the Southern Nevada Sporting Events Committee’s recommendation, in which the LVCVA will serve as the voice and lead for attracting sporting and special events to Las Vegas. The LVCVA’s role includes oversight for the Las Vegas Local Organizing Committee, citywide bid events, media events, Olympic and National Governing Bodies, and esports.

Mesquite, Primm, Boulder City, and Laughlin continue to play a role in hosting events that generate revenue for the destination, as well as account for incremental room nights in their respective locales.

#### **Sports Marketing:**

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 382,089	\$ 43,041	\$ 197,440	Salaries & Wages	\$ 248,700	\$ 242,600	(2%)
48,863	15,884	76,062	Employee Benefits	105,600	106,400	1%
678,582	597,609	606,819	Services & Supplies	399,400	430,000	8%
1,109,534	656,534	880,321		753,700	779,000	3%
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
1	1	3	Full-time Personnel	3	3	0%

#### Goals

- ❖ Educate event rights holders on venues and facilities in Las Vegas that could be utilized to host their events and add Facility Audit to VisitLasVegas.com sports page.
- ❖ Develop a strategy to promote the volunteer portal, and secure a minimum of 2,000 volunteers for use at the NFL Draft and other citywide sports and special events.
- ❖ Continue to develop the strategy for Los Angeles 2028 Summer Olympics in which Las Vegas can host Olympic training sites, Olympic qualifiers, World Championships, and grassroots events from now through 2028.
- ❖ Execute the esports sales and solicitation strategy to attract esports tradeshow, conventions, and programming to Las Vegas, as well as increase our digital content library to reach the next generation of visitor.
- ❖ Research the viability of hosting two Ultimate Vegas Sports Weekends, Spring and Fall, with the addition of new entities including the Las Vegas Raiders, Las Vegas Aces, Las Vegas Aviators, and Las Vegas Lights.

## MARKETING – DESTINATION EVENTS

### DESTINATION EVENTS

Since 1983, Las Vegas Events (LVE) has served as the exclusive special events agency for the destination. Funded by the LVCVA with the objective of positioning Las Vegas as the event and entertainment capital of the world, special events are used to attract events that generate room nights for the resort community and drive incremental media and brand exposure for the destination.

#### Destination Events:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 1,227,500	\$ 1,272,721	\$ 1,367,480	Salaries & Benefits - LVE		\$ -	-
7,507,858	7,994,107	6,809,167	Destination Events - LVE	9,825,300	7,744,852	(21%)
2,929,926	2,929,469	4,375,121	Destination Events - LVCVA	5,335,900	5,330,000	(0%)
-	-	-	Baseball Naming Rights Agreement	2,000,000	4,000,000	100%
-	-	-	Special Events Reserve		2,500,000	-
11,665,284	12,196,297	12,551,768		17,161,200	19,574,852	14%
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
-	-	-	Full-time Personnel	-	-	-

The LVCVA and LVE both utilize an event criteria matrix to establish the potential value of an event for the destination. The process includes a scoring mechanism in which many factors are considered: timing/pattern of event, out-of-town attendance, incremental room nights, multi-property inclusion, sponsor engagement, media exposure, and potential for event growth, among others.

Proposed and scheduled FY 2020 Special Events include the National Finals Rodeo, Two NASCAR triple-header weekends, USA Sevens Rugby Tournament, NCAA West Coast Conference, Mountain West, and Pac-12 Basketball Tournaments, US Bowling Conference, Shriners Hospitals for Children Open PGA Golf Tournament, Las Vegas Bowl, and Rock 'n' Roll Marathon.



## MARKETING – BUSINESS SALES

### BUSINESS SALES

The Business Sales department plays an integral role in securing new and maintaining existing business visitors for the destination. The team is strategic and targeted in disciplines of convention sales and trade show sales.

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

Sales executives' markets are segmented by geographic regions throughout the United States between the Las Vegas, Washington, DC, and Chicago regional offices. Certain accounts and industry events have been assigned an industry relations contact at the LVCVA to oversee efforts. Emphasis is dedicated to top-producing, third-party/association management companies that represent end-user organizations.

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

#### Business Sales:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 3,012,712	\$ 3,222,614	\$ 3,329,970	Salaries & Wages	\$ 3,455,200	\$ 3,214,300	(7%)
1,183,035	1,259,057	1,300,083	Employee Benefits	1,360,600	1,238,600	(9%)
4,848,041	4,785,155	4,990,478	Services & Supplies	4,993,100	4,814,800	(4%)
9,043,787	9,266,826	9,620,530		9,808,900	9,267,700	(6%)
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
35	37	38	Full-time Personnel	37	29	(22%)

#### Goals

- ❖ Target sales efforts towards association and corporate business to support the growth in new meeting space and guest rooms being added to the Las Vegas area during the next three years.
- ❖ Continue to develop and cultivate new event and trade show opportunities in preparation for the expansion of the LVCC. Prioritize the list of prospective trade shows that could commit to the LVCC as a result of our expansion efforts. Identify sales platforms that will allow us to communicate our expansion plans to the trade show community, generating interest in the facility. Communicate with trade shows regarding potential building/outdoor exhibit area closures during construction.
- ❖ Implement new international business sales activities for Canada, GSA, and the United Kingdom.
- ❖ Plan and deploy large scale sales mission events in three primary markets and smaller-scale mission events in six secondary markets, incorporating branding, education, and networking opportunities for the destination and our hotel and allied leisure sales partners.
- ❖ Identify and cultivate strategic relationships with key third-party meeting planning companies. Engage in long-term strategic planning with our hotel stakeholders to create strategy for new growth in the meetings segment.

## MARKETING – GLOBAL SALES

### GLOBAL SALES

The global sales department provides sales and marketing platforms across the world for direct engagement to leisure and business audiences. Our activities support sustained air service support and development and provide selling platforms for Las Vegas area mission partners.

The addition of new airline service from South America and Europe has increased our reach and made Las Vegas more accessible than ever before for international visitors. LVCVA sales initiatives are designed to support and grow direct and convenient one-stop international airline service while capitalizing on opportunities in established and developing markets.

LVCVA International Representative Offices on five continents provide travel trade, public relations, and digital engagement expertise in important source markets. These offices develop and enhance relationships with travel facilitators and distribution channels through educational seminars, targeted industry trade shows and events, Public Relations initiatives, digital programming, brand development, and integrated marketing campaigns which increase destination awareness.

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

Specialty markets include health and wellness/spa tourism, cultural tourism, LGBT/diversity sales, wedding and romance travel, and World Trade Center Las Vegas sales. The LVCVA recognizes these specialty niche markets as emerging areas of tourism growth and opportunity. Health and wellness travel is focused on promoting Las Vegas as a medical meetings and health and wellness/spa travel destination. LGBT/diversity sales focus on the continued effort of promoting Las Vegas as an LGBT-friendly destination for LGBT associations and conferences as well as LGBT leisure customers. Wedding and romance travel sales efforts are designed to build upon Las Vegas' brand identity and reputation as the "Wedding Capital" of the world by targeting destination weddings. Finally, World Trade Center sales efforts include promotion of Las Vegas' international trade shows as platforms for global commerce. The distinct yet equally important disciplines support the LVCVA's mission to promote Las Vegas as the leading destination for business and leisure travel.

#### Global Sales:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 1,917,223	\$ 2,356,331	\$ 1,836,702	Salaries & Wages	\$ 1,854,300	\$ 2,514,100	36%
691,889	855,081	731,016	Employee Benefits	737,200	1,002,500	36%
8,798,578	10,291,164	10,490,855	Services & Supplies	10,677,400	10,974,200	3%
11,407,690	13,502,575	13,058,573		13,268,900	14,490,800	9%
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
20	26	24	Full-time Personnel	19	22	16%

#### Goals

- ❖ Increase direct air service from domestic and international markets in partnership with McCarran International Airport. Maintain and strengthen relationships with existing and new carriers to identify growth opportunities. Provide mission partners with information on air service performance and present partnership opportunities to further develop relationships with mission partners, airlines, and the destination for mutually beneficial results.

### GLOBAL SALES (continued)

- ❖ Showcase the destination to leaders in the aviation industry by hosting the 24<sup>th</sup> Annual Boyd Group International Aviation Forecast Summit, August 25 – 27, 2019. Further promote Las Vegas as a key market for air service opportunities by hosting airline summits in market and participating in industry conferences. Conferences to include, but not limited to: World Routes, regional Routes conferences (Americas, Europe, and Asia), CAPA Aviation Summits, and Airports Council International Conferences (Jumpstart).
- ❖ Increase direct air service both domestically and internationally in partnership with McCarran International Airport. Support maintenance and growth of existing carrier base through the development of the Air Service 2.0 strategic plan. Continue to identify and target new domestic and international carriers for ongoing growth into Las Vegas. Provide Las Vegas hoteliers with data and insights about carrier performance and opportunities to deepen relationships with existing carriers and grow performance for both hotel partners and carriers.
- ❖ Implement new international business sales activities for Mexico, Latin America, and Asian countries.
- ❖ Plan and deploy large-scale sales mission events in three primary markets and smaller-scale mission events in six secondary markets, along with participation in consumer-facing travel trade shows that incorporate branding, education, and networking opportunities for the destination and our hotel and allied leisure sales partners.
- ❖ Develop sales missions and booking incentives for primary regional drive markets targeting SMERF (Social, Military, Educational, Religious/Recreational, Fraternal) group planners.
- ❖ Test and deploy our new Travel Agent Skills and Knowledge (T.A.S.K.) program with new courses, additional affiliate (partner) programs, and additional rewards for participating.
- ❖ Develop and execute new sales activities with expanded BeNeLux office to support new air service for KLM to Las Vegas.
- ❖ Develop programs that ensure the load factors of our nonstop international flights are as full as possible.
- ❖ Educate key travel distribution channels (tour operator, product managers, meeting planners, and travel agents) on the business proposition that Las Vegas offers as a major product in their selling portfolio.

## MARKETING – RESEARCH CENTER

### RESEARCH CENTER

Reflecting the core function research has played in the LVCVA’s history, the Research Center oversees a broad range of functions that span the organization’s marketing programs and facility operations. The department’s wide range of research and analytics programs track the dynamics of Las Vegas and Southern Nevada tourism, nationwide competitive gaming and tourism trends, international tourism data, and special event impacts.

To guide operational decisions at the LVCVA’s convention facility, the department also plays an active role compiling and analyzing data and customer feedback from tradeshow producers and convention attendees. The department generates numerous reports, including, but not limited to, monthly executive summaries of tourism and convention indicators, annual visitor profile studies that track visitor demographics and behaviors, semi-annual marketing bulletins, summaries of top air feeder markets, and a variety of reports that address local, national, and global travel trends.

With the ever-evolving digital channels utilized by consumers to plan and experience travel, the department’s analytical expertise also contributes to strategies focused on digital engagement, websites, and social media efforts.

#### Research Center:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 699,823	\$ 780,603	\$ 765,376	Salaries & Wages	\$ 766,700	\$ 813,000	6%
265,588	277,069	289,922	Employee Benefits	306,400	322,400	5%
587,867	632,014	674,722	Services & Supplies	685,400	733,300	7%
1,553,278	1,689,686	1,730,021		1,758,500	1,868,700	6%
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
7	7	7	Full-time Personnel	7	7	0%

#### Goals

- ❖ Continue next steps of consumer brand planning with ad agency to assess primary international markets of Canada, Mexico, and the UK.
- ❖ In partnership with the ad agency, complete brand planning program focused on meeting planner/B2B perceptions of Las Vegas.
- ❖ Develop and activate dynamic querying tool as part of LVCVA.com re-design to allow users to perform custom trend analyses of data published by the LVCVA Research Center.
- ❖ Implement updates to Customer Experience survey program to capture data relevant to evolving operational priorities.
- ❖ Explore emerging data sources and methodologies to complement and expand visitor profile efforts.

## MARKETING – CUSTOMER EXPERIENCE

### CUSTOMER EXPERIENCE

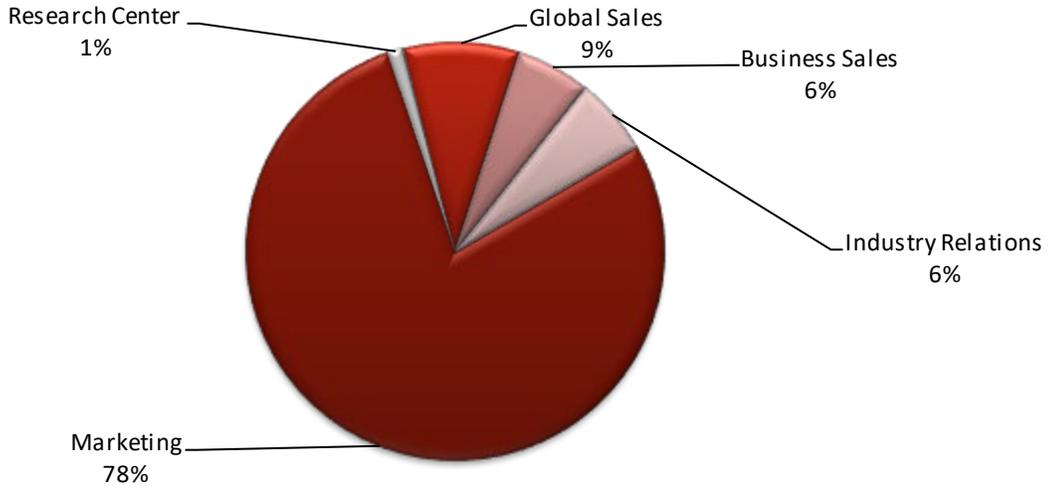
The Customer Experience Department includes Convention Services and Destination Services. Customer Experience spearheads the LVCVA’s efforts to address the specific needs of our building guests, convention attendees, exhibitors, show management, and building partners.

For FY 2020, the Customer Experience department was moved from Marketing to the Operations division. Therefore, budgeted expenses for FY 2020 are in the Operations division. The schedule below is for historical purposes only.

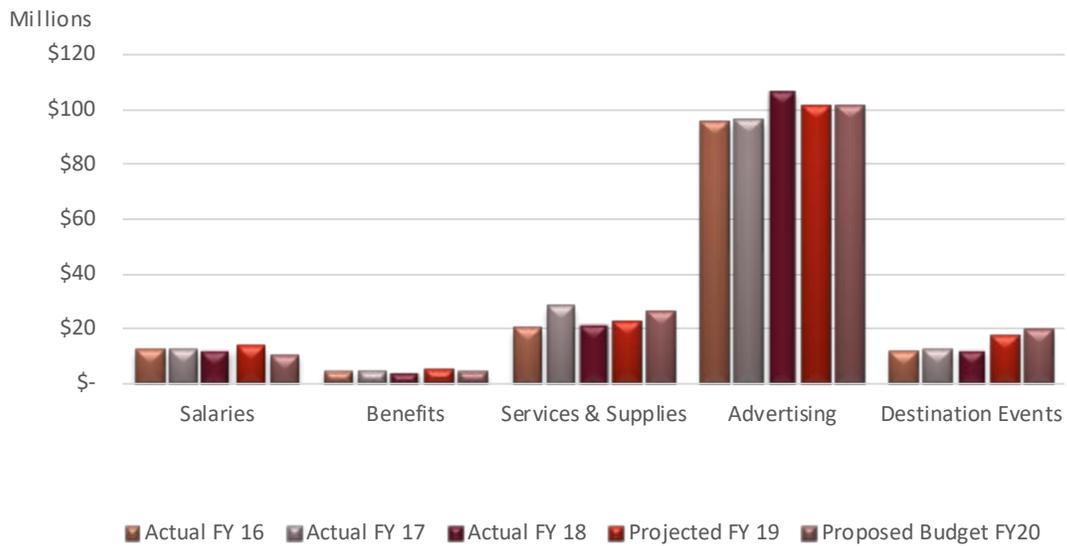
#### Customer Experience:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 3,905,790	\$ 4,156,053	\$ 3,987,827	Salaries & Wages	\$ 4,221,900	\$ -	(100%)
1,286,231	1,364,779	1,382,140	Employee Benefits	1,398,600	-	(100%)
324,180	275,613	270,286	Services & Supplies	403,900	-	(100%)
5,516,201	5,796,444	5,640,253		6,024,400	-	(100%)
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
40	41	40	Full-time Personnel	40	-	(100%)

### MARKETING FY 2020 EXPENDITURES



### 5 Year Expenditure Analysis



## OPERATIONS

Operations primary responsibilities are as follows: to ensure a high-quality guest experience for all who produce, exhibit, and attend events at the Las Vegas Convention Center, maintain the LVCC facilities in a safe and responsible manner, maximize operational efficiencies, and identify and pursue ancillary show related revenue opportunities.



## OPERATIONS

### BUDGET ANALYSIS

The Operations budget reflects a 9% increase in FY 2020 as compared to FY 2019 revised budget, mainly due to the transfer of the Customer Experience and Convention Services department from Marketing to the Operations division. Of the Services and Supplies budget, approximately \$7.0 million is devoted to utilities, and \$2.3 million is for repair and maintenance.

For historical data purposes, the schedule below excludes Customer Experience and Convention Services expenses for FY 2016 – FY 2019 budget. In addition, FY 2016 includes expenses for Information Technology department, which moved from Operations to the General Government division in FY 2017.

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 20,910,579	\$ 19,632,830	\$ 20,080,080	Salaries & Wages	\$ 20,340,300	\$ 22,738,200	12%
8,853,518	8,402,994	8,655,964	Employee Benefits	8,851,500	9,932,300	12%
11,651,761	11,253,963	11,162,026	Services & Supplies	12,099,000	12,148,000	0%
41,415,858	39,289,787	39,898,070		41,290,800	44,818,500	9%
\$ 875,681	\$ 403,581	\$ 973,818	Capital Outlay	\$ 484,700	\$ 756,845	56%
316	300	294	Full-time Personnel	294	297	1%

No new positions were approved for FY 2020 for the Operations division.

Capital items totaling \$756,845 (i.e. furniture and equipment over \$10,000) are incorporated this fiscal year, with \$350,025 allocated for the final phase of the multi-year Cart Replacement Program for more efficient and safe equipment. Those requests are accounted for in the capital improvement and replacement fund (see page 71).

## OPERATIONS – ENGINEERING

### ENGINEERING

The Engineering Department is comprised of a team of talented professionals from a wide variety of trades, deployed in the day-to-day maintenance, the preventative maintenance programming, and the capital project planning and execution across the LVCC facilities. Its primary responsibility is to ensure that the Las Vegas Convention Center is maintained in top operating condition as efficiently and effectively as possible.

#### Goals

- ❖ Increase departmental efficiencies through the development and execution of a robust preventive maintenance program.
- ❖ Respond to corrective maintenance requests within an acceptable amount of time, given the nature and urgency of the requests.
- ❖ Administer capital projects in a timely and effective manner, ensuring the highest quality of work in an efficient process.
- ❖ Reduce energy consumption through comprehensive review of central plant processes and procedures.
- ❖ Continue to develop and integrate the building management systems to ensure robust reporting and business analytics that facilitate decision making and planning.
- ❖ Ensure all department functions are conducted safely and in accordance with local, state, and federal regulatory requirements through enhanced employee safety monitoring audits.
- ❖ Provide design oversight for all infrastructure functions associated with Phase II and Phase III LVCCD project.

#### Engineering:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 5,301,295	\$ 5,531,398	\$ 6,049,489	Salaries & Wages	\$ 6,134,900	\$ 6,797,300	11%
2,254,461	2,355,434	2,536,079	Employee Benefits	2,615,300	3,036,100	16%
8,360,204	8,272,862	8,233,148	Services & Supplies	8,935,500	9,448,300	6%
15,915,960	16,159,694	16,818,716		17,685,700	19,281,700	9%
\$ 130,253	\$ -	\$ 676,033	Capital Outlay	\$ 314,700	\$ 445,025	41%
97	98	96	Full-time Personnel	77	82	6%

## OPERATIONS – CUSTOMER EXPERIENCE

### CUSTOMER EXPERIENCE

While it is the role of every LVCVA ambassador to ensure a high-quality customer experience, the Customer Experience group focuses on the more specialized functions of relationships with building partners who provide customer service, the reception and information desks in the facility, and registration services.

Building partners provide ancillary goods and services to event attendees and represent key points of contact during the customer experience at the LVCC. This department guides the efforts of Centerplate (exclusive food and beverage provider), Cox Business Services (exclusive telecommunications and technology provider), FedEx (office services provider), and American Express (business lounge), ensuring high standards of product and service and driving the ancillary revenues derived from these sources.

Registration Services is unique in that it is the one operating group that extends beyond the boundaries of the LVCC, providing event registration services throughout the destination: contracting its knowledgeable and hospitable Ambassadors to groups who conduct events in the various partner hotels and casinos, as well as at the LVCC.

#### Goals

- ❖ Continuous improvement of Customer Experience scores associated with food and beverage, technology, and business services.
- ❖ Focus on evolution of products, services, and pricing of ancillary products to ensure best-in-class, high quality experiences that are relevant to our ever-changing client base and reflective of current trends.
- ❖ Identify and develop opportunities for incremental ancillary revenue streams that are complementary to our mission and add value to the customer experience.
- ❖ Continued enhancement of the Registration Services to grow revenues in an efficient and effective manner.
- ❖ Employ technology as an adjunct to the in-person customer experience to reach more guests, more quickly, with relevant and required information.

#### Customer Experience:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	PROJECTED FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ -	\$ -	\$ -	Salaries & Wages	\$ -	\$ 2,175,200	0%
-	-	-	Employee Benefits	-	619,000	0%
-	-	-	Services & Supplies	-	196,300	0%
-	-	-		-	2,990,500	0%
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
-	-	-	Full-time Personnel	-	17	0%

## OPERATIONS – CUSTOMER SAFETY

### CUSTOMER SAFETY

The Customer Safety Department is the one section of the LVCC that operates 24 hours a day, 7 days a week, 365 days a year. It is comprised of four groups: Communications, Security Operations, Traffic, and Safety and Fire Prevention.

The Communications area is the heartbeat of the operation, acting as the central point of contact for all safety and security related calls, in addition to calls for allied services. It also houses the fire control functions and monitoring responsibilities.

Security Operations represents the uniformed security staff, including bicycle patrol, investigations/surveillance, and explosive detection K9 officers. This group is also the main point of contact with the medical services provided by contracted partners.

Traffic is responsible for ingress and egress around the campus, in addition to parking operations and perimeter security. Additionally, this important function is the Authority's main point of contact with the Taxicab Authority, the Regional Transportation Commission, and other ride share and livery services.

Safety and Fire Prevention is charged with ensuring the safety of all who enter the LVCC, including guests, attendees, exhibitors and ambassadors. An active Central Safety Committee, comprised of members from all areas of the Authority, is overseen by this function and is singularly focused on providing a safe environment throughout the facility. Additionally, members of this department perform plan reviews of exhibitors' spaces to ensure safe practices are in place at all events with on-site inspections during both the set-up and operation of events held in the building.

#### Goals

- ❖ Refine the LVCVA business continuity plan to include emergency operating procedures for a myriad of potential threats to the operation.
- ❖ Continue to apply state-of-the-art solutions applications in the surveillance and threat prevention functions.
- ❖ Elimination of lost time work accidents through effective training and monitoring of safety practices of all work groups.
- ❖ Enhanced training efforts for all LVCC departments in threat assessment and reaction.
- ❖ Improve efficiency of parking operations management through the application of technology.
- ❖ Develop a comprehensive traffic strategy, addressing circulation and parking needs during LVCCD Phase III renovations.
- ❖ Provide direction on all things security and safety related with the LVCCD project.

#### Customer Safety:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 5,595,854	\$ 5,745,036	\$ 5,739,711	Salaries & Wages	\$ 6,144,700	\$ 6,222,100	1%
2,108,681	2,252,714	2,333,729	Employee Benefits	2,447,200	2,718,500	11%
797,800	885,630	975,232	Services & Supplies	960,600	1,262,800	31%
8,502,336	8,883,380	9,048,672		9,552,500	10,203,400	7%
\$ 31,860	\$ 106,839	\$ 30,861	Capital Outlay	\$ 80,500	\$ 70,720	-12%
86	90	90	Full-time Personnel	82	84	2%

## OPERATIONS – CLIENT SERVICES

### CLIENT SERVICES

The Client Services organization is comprised of three distinct sections.

The Custodial group is charged with the cleanliness of the campus, which is achieved through daily rounds of all front and back of house areas and detailed, planned, deep cleaning regimens that ensures all areas receive regular attention.

The Services group is responsible for non-trade showroom set up, ensuring that meeting rooms, general sessions, and other allied event areas are set with the required specifications established by clients.

The third group of Service Support maintains the equipment required for the first two groups to accomplish their objectives, as well as manages the warehouse of janitorial supplies to ensure the responsible and efficient procurement and allocation of those resources.

#### Goals

- ❖ Enhance and redefine warehouse operations by focusing on supply distribution, equipment inventories, logistics, and various efficiencies while implementing a centralized equipment training format for each classification.
- ❖ Research and introduce new technologies that will improve current standards and raise the level of department accountability by addressing efficiency challenges, recordkeeping, and trend analysis.
- ❖ Assemble a planning and research team in preparation for the upcoming LVCCD expansion that will focus on new equipment research, processes, innovative products, and departmental necessities.
- ❖ In conjunction with Engineering, develop and implement a more robust external grounds maintenance program that will dedicate more tools and resources to meet current grounds coverage, while being positioned to service the LVCCD expansion and future needs.

#### Client Services:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 4,973,931	\$ 5,209,358	\$ 5,685,091	Salaries & Wages	\$ 6,131,700	\$ 6,123,700	(0%)
2,338,489	2,398,256	2,650,172	Employee Benefits	2,918,500	2,971,700	2%
978,661	1,036,914	963,860	Services & Supplies	1,099,500	1,125,800	2%
8,291,081	8,644,529	9,299,123		10,149,700	10,221,200	1%
\$ 353,746	\$ 289,939	\$ 266,924	Capital Outlay	\$ 89,500	\$ 241,100	169%
112	112	108	Full-time Personnel	108	100	(7%)

## OPERATIONS – CONVENTION SERVICES

### CONVENTION SERVICES

The Convention Services Department is the operating partner of the building sales function, ensuring that the expectations of clients that hold events at the LVCC are exceeded in every way possible. This important group has members assigned to every event held in the facility to act as a representative of the entire organization. It is responsible for coordinating the work of all departments that service an event, to ensure complete alignment with the clients' objects and with the mission of the Authority.

Additionally, the Convention Services Department works very closely with the exhibition-based contractors hired by clients to produce their shows, solving building expectations in a way that maintains our standards of safety while still meeting the clients' needs.

#### Goals

- ❖ Continued refinement of the pre- and post-convention experiences. Ensure that clients feel welcome, their needs are clearly articulated in advance of their events, and all departments are properly aligned with those needs. After the event, validate those expectations have been exceeded, resulting in the clear choice to return to the LVCC for their next event(s).
- ❖ Apply technological solutions to more efficiently and effectively manage the show floor, particularly as it relates to room set-up and booth layout, immediate reporting of deficiencies and needs, and the post-show billing function.
- ❖ Enhance both the performance expectations and ancillary revenues associated with Exhibitor Appointed Contractors, focusing on both the functions associated with events inside the facility and on maximizing the potential revenue associated with outdoor and parking lot utilization by contractors.
- ❖ Provide subject matter expertise into the design of meeting and exhibition spaces in the new expansion, as well as insight into the renovation of existing facilities.

#### Convention Services:

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	PROJECTED FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ -	\$ -	\$ -	Salaries & Wages	\$ -	\$ 1,419,900	0%
-	-	-	Employee Benefits	-	587,000	0%
-	-	-	Services & Supplies	-	114,800	0%
-	-	-		-	2,121,700	0%
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	-
-	-	-	Full-time Personnel	-	14	0%

## OPERATIONS – CASHMAN CENTER

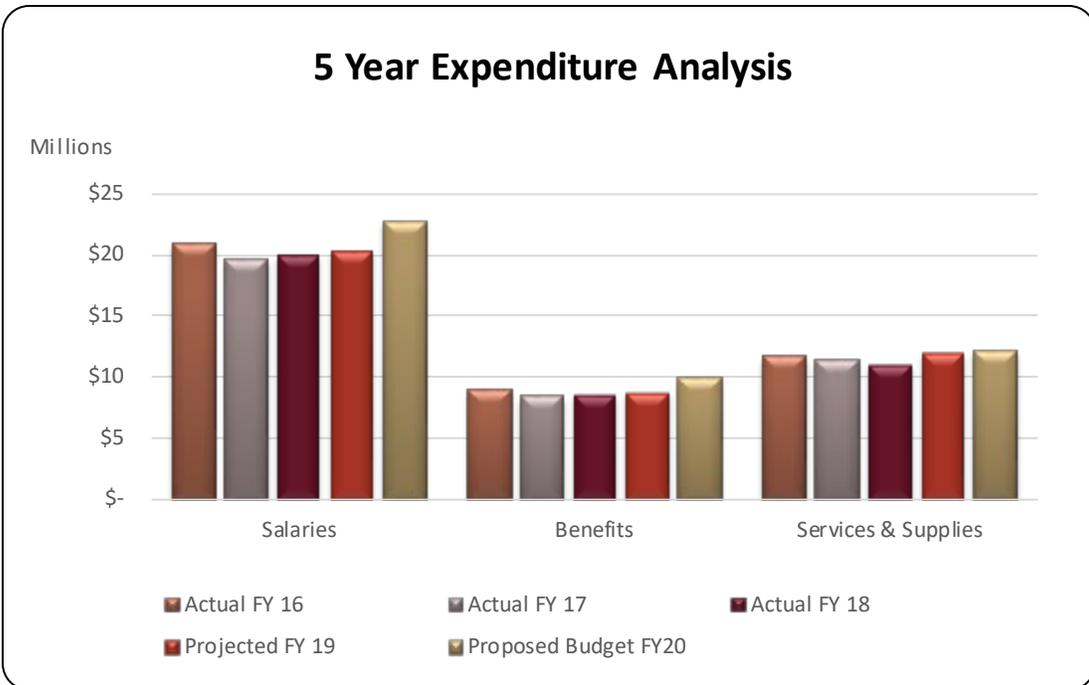
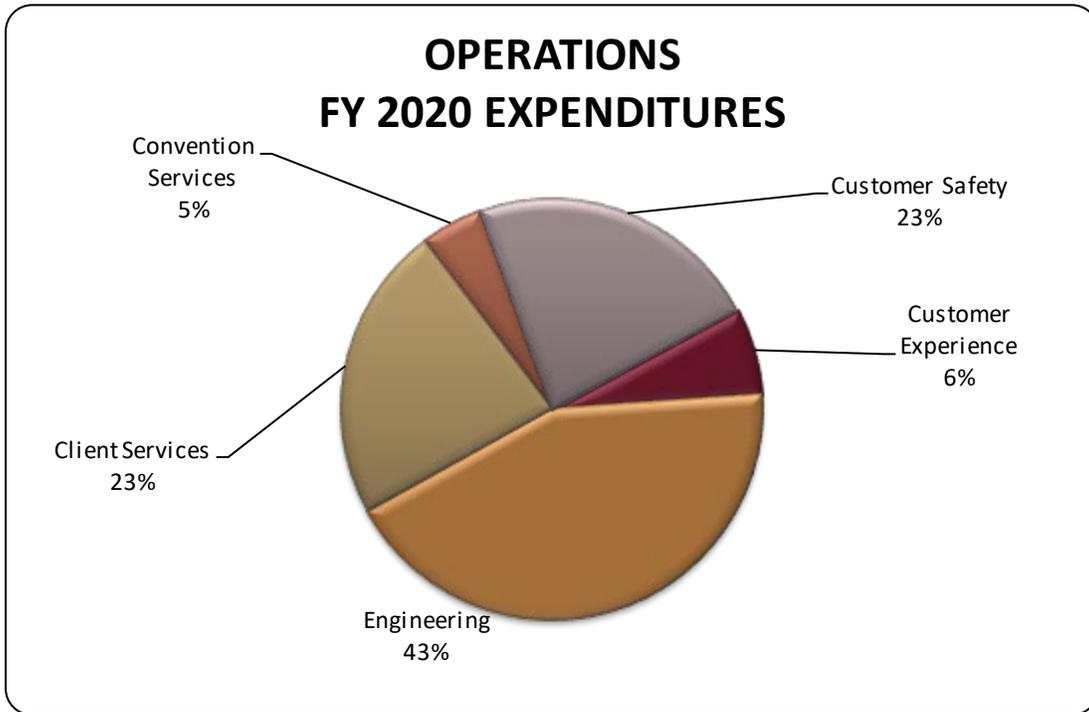
### CASHMAN CENTER

On June 1, 2017, the Cashman Center property was transferred to the City of Las Vegas for site redevelopment. The transfer agreement was joined to a management agreement, whereby the City of Las Vegas engaged the LVCVA to continue operating the meeting and exhibit hall facilities through December 2017. Under the management agreement, the LVCVA continued to operate Cashman Field (the stadium) until the expiration of the baseball team lease (December 2022) or until the team terminated the lease with sufficient notice, whichever came first.

In May 2019, LVCVA transferred operation of Cashman Field to the City of Las Vegas, as the leasing baseball team built its own stadium, thereby terminating the lease. The management agreement for Cashman has ceased and the City of Las Vegas is now responsible for the property; therefore, no expenses are budgeted for FY 2020, and the schedule below is shown for historical purposes only.

#### Cashman Center:

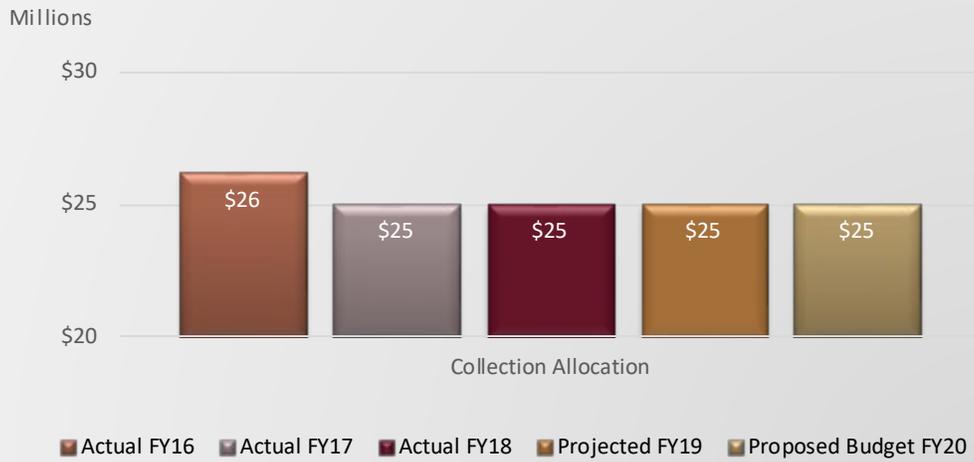
ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY	REVISED BUDGET FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 3,344,807	\$ 3,147,038	\$ 2,605,788	Salaries & Wages	\$ 1,929,000	\$ -	(100%)
1,468,705	1,396,590	1,135,984	Employee Benefits	870,500	-	(100%)
1,089,015	1,058,556	989,786	Services & Supplies	1,103,400	-	(100%)
5,902,528	5,602,184	4,731,558		3,902,900	-	(100%)
\$ 99,664	\$ 6,803	\$ -	Capital Outlay	\$ -	\$ -	-
-	-	-	Full-time Personnel	27	-	-100%



### FY 2020 Expenditures



### 5 Year Expenditure Analysis



## COMMUNITY SUPPORT

### BUDGET ANALYSIS

Personnel and capital are not a budget category for this section.

Collection allocation increases and decreases proportionally with room taxes, as it is based on 10% of the amount of room taxes and gaming fees collected. However, in October 2016 the Nevada State Legislature passed SB1. Revenues generated from the one-half of one percent (0.5%) room tax are excluded from the collection allocation, as those revenues are wholly restricted to the LVCCD project. Additionally, SB1 imposed a cap of \$25 million on the total annual collection allocation eligible to be returned to the collecting entities under NRS 244A.645. The excess of collection allocation over the capped amount is restricted for use in the LVCCD Capital Fund and is included in the transfers out to other funds.

Other financing uses is comprised of transfers out, which represents appropriations for capital outlay, LVCCD, other post-employment benefits, and debt service, as discussed in the following capital, debt service, and OPEB fund sections.

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

ACTUAL FY 16	ACTUAL FY 17	ACTUAL FY 18	EXPENDITURES BY CATEGORY AND OTHER FINANCING SOURCES	PROJECTED FY 19	PROPOSED BUDGET FY 20	% CHANGE
\$ 26,161,392	\$ 25,000,000	\$ 25,000,000	Collection Allocation	\$ 25,000,000	\$ 25,000,000	0%
76,510,457	111,751,681	124,571,703	Other Financing Uses	110,588,362	104,337,000	(6%)
-	-	-	Reserve for Contingency	-	100,000	0%
\$ 102,671,849	\$ 136,751,681	\$ 149,571,703		\$ 135,588,362	\$ 129,437,000	(5%)

Ten percent of the total room taxes and gaming fees collected are set aside to be returned to the county and the cities or transferred to LVCCD Capital Fund. The division of this collection allocation to the collecting entity is set forth in an agreement between the various entities and may be designated by the individual entities for any purpose. The distribution to the county and its incorporated cities is mainly based upon the governor-certified population figures as prepared by the state demographer. The agreement adopted in FY 2007 maintained the reimbursement allocation up to the level as paid in FY 2007 (“Baseline”). Distribution above the Baseline is remitted to the entity that collected the increase. If revenue falls below the FY 2007 level, the agreement reverts to the one adopted in 1995 which is based solely on population with a set percentage for the cities of Mesquite and Boulder City. As collection allocation budget in FY 2020 is above the FY 2007 level, the entity distribution is based on the 2007 agreement of up to \$25 million.

The financial impact of that cap is expected to be reflected in the collection allocation distribution for the fourth quarter of the fiscal year, and the excess over \$25 million transferred at year end.

## LVCCD CAPITAL FUND

In October 2016, the Nevada State legislature passed SB1, which provides an increase in the transient lodging tax of one-half of one percent (0.5%) to support funding for the LVCCD project. The new revenues are legislatively restricted to support the capital financing program for the LVCCD project. SB1 imposed a cap of \$25 million on the total annual collection allocation eligible to be returned to the collecting entities under NRS 244A.645. The excess of collection allocation over the capped amount is restricted for use in the LVCCD Capital Fund and is included in the transfers in to other funds. The LVCCD expansion and renovation project will provide our clients the increased space they need to grow and succeed.

In January 2017, the LVCVA Board of Directors created the LVCCD Capital Fund. This is the capital fund for Phase Two (expansion) and Phase Three (renovation) of the LVCCD project. It records the restricted revenues from SB1 for the project. This capital fund is shown separately for enhanced transparency.

	ACTUAL FY 2017	ACTUAL FY 2018	PROJECTED FY 2019	PROPOSED BUDGET FY 2020	% CHANGE FY20/19
<b>REVENUES:</b>					
Room Tax	\$ 11,246,673	\$ 29,162,299	\$ 29,395,000	\$ 29,910,000	2%
Interest and Investment Earnings	80,289	1,184,954	7,000,000	5,200,000	-26%
Total Revenues	<u>11,326,962</u>	<u>30,347,253</u>	<u>36,395,000</u>	<u>35,110,000</u>	<u>-4%</u>
<b>EXPENDITURES:</b>					
Construction in Progress	904,470	18,880,037	425,000,000	650,000,000	53%
Noncapitalized Assets	5,124	-	-	-	0%
Debt Issuance Costs	-	1,161,537	1,650,334	1,200,000	-27%
Total Expenditures	<u>909,594</u>	<u>20,041,575</u>	<u>426,650,334</u>	<u>651,200,000</u>	<u>53%</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,417,368	10,305,678	(390,255,334)	(616,090,000)	58%
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In	23,255,000	47,500,000	45,000,000	50,300,000	12%
Transfers In - Excess Collection Allocation	3,298,262	3,512,200	3,738,362	4,237,000	13%
Transfers Out	-	(1,935,146)	(8,007,500)	(16,007,500)	100%
Proceeds of Debt Issuance	-	200,000,000	461,268,406	200,000,000	-57%
Premium on Debt Issuance	-	3,065,094	24,577,303	-	-100%
Total Other Financing Sources (Uses)	<u>26,553,262</u>	<u>252,142,148</u>	<u>526,576,571</u>	<u>238,529,500</u>	<u>-55%</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>	<b>36,970,630</b>	<b>262,447,826</b>	<b>136,321,237</b>	<b>(377,560,500)</b>	<b>-377%</b>
FUND BALANCE, BEGINNING (from CAFR)	<u>-</u>	<u>36,970,630</u>	<u>299,418,455</u>	<u>435,739,692</u>	<u>46%</u>
FUND BALANCE, ENDING (from CAFR)	\$ <u>36,970,630</u>	\$ <u>299,418,455</u>	\$ <u>435,739,692</u>	\$ <u>58,179,192</u>	<u>-87%</u>

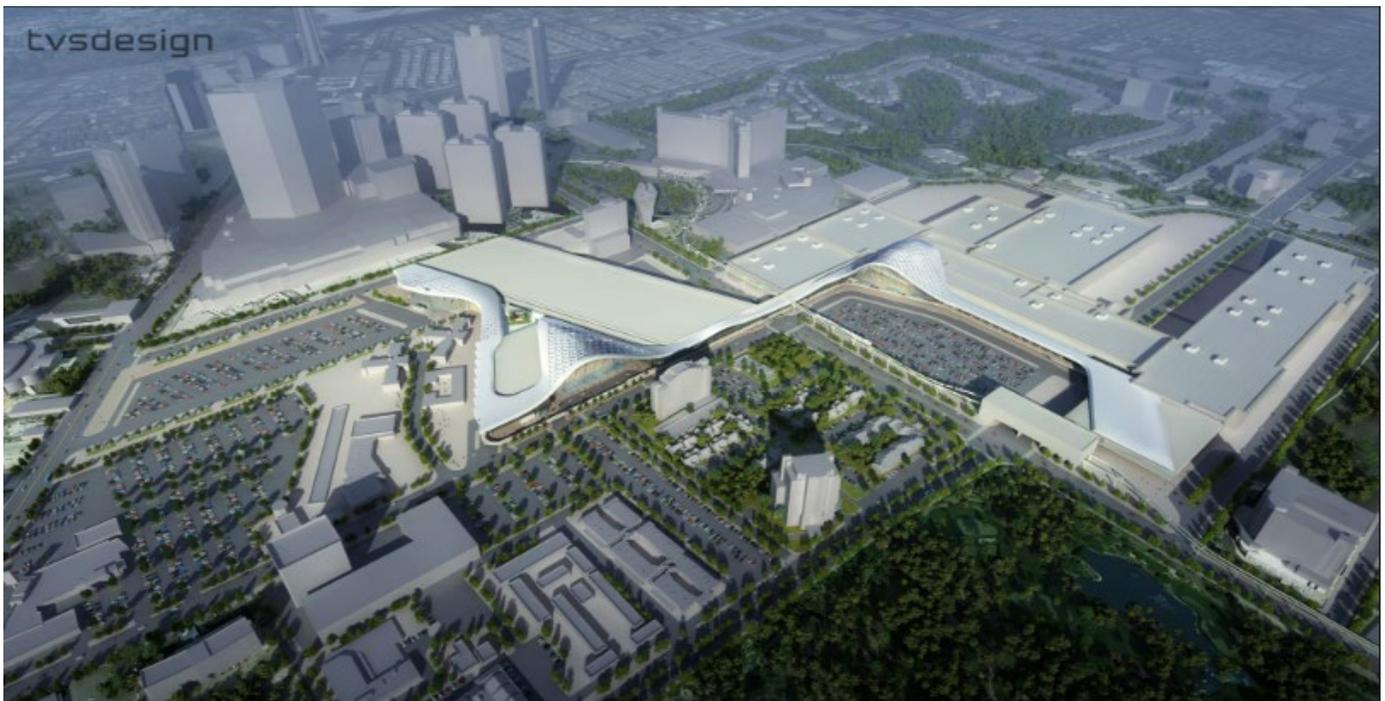
## FIVE YEAR LVCCD CAPITAL PLAN

A capital improvement plan for the LVCCD project is a financial planning model and management tool that lists proposed expansion and renovation costs for a rolling five-year period. This multi-year document identifies and prioritizes the need for the improvements and acquisitions and coordinates their funding and optimal time frames for completion. It is also a process that provides order and continuity to construction and development of the project.

### LAS VEGAS CONVENTION & VISITORS AUTHORITY LVCCD CAPITAL PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2020-2024

	FY 20	FY 21	FY 22	FY 23	FY 24
Phase Two Expansion	\$ 590,210,366	\$ -	\$ -		
Phase Three Renovation	59,789,634	330,000,000	110,000,000	40,210,366	-
<b>TOTAL – FIVE YEAR CAPITAL PLAN</b>	<b>\$ 650,000,000</b>	<b>\$ 330,000,000</b>	<b>\$ 110,000,000</b>	<b>\$ 40,210,366</b>	<b>\$ -</b>

The Guaranteed Maximum Price (CMP) contract for Phase Two of the expansion is \$935 million. Phase Two is currently under construction and, at the time of printing, is on budget, on time, and approximately 20% complete. The expansion is anticipated to open December 2020, in time for the January 2021 Consumer Electronic Show (CES). Phase Three, the renovation, is currently in the architectural design phase.



## LVCCD DEBT SERVICE FUND

In March 2018, the LVCVA Board of Directors created the LVCCD Debt Service Fund, a restricted fund established to account for all debt issuances related to the LVCCD project, subsequent to the February 2018 approval from the LVCVA Board to issue the \$400 million bond issuance for Phase Two of the LVCCD project through Clark County, utilizing the County's general obligation backing. To date, \$200 million of these bonds have been issued. The final \$200 million of general obligation backed bonds through Clark County are expected to be issued this fiscal year.

In October 2018, the LVCVA issued \$500 million of revenue bonds, which were needed before entering into a Guaranteed Maximum Price (GMP) contract for Phase Two of the project. Bond proceeds and interest earnings will be restricted solely to the LVCCD project.

	ACTUAL FY 2017	ACTUAL FY 2018	PROJECTED FY 2019	PROPOSED BUDGET FY 2020
<b>REVENUES:</b>				
Interest & Investment Earnings	\$ -	\$ 1,857	\$ 7,300	\$ 300,000
Total Revenues	<u>-</u>	<u>1,857</u>	<u>7,300</u>	<u>300,000</u>
<b>EXPENDITURES:</b>				
Interest	-	-	11,044,991	38,424,500
Total Expenditures	<u>-</u>	<u>-</u>	<u>11,044,991</u>	<u>38,424,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,857	(11,037,691)	(38,124,500)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	1,935,145	8,007,500	16,007,500
Proceeds of Debt Issuance	-	-	38,731,594	-
Transfers Out	-	(1,857)	-	(300,000)
Total Other Financing Source (Uses)	<u>-</u>	<u>1,933,288</u>	<u>46,739,094</u>	<u>15,707,500</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>	-	1,935,145	35,701,403	(22,417,000)
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>1,935,145</u>	<u>37,636,548</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 1,935,145</u>	<u>\$ 37,636,548</u>	<u>\$ 15,219,548</u>

For overall LVCVA indebtedness, including bond issuance process, debt compliance, 30-year debt service coverage and historical debt, please see the Debt Service Fund Summary on pages 91-98.

Transfers from the LVCCD Capital Fund are made to fund interest payments due on January 1 and principal and interest payments due on July 1. The budgeted ending fund balances of the LVCCD Debt Service Fund are sufficient to pay principal and interest due on the first day (July 1) of the next fiscal year. The budgeted ending fund balance is estimated to be \$15.2 million.

## CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the acquisition of capital assets and the construction of new facilities or improvements of the LVCVA. The LVCCD Capital Fund, which accounts for all Phase Two and Phase Three costs of the LVCCD Project, is shown as a separate external fund to enhance transparency.

### CAPITAL IMPROVEMENT AND REPLACEMENT FUND

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

The LVCVA allocates the cost of tangible property over a period, rather than expensing the entire cost in one year, to more closely align with the expected life of the asset. Generally, at the end of an asset's useful life, the net value of the asset (original cost less accumulated depreciation) will equal the salvage value of the asset.

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

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

### CAPITALIZATION THRESHOLD

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

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

#### Capital Fund Threshold

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

#### Capitalization Threshold

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

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

## CAPITAL PROJECTS FUND

### BUDGET PROCESS

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

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

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

- ✧ The LVCCD project, where the older parts of the facility will be updated and modernized.
- ✧ Due to the number of shows and events using the exhibit halls and meeting rooms, projects must wait for an open time frame before proceeding.

Capital land and building improvement project requests have a similar, although more involved, budget process. The capital improvement program is described on page 78.

These expenditures are funded from current operations or bond proceeds.

### IMPACT ON GENERAL FUND

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

Building and land improvements are listed on pages 75-76. Included is a description of the project and any quantifiable impacts on the general fund.

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

### BUDGET ANALYSIS

FY 2020 capital projects and purchases are funded with a transfer to the Capital Projects Fund from the operating budget. The FY 2020 transfer of \$5.5 million shows an increase compared to the projected FY 2019. The projects budgeted for FY 2020 include an event management system, HVAC upgrades, and electrical upgrades to the building. The transfer will also be used for a variety of small improvement projects, including land improvement, building improvements, and routine replacement of furniture and equipment.

The increase in Construction in Progress expenditures relates to the creation of a campus-wide people mover project, which will be funded by a debt issuance, and the expansion of the police substation on property. Also included in this total is \$29.4 million in economic reserve, which is budgeted every year, would only be used for a critical economic shortfall, and requires board approval.

Non-CIP building and land improvements total \$6.7 million, and furniture, equipment and computer appropriations total \$2.8 million.

Additional capital projects related to Phase Two and Phase Three of the LVCCD project are shown on pages 68-69.

## CAPITAL PROJECTS FUND

### HISTORICAL SCHEDULE OF CAPITAL PROJECTS FUND

The historical schedule below includes all internal capital project funds and is shown as a single fund for external financial reporting purposes, except the LVCCD Capital Fund, which is reported separately. Included in the FY 2017 and FY 2018 totals are final expenditures related to the 2008 legislative mandate requiring the LVCVA to contribute \$300,000,000 to the Nevada Department of Transportation for projects in Clark County, and all debt related to this mandate is accounted for in the debt service section.

	ACTUAL	ACTUAL	PROJECTED	PROPOSED	%
	FY 2017	FY 2018	FY 2019	BUDGET	CHANGE
				FY 2020	FY20/19
<b>REVENUES:</b>					
Interest and Investment Earnings	\$ 323,975	\$ 302,469	\$ 829,000	\$ 800,000	-3%
Miscellaneous	1,320,442	2,019,898	748,150	-	-100%
Total Revenues	1,644,417	2,322,368	1,577,150	800,000	-49%
<b>EXPENDITURES:</b>					
Capital Outlay:					
Land	19,706,870	-	60,871,114	-	-100%
Land Improvements	626,893	2,160,846	1,539,400	425,000	-72%
Buildings	2,955,426	2,774,629	3,681,015	6,321,900	72%
Furniture & Equipment	1,400,099	1,407,457	3,421,467	2,786,600	-19%
Construction in Progress	338,367	-	-	93,800,000	0%
Noncapitalized Assets	1,040,512	-	1,500,000	-	-100%
Miscellaneous	-	-	50,000	-	-100%
Capital Grants to other government	17,754,180	191,690	4,200,000	5,300,000	26%
Debt Service:					
Principal	72,672	126,301	-	-	0%
Interest	10,162	12,403	-	-	0%
Debt Issuance Costs	-	-	77,949	1,000,000	1183%
Total Expenditures	43,905,181	6,673,326	75,340,945	109,633,500	46%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,260,764)	(4,350,959)	(73,763,795)	(108,833,500)	48%
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In	11,500,000	7,900,000	3,250,000	5,500,000	69%
Transfers Out	(3,255,000)	-	-	-	0%
Capital Leases	379,273	-	-	-	0%
Proceeds from Sale of Capital Assets	-	21,063	-	-	0%
Proceeds from Debt Issuance	-	-	73,394,559	52,500,000	-28%
Total Other Financing Sources (Uses)	8,624,273	7,921,063	76,644,559	58,000,000	-24%
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>					
	(33,636,491)	3,570,104	2,880,764	(50,833,500)	-1865%
FUND BALANCE, BEGINNING (from CAFR)	79,186,650	45,550,159	49,120,263	52,001,027	6%
FUND BALANCE, ENDING (from CAFR)	\$ 45,550,159	\$ 49,120,263	\$ 52,001,027	\$ 1,167,527	-98%

## CAPITAL PROJECTS FUND

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

### EXPENDITURE SUMMARY

#### IMPROVEMENTS

Building Improvements	\$ 6,321,900
Capital Grants	5,300,000
Construction in Progress	62,500,000
Land and Leasehold Improvements	425,000
Reserves	
Debt Issuance Costs	1,000,000
Economic Reserve	29,400,000
Strategic Capital Fund Reserve	1,900,000
	<u>106,846,900</u>

#### FURNITURE /FIXTURES & EQUIPMENT

##### General Government

Information Technology	1,513,180
Purchasing & Business Services	16,575

##### Marketing

Brand Strategy	500,000
----------------	---------

##### Operations

Client Services	241,100
Engineering	445,025
Traffic	70,720

	<u>2,786,600</u>
	<u>\$ 109,633,500</u>

Project numbers listed on the following three pages encompass a range of projects from FY 2017 to FY 2020. A project may have expenses in a prior year and also have funding in the new budget year. Additionally, a project that has been canceled in a prior year may receive funding in the new budget year. Using the original project number, we are better able to report the project's timeline and track the entire cost.

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

### BUILDING IMPROVEMENTS

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

		BUDGET
		<u>FY 2020</u>
00000.20.001	C1,C2, NE Meeting Room Roof Air Handlers Retrofit	\$1,217,000
00000.20.002	Main Electrical Distribution and ARC Flash	1,045,000
00000.20.003	Central Plant Boiler Retrofit	993,500
00000.20.004	HVAC Packaged Unit Upgrades	526,500
00000.20.005	Exterior Lighting LED Upgrades	371,400
00000.20.006	Central Plant Pumps and Motors	360,000
00000.20.007	Roof Replacement - Meeting Room E Wing, Services & WH	298,100
00000.20.008	Central Plant Cooling Tower Fill Replacement 11A-14B	270,000
00000.20.009	C2 Hall Duct Replacement	250,000
00000.20.010	Central Plant - Ventilation Wall of Cooling Tower Area	150,000
00000.20.011	C1-C2 Hall Hot Water Line Re-Piping	104,750
00000.20.012	Blue Lot/Bronze Lot Ride Share Shade Structures	85,000
00000.20.013	Evaporative Cooler Replacement	80,000
00000.20.014	Surveillance Camera Conversion and Additions	80,000
00000.20.015	Freight Doors - Damaged Siding Replacement	78,000
00000.20.016	HVAC Fan Coil Replacement	69,200
00000.20.017	Water Heater Conversion and Replacement	62,000
00000.20.018	Client Services Break Room Remodel	60,000
00000.20.019	Central Plant Restroom Remodel	30,000
00000.20.020	South Hall Dry Sprinkler Valve Replacement	30,000
00000.20.021	C-1 Hall Egress - Underground Power Relocation	25,000
00000.20.022	Client Services Men's Locker Room Remodel	25,000
00000.20.023	People and Possibilities Office Remodel	25,000
00000.20.024	West Lobby - Traffic Break Room Refresh	25,000
00000.20.025	Sound Systems in Central Hall & Grand Lobby	21,450
00000.20.026	South Hall Lobby Vending Machine Enclosure	20,000
00000.20.027	Security - Women's Locker Room Upgrade	10,000
00000.20.028	Taxi Canopy Signage	10,000
		<u>\$6,321,900</u>

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

### LAND AND LEASEHOLD IMPROVEMENTS

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

		<u>BUDGET</u>
		<u>FY 2020</u>
00000.20.029	Orange Lot - Wash Rack Covered Storage	\$ 160,000
00000.20.030	Bollard Installation	95,000
00000.20.031	North Road Curbing and Fencing Installation	75,000
00000.20.032	Conference Room Presentation System	54,000
00000.20.033	Barricades at Platinum Lot and South Hall Bridge	21,000
00000.20.034	Orange Lot Exit (South) Gate Renovations	20,000
		<u>\$ 425,000</u>

### MAJOR PROJECTS FOR FY 2020

AIR HANDLER RETROFIT (C1, C2, NE MEETING ROOMS) – Air handling units are components in a mechanical system used to condition and circulate air as part of a heating, ventilating, and air conditioning (HVAC) system. The useful life of air handlers is approximately 25 years. These air handlers have exceeded their useful life and will be replaced by more efficient units.

MAIN ELECTRICAL DISTRIBUTION – Maintenance is required on the electrical distribution gear every three years to continue strict adherence to the electrical code. Testing must also be completed to determine the intensity of electrical energy discharged in the electrical system for safety reasons as required by the LVCVA insurance carrier. NFPA requirements state that an ARC Flash Analysis must be reviewed at least every five years. This project will also provide critical circuit breaker testing.

CENTRAL PLANT BOILER RETROFIT – Boilers are part of the building’s hot water system, which heats the building during cooler months. Cleaning of the heat exchangers will be performed on two boilers, which will extend the life of the boilers without the cost of full replacement. Three pumps will be installed on three different boilers. Two expansion tanks, which regulate the water pressure, will be replaced on two boilers, and three boilers will be completely replaced due to life expectancy being exceeded.

### IMPACT ON OPERATING BUDGET

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

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

### Departmental Furniture & Equipment

	FURNITURE	EQUIPMENT
<u>GENERAL GOVERNMENT</u>		
<u>INFORMATION TECHNOLOGY</u>		
11000.19.001 A/V Furniture	\$ 10,000	
11000.20.001 Event Management System		\$ 1,225,000
11000.20.002 PC/Laptop Leasing		186,000
11000.20.003 Computer Equipment (Buy-out)		20,000
11000.20.004 Dashboard Display Systems		20,000
11000.19.004 Virtualization Enterprise Plus Software		16,680
11000.20.005 Wayfinding System Upgrade		13,300
11000.20.006 Apple Macbooks (4)		12,200
11000.20.007 USB Hardware Authentication Device		10,000
	10,000	1,503,180
 <u>PURCHASING &amp; BUSINESS SERVICES</u>		
10905.20.001 Xerox Copier (Buy-out)		16,575
		16,575
 <u>MARKETING</u>		
<u>BRAND STRATEGY</u>		
33800.20.001 Trade Show Booth (technology)		500,000
		500,000
 <u>OPERATIONS</u>		
<u>CLIENT SERVICES</u>		
55020.20.001 Autonomous Cleaning Equipment		120,000
55020.20.002 Recycling Receptacles		80,000
55020.20.003 Staging/Bleacher Equipment		21,000
55020.20.004 Square Trash Cans		20,100
		241,100
 <u>ENGINEERING</u>		
55041.18.001 Cart Replacement		350,025
55041.20.001 Large Format Printer		95,000
		445,025
 <u>TRAFFIC</u>		
55059.19.001 Parking Booths (4)		70,720
		70,720
 <u>TOTALS</u>	 \$ 10,000	 \$ 2,776,600
	<b>Grand Total</b>	<b>\$ 2,786,600</b>

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

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

The LVCVA prepared a five-year capital improvement plan for fiscal years 2020 – 2024. It includes all planned capital acquisitions and/or projects for Year 1, as well as capital improvements and equipment replacements and additions over \$30,000 for Year 2 – Year 5. Details on current year budgeted Furniture and Equipment less than \$30,000 are listed in the capital furniture and equipment schedule on page 77. The first-year projects (FY 2020) operating impacts are discussed on pages 75-77. If there are any impacts on the operating budgets for FY 2021 – 2024, they are noted below the project name.

Following the five-year capital improvement listing is a brief narrative about FY 2020 budgeted projects exceeding \$250,000. Each project narrative identifies the need for the improvements, as well as its fiscal impact (personnel, services, and supplies). The narratives are sorted by budgeted expenditure, from highest to lowest.

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

### BUDGET PROCESS

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

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

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

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

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

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

## LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2020-2024

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>CONVENTION CENTER</b>						
<b>Building Improvements</b>						
C1,C2, NE Meeting Room Roof Air Handlers Retrofit	\$	1,217,000				
Main Electrical Distribution and ARC Flash		1,045,000				
Central Plant Boiler Retrofit		993,500				
HVAC Packaged Unit Upgrades		526,500				
Exterior Lighting LED Upgrades		371,400				
Central Plant- Pumps and Motors		360,000				
Roof Replacement - Meeting Room E Wing, Services & WH		298,100				
Central Plant Cooling Tower Fill Replacement 11A-14B		270,000				
C2 Hall - Duct Replacement		250,000				
Central Plant - Ventilation Wall of Cooling Tower Area		150,000				
C1-C2 Hall - Hot Water Line Re-Piping		104,750				
Blue Lot/Bronze Lot Ride Share Shade Structures		85,000				
Evaporative Cooler Replacement		80,000				
Surveillance Camera Conversion and Additions		80,000				
Freight Doors - Damaged Siding Replacement		78,000				
HVAC Fan Coil Replacement		69,200				
Water Heater Conversion and Replacement		62,000				
Client Services Break Room Remodel		60,000				
Central Plant - Restroom Remodel		30,000				
South Hall Dry Sprinkler Valve Replacement		30,000				
C-1 Hall Egress - Underground Power Relocation		25,000				
Client Services Men's Locker Room Remodel		25,000				
People and Possibilities Office Remodel		25,000				
West Lobby - Traffic Break Room Refresh		25,000				
Sound Systems in Central Hall & Grand Lobby		21,450				
South Hall Lobby Vending Machine Enclosure		20,000				
Security - Women's Locker Room Upgrade		10,000				
Taxi Canopy Signage		10,000				
South Hall Roof Drain Relining	\$		275,000			
Rapid Roll-Up Door Replacements			123,500			
C-Tower Water Heater Upgrade			85,000			
S-1 Lobby Receptacles			80,000			
White Wall Insulation Panels - C3-C5				\$ 200,000		
<b>Subtotal</b>		<b>6,321,900</b>	<b>563,500</b>	<b>200,000</b>	-	-

**FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**LAS VEGAS CONVENTION & VISITORS AUTHORITY  
 CAPITAL IMPROVEMENT PLAN  
 PROJECT EXPENDITURE LISTING  
 FISCAL YEARS 2020-2024**

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>CONVENTION CENTER</b>					
<b>Land Improvements</b>					
Orange Lot - Wash Rack Covered Storage	\$ 160,000				
Bollard Installation	95,000				
North Road Curbing and Fencing Installation	75,000				
Conference Room Presentation System	54,000				
Barricades at Platinum Lot and SH Bridge	21,000				
Orange Lot Exit (South) Gate Renovations	20,000				
Orange Lot-C Halls Concrete, Curbing, & FD Aprons Replacement		\$ 598,000			
JWBrown Landscaping/Fencing/Gates		175,000			
Bollard Installation		95,000			
Platinum Lot Fencing Enhancement		90,000			
Bronze Lot Fog Seal and Re-stripe		80,000			
Orange Lots 1&2 Surface Repairs			\$ 559,600		
Platinum Lot - Crack Seal, Seal Coat, and Re-stripe			125,000		
S2 Plaza Reconfiguration			79,500		
Loading Docks 7&8 Wall Protection Installation			60,000		
<b>Subtotal</b>	<b>425,000</b>	<b>1,038,000</b>	<b>824,100</b>	-	-

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

### LAS VEGAS CONVENTION & VISITORS AUTHORITY CAPITAL IMPROVEMENT PLAN PROJECT EXPENDITURE LISTING FISCAL YEARS 2020-2024

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>CONVENTION CENTER</b>					
<b>Furniture &amp; Equipment</b>					
Event Management System	\$ 1,225,000				
Tradeshow Booth Upgrade	500,000				
Cart Replacement	350,025				
Capital Computer Lease	186,000	200,000	200,000	200,000	200,000
Other (less than \$30K)	159,855	64,000		46,200	78,000
Autonomous Cleaning Equipment	120,000				
HP Direct Printer	95,000				
Recycling Receptacles	80,000				
Parking Booths (4)	70,720				
VMWare Workspace		165,800			
Sweeper Truck		120,000			
Scrubber		110,000	50,000	110,000	50,000
Tables			252,700		
Lobby Seating			60,000		
Chairs				352,000	
Entrance Mats				35,000	
Stage Panels					78,800
<b>Subtotal</b>	<b>2,786,600</b>	<b>659,800</b>	<b>562,700</b>	<b>743,200</b>	<b>406,800</b>
<b>TOTAL – FIVE YEAR CAPITAL PLAN</b>	<b>\$ 9,533,500</b>	<b>\$ 2,261,300</b>	<b>\$ 1,586,800</b>	<b>\$ 743,200</b>	<b>\$ 406,800</b>

The five-year capital plan related to Phase Two and Phase Three of the LVCCD project is shown on page 69.

**FIVE YEAR CAPITAL IMPROVEMENT PLAN**

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

**Project Title**    **Air Handlers Retrofit (C1,C2, NE Roof)**

**Project Number**                      **000020001.09**



**Project Description**

Retrofit 16 air handlers in the C1 and C2 halls, as well as on the roof of the NE meeting rooms.

**Project Justification**

Air handling units are components in a mechanical system used to condition and circulate air as part of a heating, ventilating, and air conditioning (HVAC) system. An air handler typically contains a fan, heating coils, cooling coils, a filter section, sound attenuators, dampers, actuators, and controls, depending on the particular design. Air handlers are connected to a system of ductwork that distributes the conditioned air through the building. The useful life of air handlers are approximately 25 years. These air handlers have exceeded their useful life and will be replaced by more efficient units.

**Fiscal Impact**

Coupled with other projects in this area, like new ductwork in C2, this project is estimated to save \$7,500-\$10,000 in cooling costs annually.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 1,217,000					\$ 1,217,000
Capital Improvement Program						

**FIVE YEAR CAPITAL IMPROVEMENT PLAN**

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

**Project Title**                        **Main Electrical Distribution**

**Project Number**                      **0000020002.09**



**Project Description**

Perform maintenance on the main electrical distribution sections: Central, North, and South Halls, NV Energy North, Central, and South Sub-station, and ARC flash.

**Project Justification**

Maintenance is required on the electrical distribution gear every three years to continue strict adherence to the electrical code. Testing must also be completed to determine the intensity of electrical energy discharged in the electrical system, for safety reasons, as required by the LVCVA insurance carrier. National Fire Protection Association requirements state that an ARC Flash Analysis must be reviewed at least every five years. This project will also provide critical circuit breaker testing. The purpose of ARC Flash Analysis is to minimize or mitigate the hazard to our electrical service personnel and to identify the ARC Flash Protection Boundary, which is the closest approach distance allowed before Personal Protective Equipment (PPE) must be worn.

**Fiscal Impact**

This project will allow LVCVA electricians to be certified to perform minor testing and to select what type of personal protective equipment (PPE) is needed on area electrical distribution sections.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 1,045,000					\$ 1,045,000
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

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

**Project Title**                        **Central Plant Boiler Retrofit**

**Project Number**                      **0000020003.09**

### **Project Description**

To replace pumps, expansion tanks, and heat exchangers on various boilers and to replace three boilers in the central plant.



### **Project Justification**

Boilers are part of the building hot water system, which heats the building during cooler months. Cleaning of the heat exchangers will be performed on two boilers, which will extend the life of the boilers without the cost of full replacement. Three pumps will be installed on three different boilers. Two expansion tanks, which regulate the water pressure, will be replaced on two boilers, and three boilers will be completely replaced due to life expectancy being exceeded.

### **Fiscal Impact**

The bulk of a boiler's efficiency is related to set-up of the whole system. Various manufacturers of boiler parts indicate that the pumps and exchangers can add 2-5% efficiency. General fund savings is estimated to be between \$5,000-\$10,000 annually.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 993,500					\$ 993,500
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

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

**Project Title**                      **HVAC Packaged Unit Upgrade**

**Project Number**                      **0000020004.09**



### **Project Description**

Replace 37 packaged HVAC units in various areas of the LVCC; including the Engineering and Client Services roofs, the North Halls, and the C-1 roof.

### **Project Justification**

Packaged units average between 2.5 and 7 tons. They are located in intermediate distribution frame rooms, storage areas, and smaller isolated offices. These packaged units operate on R-22 refrigerant which is being phase out by the EPA. They are similar to home units in that all the elements are packaged together.

### **Fiscal Impact**

Given the volume of units being replaced, the age of the existing units, and the various locations, the estimated savings of this project is anticipated at \$2,000 annually.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 526,500					\$ 526,500
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

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

**Project Title**                              **Exterior Building Lighting**

**Project Number**                          **000020005.09**



### **Project Description**

Campus-wide replacement of all high intensity discharge (HID) light fixtures with LED efficient lighting.

### **Project Justification**

Existing exterior HID lighting is inefficient technology. Many of these fixtures are original to the facility, and the lumens produced are below industry standards. Many of the current fixtures are now obsolete, with replacement parts hard to find. The EPA continues to improve energy standards and guidelines. They've banned incandescent lighting, followed by fluorescent, and, soon, HID's will be banned as well. LED's will increase lumens, improve quality of light, improve security, and lower energy consumption by as much as 70%.

### **Fiscal Impact**

This project is expected to reduce maintenance and staffing costs associated with lighting repairs by approximately \$12,000 annually.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 371,400					\$ 371,400
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

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

**Project Title**                      **Central Plant Pumps and Motors**

**Project Number**                      **0000020006.09**

### **Project Description**

Replace condenser pumps #1-4, chiller feed pump #6, and building system feed pumps #7-9 in the Central Plant.



### **Project Justification**

Condenser pumps remove heat by pushing water from the chiller barrels during operation of the chillers. Eight pumps will be replaced due to their age and useful life. These are the oldest chiller feed pumps on the property and were installed in 1990.

### **Fiscal Impact**

This project is expected to increase efficiency and reduce electrical costs by \$2,500 annually.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 360,000					\$ 360,000
Capital Improvement Program						

**FIVE YEAR CAPITAL IMPROVEMENT PLAN**

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

**Project Title** **Roof Replacement - E Meeting Rooms**

**Project Number**                      **000020007.09**



**Project Description**

Full roof replacement in East Wing Meeting Rooms, Services Building, and the warehouse.

**Project Justification**

Due to the age of the roof and leaking issues, many areas have, in the past two fiscal years, been re-coated. This project will be a full roof replacement since these areas will not be affected during the pending renovation. After replacement, they will be warranted 20 years.

**Fiscal Impact**

Leaking roof issues have caused tens of thousands of dollars in water damage to client booths over the past few years. The general fund savings in repair costs and potential water damage is approximately \$10,000-\$15,000 annually.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 298,100					\$ 298,100
Capital Improvement Program						

## FIVE YEAR CAPITAL IMPROVEMENT PLAN

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

**Project Title**                      **Central Plant Cooling Tower Fill**

**Project Number**                      **000020008.09**

### **Project Description**

Replace Cooling Tower fill in 8 cooling towers in the central plant.



### **Project Justification**

The average life expectancy of a galvanized cooling tower with proper maintenance and water treatment is 18 – 20 years. Cooling tower fill filters the water in the cooling tower. The material deteriorates with age and compromises the performance of the chilling towers, requiring regular replacement, which will extend the useful life of the towers.

### **Fiscal Impact**

A cooling tower needs to put as much water surface area in contact with as much air as possible, for the longest amount of time possible. Deteriorating fill causes inefficiency within the systems, raising water temperature. A 2°F decrease in water temperature can save approximately 5% in electricity costs; thus, the expected general fund savings is approximately \$10,000 annually.

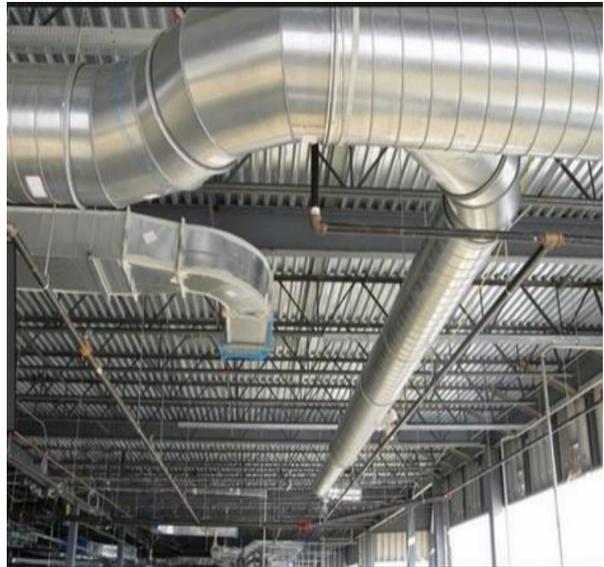
<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 270,000					\$ 270,000
Capital Improvement Program						

**FIVE YEAR CAPITAL IMPROVEMENT PLAN**

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

**Project Title**                        **C2 Hall Duct Replacement**

**Project Number**                    **0000020009.09**



**Project Description**

Replace existing board duct with unlined sheet metal branch in C-2 Hall.

**Project Justification**

Ducts are the raceway for air circulation. In the C2 hall, this duct is made of 1960's fiberboard material that has deteriorated and is not repairable. Fiberboard is not recommended for ventilation because it can become a breeding ground for mold and mildew. Also, because the surface is rough, it can affect airflow and efficiency. Round, aluminum ducts will provide a better circuit for the air and will not deteriorate as rapidly as the old fiberboard type.

**Fiscal Impact**

This project is expected to reduce energy consumption due to more efficient and longer-lasting ducts. A flexible aluminum duct can be bent hundreds of times and still maintain an airtight cavity. As this upgrade is only for a portion of a main hall, the expected general fund savings is approximately \$2,500 annually.

<b>Expenditures</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
Land Improvements						
Building Improvements	\$ 250,000					\$ 250,000
Capital Improvement Program						

## DEBT SERVICE FUND SUMMARY

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

As required by Nevada Revised Statute 244A.637, the LVCVA issued bonds to provide funding for the Nevada Department of Transportation (NDOT). A legislative mandate in 2007 required the LVCVA to contribute the lesser of \$20 million a year for a period of 30 years for debt service or a total of \$300 million in principal to NDOT for projects in Clark County. The initial issuance of \$26,455,000 was completed in August 2008. In January 2010, an additional \$99,640,000 was issued, and the remaining balance of \$173,905,000 was issued in December 2010. The FY 2010 and FY 2011 issuances for NDOT funding included over \$226 million in Build America Bonds (BAB's), which are anticipated to save more than \$65 million, factoring in federal sequestration reductions, in interest expense over the term of the bonds, as a result of a federal subsidy. The 2008 and 2010C issuances were refunded in FY 2017 and FY 2018 respectively, resulting in over \$20 million of total savings. Additionally, the 2010C was completed as a crossover refunding, thus the full outstanding principal remains on the LVCVA's outstanding debt list until the ten-year call date in 2020. The refunding is held in escrow to pay principal and interest until 2021 and then pays off the bonds.

Obligation Name and Type	Original Issue	Semi-Annual Interest	Final Maturity	Outstanding Principal 6/30/2019
2010A NDOT BABS (G.O.)	70,770,000	6.5-6.7%	FY 2039	70,770,000
2010B NDOT (G.O.) <sup>1</sup>	28,870,000	2.0-5.0%	FY 2023	11,165,000
2010B Refunding (G.O.) <sup>1</sup>	24,650,000	2.0-5.0%	FY 2027	23,905,000
2010C NDOT BABS (G.O.)	155,390,000	4.0-7.0%	FY 2039	142,045,000
2012A Land (G.O.)	24,990,000	2.0-4.0%	FY 2033	19,700,000
2014 LVCC Expansion & Renovation Phase I (G.O.)	50,000,000	2.0-5.0%	FY 2044	49,900,000
2015 Refunding Series (G.O.) <sup>2</sup>	72,370,000	2.0-5.0%	FY 2022	26,085,000
2015 Refunding Series LOC (G.O.) <sup>2</sup>	109,435,000	2.0-5.0%	FY 2045	109,435,000
2016C Refunding Land (Revenue)	100,705,000	3.0-5.0%	FY 2048	100,705,000
2017 2008 Refunding (G.O.)	21,175,000	3.0-5.0%	FY 2039	21,175,000
2017B Refunding 2010E (Revenue)	71,005,000	3.25-5.0%	FY 2041	71,005,000
2017C Refunding 2010C Crossover (G.O.)	126,855,000	3.0-5.0%	FY 2039	126,855,000
2018A LVCCD Phase Two (G.O.) <sup>3</sup>	200,000,000	3.5-5.0%	FY 2048	200,000,000
2018B LVCCD Phase Two (Revenue) <sup>3</sup>	500,000,000	4.0-5.0%	FY 2050	500,000,000
2018C Refunding Series LOC (Revenue)	80,000,000	4.0-5.25%	FY 2049	80,000,000
<b>Total Outstanding Principal as of 6/30/19</b>				<b>\$ 1,552,745,000</b>

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

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

<sup>(3)</sup> LVCCD restricted debt

Included in the overall outstanding debt of the LVCVA are bond issuances restricted to the LVCCD project. Specific information regarding revenues, expenditures, and fund balance can be found in the LVCCD Debt Service Fund on page 70.

## DEBT SERVICE FUND SUMMARY

Monthly transfers from the General Fund are made to fund interest payments due on January 1 and principal and interest payments due on July 1. These funds are invested in the interim, and interest earned on the investments is transferred back to the General Fund. The budgeted ending fund balances of the Debt Service Funds are sufficient to pay principal and interest due on the first day (July 1) of the next fiscal year. The budgeted ending fund balance in the Debt Service Funds at June 30, 2020 is \$187.4 million. Of that balance, over \$132.5 million is retained in escrow related to the 2017C crossover refunding bonds of the 2010C NDOT bonds.

### BOND ISSUE PROCESS

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

The debt management policy must contain the following discussions:

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

### **LVCVA Debt Compliance Policy**

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

Post-issuance compliance responsibilities include:

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

## DEBT SERVICE FUND SUMMARY

### DEBT SERVICE FUNDS

	ACTUAL FY 2017	ACTUAL FY 2018	PROJECTED FY 2019	PROPOSED BUDGET FY 2020
<b>REVENUES:</b>				
Interest & Investment Earnings	\$ 154,298	\$ 1,581,572	\$ 170,300	\$ 2,847,000
Federal Grant Subsidy	<u>4,711,257</u>	<u>4,663,956</u>	<u>4,614,838</u>	<u>4,450,290</u>
<b>Total Revenues</b>	<u><b>4,865,555</b></u>	<u><b>6,245,528</b></u>	<u><b>4,785,138</b></u>	<u><b>7,297,290</b></u>
<b>EXPENDITURES:</b>				
Principal	98,020,000	27,865,000	27,210,000	27,830,000
Interest	35,372,829	33,104,767	38,601,192	45,187,637
Debt Issuance Costs	<u>1,013,919</u>	<u>1,533,151</u>	<u>457,995</u>	<u>-</u>
<b>Total Expenditures</b>	<u><b>134,406,748</b></u>	<u><b>62,502,918</b></u>	<u><b>66,269,187</b></u>	<u><b>73,017,637</b></u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(129,541,193)	(56,257,390)	(61,484,049)	(65,720,347)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	67,436,648	63,159,503	58,500,000	44,500,000
Proceeds of Debt Issuance	192,080,000	197,860,000	67,852,400	-
Premium on Debt Issuance	13,870,085	19,359,398	4,172,260	-
Refunding Bonds Issued	(135,516,402)	(84,532,839)	(61,500,000)	-
Transfers Out	<u>(1,192,918)</u>	<u>(288,782)</u>	<u>(170,300)</u>	<u>(325,000)</u>
<b>Total Other Financing     Source (Uses)</b>	<u><b>136,677,413</b></u>	<u><b>195,557,280</b></u>	<u><b>68,854,360</b></u>	<u><b>44,175,000</b></u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>	<b>7,136,220</b>	<b>139,299,890</b>	<b>7,370,311</b>	<b>(21,545,347)</b>
<b>FUND BALANCE, BEGINNING</b>	<u><b>55,096,758</b></u>	<u><b>62,232,978</b></u>	<u><b>201,532,868</b></u>	<u><b>208,903,179</b></u>
<b>FUND BALANCE, ENDING</b>	<u><u><b>\$ 62,232,978</b></u></u>	<u><u><b>\$ 201,532,868</b></u></u>	<u><u><b>\$ 208,903,179</b></u></u>	<u><u><b>\$ 187,357,832</b></u></u>

## DEBT SERVICE FUND SUMMARY

Since the LVCVA's establishment in 1959, room taxes have provided sufficient funding for debt service. The economic forecast does not indicate any reversal of this trend. Annual bonded fixed rate debt service requirements, for both the LVCCD and non-LVCCD Debt, for the next 30 years:

FYE	Principal	Interest	Total
6/30/2020	\$ 27,830,000	\$ 71,612,135	\$ 99,442,135
6/30/2021	15,855,000	70,075,623	85,930,623
6/30/2022	22,280,000	69,218,493	91,498,493
6/30/2023	27,125,000	67,976,238	95,101,238
6/30/2024	32,855,000	66,440,466	99,295,466
6/30/2025	34,340,000	64,704,687	99,044,687
6/30/2026	35,885,000	62,892,433	98,777,433
6/30/2027	38,545,000	60,955,368	99,500,368
6/30/2028	34,940,000	59,021,477	93,961,477
6/30/2029	36,555,000	57,125,809	93,680,809
6/30/2030	38,220,000	55,183,512	93,403,512
6/30/2031	39,915,000	53,179,585	93,094,585
6/30/2032	41,685,000	51,100,260	92,785,260
6/30/2033	43,490,000	48,988,230	92,478,230
6/30/2034	43,495,000	46,908,121	90,403,121
6/30/2035	45,260,000	44,816,208	90,076,208
6/30/2036	47,105,000	42,618,920	89,723,920
6/30/2037	48,980,000	40,353,692	89,333,692
6/30/2038	50,960,000	37,996,554	88,956,554
6/30/2039	49,830,000	35,574,375	85,404,375
6/30/2040	57,315,000	33,015,680	90,330,680
6/30/2041	60,090,000	30,245,145	90,335,145
6/30/2042	63,025,000	27,309,074	90,334,074
6/30/2043	66,135,000	24,199,781	90,334,781
6/30/2044	69,390,000	20,936,688	90,326,688
6/30/2045	72,515,000	17,815,300	90,330,300
6/30/2046	75,475,000	14,855,500	90,330,500
6/30/2047	78,555,000	11,774,900	90,329,900
6/30/2048	81,760,000	8,568,600	90,328,600
6/30/2049	85,100,000	5,231,400	90,331,400
6/30/2050	88,235,000	1,764,700	89,999,700
	\$ 1,552,745,000	\$ 1,302,458,954	\$ 2,855,203,954

\*Payment for the 2010C is a crossover refunded bond and will not be paid out of existing resources, but out of escrow.

Currently, the LVCVA's bonds issued through Clark County are rated "AA+" by Standard and Poor's and "Aa1" by Moody's. LVCVA's underlying bond rating is "A+" issued by Standard and Poor's and "Aa3" issued by Moody's.

## DEBT LIMITS AND CAPACITY

DEBT MARGIN  
CLARK COUNTY, NEVADA  
AS OF JUNE 30, 2018

	Las Vegas Convention & Visitors Authority	Clark County
Approximate Assessed Valuation (1)	\$ 82,657,420,456	\$ 82,657,420,456
Bonded Debt Limit (2)	5%	10%
Statutory Debt Limitation	4,132,871,023	8,265,742,046
Less:		
Amount of Debt Applicable to Debt Limit	828,245,000 (3)	1,558,149,172 (4)
Total General Obligation Indebtedness Available	\$ 3,304,626,023	\$ 6,707,592,874

(1) This is the net total assessed value for the secured and estimated unsecured property for Clark County, Nevada for FY 2018. It includes the assessed valuation of the redevelopment agencies. These values are included for purposes of calculating the debt limit but are not subject to County taxation for the retirement of general obligation bonded indebtedness. This valuation is used to determine the LVCVA's debt margin since our debt is issued in the name of the County as described below.

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

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

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

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

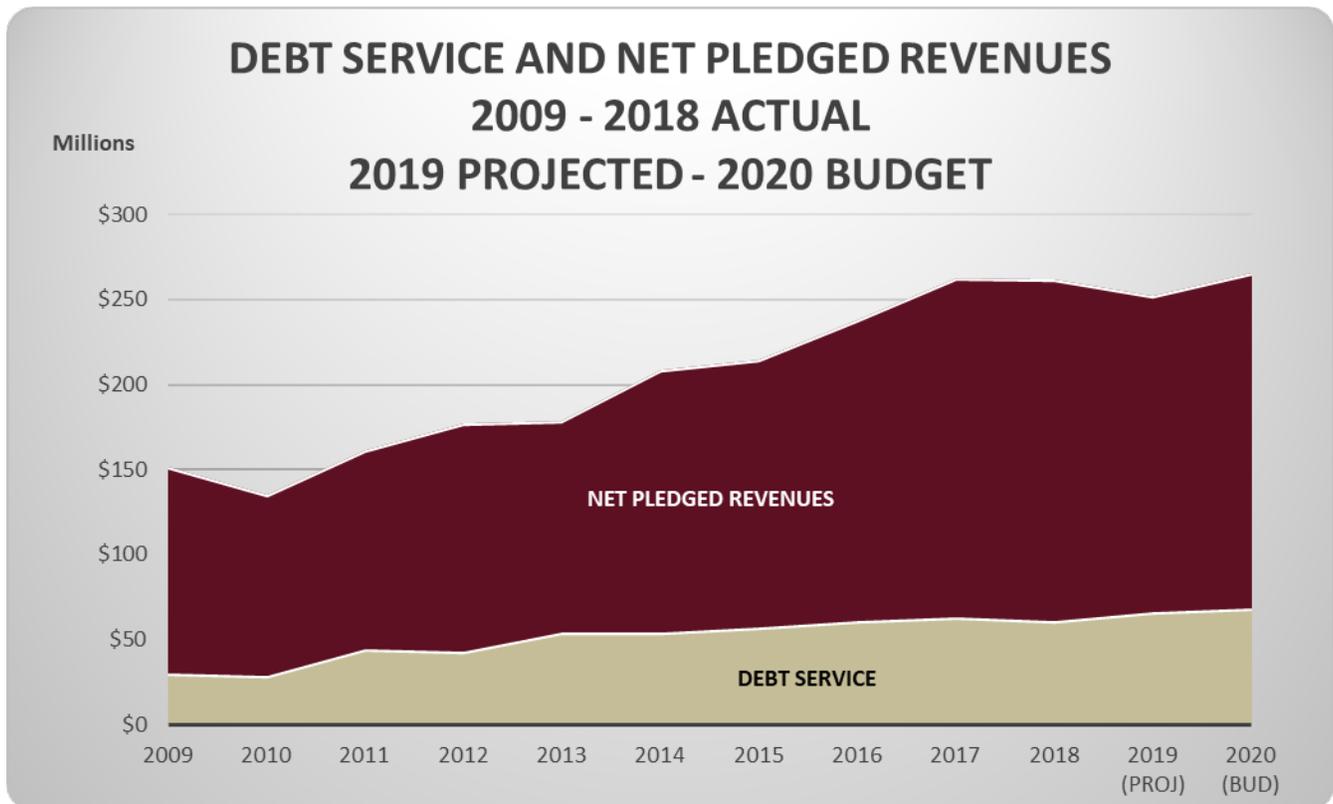
## DEBT SERVICE – BOND COVERAGE

The LVCVA's general obligation bonds constitute direct and general obligations of Clark County. All debt is additionally secured by a pledge of revenues consisting of gross revenues derived from the operation and use of facilities, plus room and gaming taxes (gross pledged revenues), less operating and maintenance expenses of the facilities and collection allocation.

Gross pledged revenues also include interest income and miscellaneous fees and charges in the General Fund and transfers in from the Debt Funds. Operating and maintenance expenditures include general government, operations, and collection allocation. Also included are those marketing expenditures related only to the sales effort of the Las Vegas Convention Center. The calculation below is based on general obligation bond documents.

FISCAL YEAR	GROSS REVENUES	MAINTENANCE EXPENDITURES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL AND INTEREST	DEBT SERVICE COVERAGE
2009	225,682,302	74,174,827	151,507,475	30,454,599	5.0x
2010	200,886,994	65,614,509	135,272,485	28,562,969	4.7x
2011	227,600,497	66,460,656	161,139,841	44,321,298	3.6x
2012	250,917,732	73,815,376	177,102,356	42,754,341	4.1x
2013	253,121,291	74,631,057	178,490,234	53,951,716	3.3x
2014	285,749,837	77,050,163	208,699,674	54,393,473	3.8x
2015	293,340,228	78,998,993	214,341,235	57,183,145	3.7x
2016	322,769,973	85,126,979	237,642,994	61,252,680	3.9x
2017	351,597,011	88,906,226	262,690,785	62,892,859	4.2x
2018	351,695,085	89,722,271	261,972,814	60,726,872	4.3x
2019 (proj)	344,947,020	92,619,252	252,327,768	66,201,009	3.8x
2020 (bud)	357,147,200	91,547,330	265,599,870	68,237,454	3.9x

*Includes both LVCCD and non-LVCCD Debt*



## DEBT SERVICE – HISTORICAL PERSPECTIVE

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

DATE ISSUED	ORIGINAL ISSUE AMOUNT	INTEREST RATE	PURPOSE	STATUS	DATE RETIRED/DEFEASED
2018C	80,000,000	4.0-5.25%	Revenue - Refunding LOC and new construction funding	Outstanding - Final payment FY 2049	Outstanding
2018B <sup>1</sup>	500,000,000	4.0-5.0%	Revenue - LVCCD Phase II Revenue Debt Issuance	Outstanding - Final payment FY 2050	Outstanding
2018A <sup>1</sup>	200,000,000	3.0-5.0%	G.O. - LVCCD Phase II G.O. Debt Issuance.	Outstanding - Final payment FY 2048	Outstanding
2017C	126,855,000	3.0-5.0%	G.O. - Crossover refunding of 2010C	Outstanding - Final Payment date FY 2039	Outstanding
2017B	71,005,000	3.25-5.0%	Revenue - Advance refunding of 2010E	Outstanding - Final payment FY 2041	Outstanding
2017A	21,175,000	3.0-5.0%	G.O. - Advance refunding of 2008 GO	Outstanding - Final Payment date FY 2039	Outstanding
2016C	100,705,000	3.0-5.0%	Revenue - Refund 11/07 Bonds (\$41,505,000) and 2016B Payoff Term Loan (\$69,200,000)	Outstanding - Final Payment date FY 2048	Outstanding
2016 LOC <sup>2</sup>	300,000,000	variable	Revenue - Revolving Line of Credit up to \$300 million, with a maximum of \$100 million outstanding at any time	Credit Line paid off and closed in conjunction with issuance of 2018C in November 2018.	Nov 2018
2015	181,805,000	2.0-5.0%	G.O. - \$72,370,000 to refund 3/05 and partial 5/07; \$109,435,000 for principal reduction on Line of Credit	Outstanding - Final Payment date FY 2022 and FY 2045	Outstanding
2014	50,000,000	2.0-5.0%	G.O. - LVCC expansion and renovation project Phase I	Outstanding - Final Payment date FY 2044	Outstanding
2012A	24,990,000	2.0-4.0%	G.O. - Purchase land	Outstanding - Final Payment date FY 2033	Outstanding
2010E	81,925,000	4.0-5.5%	Refund Commercial Paper	Refunded by 2017B-Closed 12/21/17	12/21/2017
2010D	18,515,000	3.0-5.0%	Nevada Department of Transportation	Final Payment date FY 2016	7/1/2015
2010C	155,390,000	4.0-7.0%	G.O. - Nevada Department of Transportation	Outstanding - Final Payment date FY 2039	Outstanding
2010B	53,520,000	2.0-5.0%	G.O. - \$28,870,000 - NDOT; \$24,650,000 refund 1998A bonds	Outstanding - Final Payment date FY 2023 and FY 2027	Outstanding
2010A	70,770,000	6.55-6.75%	G.O. - Nevada Department of Transportation	Outstanding - Final Payment date FY 2039	Outstanding
FY 2008	80,000,000	variable	Issue commercial paper for the Las Vegas Convention Center's Master Plan Enhancement Program	Partially issued. Board authorized issuance of \$822,000,000, (\$680 million in Feb. 2006 and \$142 million in May 2007). Program closed. Revenue bonds in January 2011 to fully redeem all outstanding commercial paper.	1/31/2011
07/08	26,455,000	4.0-5.0%	G.O. - Nevada Department of Transportation	Advance refunding by 2017A and final payment FY 2019	7/1/2018

<sup>1</sup> LVCCD restricted debt

<sup>2</sup> Subordinate debt

## DEBT SERVICE – HISTORICAL PERSPECTIVE

### HISTORICAL RECORD (continued)

DATE ISSUED	ORIGINAL ISSUE AMOUNT	INTEREST RATE	PURPOSE	STATUS	DATE RETIRED/DEFEASED
FY 2007	16,000,000	variable	Issue commercial paper for the Las Vegas Convention Center's Master Plan Enhancement Program	Partially issued. Board authorized issuance of \$822,000,000, (\$680 million in Feb. 2006 and \$142 million in May 2007). Program closed. Revenue bonds in January 2011 to fully redeem all outstanding commercial paper.	1/31/2011
11/07	50,000,000	4.0-6.0%	Purchase land	Refunded with 2016C	7/20/2016
05/07	38,200,000	4.0-5.5%	Refunded 8/96 Bonds	Advance refund in April 2015. Final payment date FY 2018	7/20/2015
03/05	118,745,000	3.0-5.25%	Refund a portion of the 11/99 bonds	Refunded in April 2015. Final payment date FY 2016	7/1/2015
05/03	35,075,000	1.2-2.1%	Refund 8/93 Bonds	Retired	7/1/2008
11/99	150,000,000	4.8-6%	Expansion of Convention Center	Partially refunded by 3/05 – Called in FY 2011	6/30/2011
4/1/98B	5,020,000	4.50%	Grant to the University of Nevada Las Vegas for the purpose of improvements to the Thomas and Mack Center and Sam Boyd Stadium	Retired	7/1/2003
4/1/98A	36,200,000	4.7-5.1%	Refund a portion of 8/1/93 and 9/1/96 bonds	Refunded by 01/10 B	1/31/2010
9/1/1996	97,425,000	5.4-6%	Expansion of Convention Center & Cashman Center, refund 6/1/86 bonds	Partially refunded by 98A and 5/07	7/1/2008
8/1/1993	80,530,000	4.8-5.2%	Purchase land; refund a portion of 6/1/88 bonds	Partially refunded by 98A and 5/03	7/1/2003
6/1/1988	35,000,000	7-10%	Expansion of Convention Center	Partially refunded by 8/1/93 bonds	7/1/1998
6/1/1986	38,240,000	5.9-8%	Refund portion of 12/1/82 bonds	Refunded by 9/1/96 bonds	9/1/1996
12/1/1982	52,825,000	7-10.9%	Refund 7/73, 8/76, 7/80 and 10/80 bonds	Retired	7/1/1993
10/1/1980	20,000,000	9%	Purchase land; expansion of East Hall and cafeteria; construction of pedestrian bridge; \$2.5 million for recreation grants	Refunded by 12/1/82 bonds	12/1/1982
7/1/1980	22,000,000	7-8.5%	Cashman Center construction	Refunded by 12/1/82 bonds	12/1/1982
8/31/1976	12,225,000	6.2-6.3%	Refund 5/1/75 bonds	Refunded by 12/1/82 bonds	12/1/1982
5/1/1975	12,000,000	7-8%	East Hall and kitchen expansion; warehouse and meeting rooms annex construction	Refunded by 8/31/76 bonds	8/31/1976
7/1/1973	6,960,000	4.5-5.3%	Refund 1/15/71 bonds	Refunded by 12/1/82 bonds	1/1/1985
1/15/1971	7,500,000	4.5-5%	East Hall expansion - \$6,500,000; stadium construction - \$1 million	Refunded by 7/1/73 bonds	1/15/1982
7/15/1963	4,790,000	3.50%	Refund 1/15/57 and 12/15/58 bonds	Retired	7/15/1973
12/15/1958	1,000,000	4-4.25%	\$500,000 for construction; \$500,000 for recreation grants	Refunded by 7/15/63 bonds	1/15/1968
1/15/1957	4,500,000	5%	Original construction of Convention Center	Refunded by 7/15/63 bonds	1/15/1977

## OPEB FUND

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

In June 2015, the Governmental Accounting Standards Board Statement (GASB) issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Other Than Pension ("GASB 75), was implemented by the Authority during fiscal year 2018. The objective of GASB 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits, other than pensions that was originally required by GASB Statement No. 45. GASB believes that OPEB is part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. Therefore, the cost of these future benefits should be reported as a part of the cost of providing public services today.

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

Accumulating funds specifically restricted for the OPEB liability is a fiscally responsible practice, and credit rating agencies factor this action into their assessment of credit ratings. In September 2011, the Board approved a policy statement addressing OPEB and establishing a formal plan of action to fund the growing liability. The statement directed the creation of an OPEB Fund to account for cash held in reserve to offset the liability for post-employment benefits. The LVCVA has completed yearly transfers to this fund since FY 2013. For FY 2020, the tentative budget incorporates a total of \$28.9 million in assets allocated to OPEB funding. The annual funding requirement will be re-evaluated based on biannual actuarial studies and new GASB pronouncements.

	ACTUAL FY 17	ACTUAL FY 18	PROJECTED FY 19	PROPOSED BUDGET FY 20	% CHANGE FY20/19
<b>REVENUES:</b>					
Interest & Investment Earnings	\$ 66,379	\$ 214,715	\$ 560,000	\$ 560,000	0%
Total Revenues	66,379	214,715	560,000	560,000	0%
<b>EXPENDITURES:</b>					
Total Expenditures	-	-	-	-	0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,379	214,715	560,000	560,000	0%
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In	10,500,000	2,500,000	100,000	100,000	0%
Source (Uses)	10,500,000	2,500,000	100,000	100,000	0%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	10,566,379	2,714,715	660,000	660,000	0%
FUND BALANCE, BEGINNING	14,346,854	24,913,233	27,627,948	28,287,948	2%
FUND BALANCE, ENDING	\$ 24,913,233	\$ 27,627,948	\$ 28,287,948	\$ 28,947,948	2%

# PERSONNEL ALLOCATION

## SUMMARY OF PERSONNEL REQUESTS

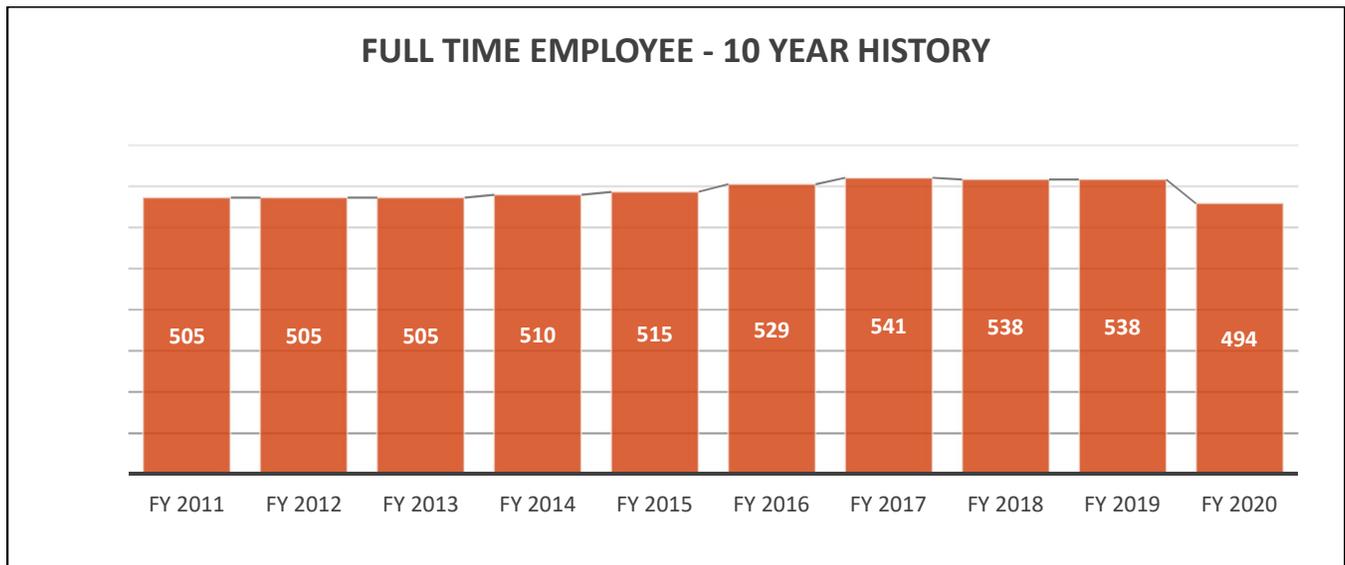
### Budget Process

The LVCVA’s commitment to and investment in the organization’s employees is a fundamental objective of the updated strategic business plan. In the early stages of the budget process, personnel requests, along with detailed justifications and other supporting documentation, are submitted. Budget meetings and further analysis refine those requests. Every effort is made to limit the number of increased positions, while ensuring efficient operation of the LVCVA.

In FY 2011, 67 vacant positions were eliminated from the overall number of authorized positions. The Authority held flat 505 positions for three years, until approving five additional Perimeter Security Officer positions per year in both FY 2014 and FY 2015. In FY 2016, the LVCVA Board approved 14 new positions, of which six were allocated to the Customer Safety Department to ensure the safety of our facilities for our meeting and tradeshow attendees. The other positions were needed to meet the increased demand of day-to-day operations and to support the leadership structure for LVCVA’s Five-Year Vision Plan. Additionally, the LVCVA Board approved 12 new full-time positions for FY 2017. Of those positions, four are devoted to the Customer Safety Department to demonstrate our continued efforts to enhance security presence both in the facility and around the campus. Five new positions were added in FY 2018 to support increasing technology demands, operational efficiency, and network security, as well as to provide support for LVCVA’s international efforts as we continue to expand and position ourselves as a global tourism leader.

During FY 2018 and FY 2019, positions were eliminated related to the closure of Cashman Center meeting space and the offering of a voluntary separation program, collectively resulting in the reduction of 44 positions from the budget.

For FY 2020, the LVCVA has 494 authorized positions, 482 of which are funded and one which is dedicated to the LVCCD project. This level of authorized positions is 13.6% below our pre-recession FTE level of 572.



# PERSONNEL ALLOCATION

## SUMMARY OF AUTHORIZED POSITIONS by Organizational Unit/Section

	FYE 6/30/2015	FYE 6/30/2016	FYE 6/30/2017	FYE 6/30/2018	FYE 6/30/2019	FYE 6/30/2020
<b>GENERAL GOVERNMENT</b>	81	83	107	106	106	88
Executive	16	16	17	13	13	10
Finance <sup>1</sup>	37	39	61	64	64	57
People & Possibilities	8	10	11	11	11	10
Public Affairs	20	18	18	18	18	11
<b>MARKETING</b>	125	130	134	138	138	96
Sales	33	35	37	37	38	29
Convention Services <sup>2</sup>	15	15	15	15	14	--
Marketing Systems	7	7	7	7	7	7
International Marketing	9	9	16	16	14	11
Leisure Sales	10	11	10	10	10	13
Registration <sup>2</sup>	4	4	4	4	4	--
Research Center	7	7	7	7	7	7
Sports Marketing	1	1	1	1	3	3
Industry Relations	7	8	8	8	8	6
Visitor Information <sup>2</sup>	17	17	17	17	17	--
Brand Strategy	11	12	7	11	11	20
Customer Experience <sup>2</sup>	4	4	5	5	5	--
<b>OPERATIONS</b>	309	316	300	294	294	297
Client Services	112	112	112	108	108	100
Customer Experience <sup>2</sup>	--	--	--	--	--	3
Convention Services <sup>2</sup>	--	--	--	--	--	14
Registration <sup>2</sup>	--	--	--	--	--	4
Visitor Information <sup>2</sup>	--	--	--	--	--	9
Engineering	92	94	96	92	92	76
Engineering Projects	4	3	2	4	4	6
Information Technology <sup>1</sup>	21	21	--	--	--	--
Fire Prevention	5	5	5	5	5	4
Customer Safety	47	62	64	64	64	62
Traffic	28	19	21	21	21	19
<i>Unbudgeted Authorized Positions</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>13</i>
<b>TOTAL LVCVA</b>	<b>515</b>	<b>529</b>	<b>541</b>	<b>538</b>	<b>538</b>	<b>494</b>

1. An FY 2017 realignment moved Information Technology into the Finance department, under the General Government Division.
2. An FY 2020 realignment moved Convention Services, Customer Experience, Registration and Visitor Information moved into the Operations division.



## PERSONNEL ALLOCATION

<b>MARKETING SYSTEMS (Marketing)</b>	<b>7</b>	<b>BUSINESS SALES (Marketing)</b>	<b>29</b>
Director of Marketing Systems	1	Vice President of Business Sales	1
Database Marketing Manager	1	Senior Director of Business Development	1
Database Marketing Administrator	1	Senior Director of Business Sales	1
Digital Communications Specialist	1	Director of Regional Sales - Chicago	1
Digital Marketing Coordinator	1	Director of Regional Sales - Wash DC	1
Database Marketing Coordinator	2	Sales Executive	10
		Sales Executive - Chicago	2
		Sales Executive - Wash DC	4
		Administrative Coordinator - Leasing	1
		Administrative Secretary	2
		Administrative Secretary - Chicago	1
		Secretary	3
		Secretary - Wash DC	1
<b>BRAND STRATEGY (Marketing)</b>	<b>20</b>	<b>GLOBAL SALES (Marketing)</b>	<b>11</b>
Chief Marketing Officer	1	Vice President of Global Sales	1
Vice President of Marketing	1	Senior Director of Global Development	1
Senior Director of Administration	1	Senior Director of Global Sales	1
Senior Director of Advertising	1	Director of Air Service Development	1
Senior Director of Digital Engagement	1	International Market Manager	3
Director of Communications	1	Air Service Development Manager	1
Advertising Manager	1	Administrative Coordinator - Invoicing	1
Communications Manager	4	Administrative Secretary	2
Digital Engagement Manager	3		
Communications Specialist	1		
Executive Assistant to the CMO	1		
Digital Engagement Specialist	1		
Administrative Secretary	2		
Advertising Coordinator	1		
<b>RESEARCH CENTER (Marketing)</b>	<b>7</b>	<b>LEISURE SALES (Marketing)</b>	<b>13</b>
Vice President of the Research Center	1	Senior Director of Leisure Sales	1
Director of the Research Center	1	Director of Specialty Market Sales	1
Senior Research Analyst	1	Senior Manager of Extended Destinations	1
Digital Marketing Analyst	1	Sales Executive	4
Research Analyst	2	Specialty Markets Manager	2
Administrative Assistant	1	Administrative Secretary	1
		Secretary	3
<b>INDUSTRY RELATIONS (Marketing)</b>	<b>6</b>	<b>SPORTS MARKETING (Marketing)</b>	<b>3</b>
Senior Director of Strategic Initiatives	1	Director of Sports Marketing & Special Events	1
Director of Event Design	1	Sports Marketing & Special Events Manager	1
Senior Director of Industry Relations	1	Sports Marketing & Special Events Coordinator	1
Event Design Manager	2		
Administrative Secretary	1		

# PERSONNEL ALLOCATION

<b>ENGINEERING PROJECTS (Operations)</b>	<b>6</b>	<b>CLIENT SERVICES (Operations)</b>	<b>100</b>
Chief Operating Officer	1	Senior Director of Client Services	1
Vice President of Facilities	1	Services Manager	3
Project Manager	2	Administrative Secretary	1
Executive Assistant	1	Services Supervisor	8
Operations Coordinator	1	Services Support Technician	4
		Service Worker	40
		Custodian	43
<b>ENGINEERING (Operations)</b>	<b>76</b>	<b>TRAFFIC (Operations)</b>	<b>19</b>
Senior Director of Engineering	1	Traffic Manager	1
Director of Engineering	1	Administrative Traffic Supervisor	1
Senior Manager of Engineering	4	Traffic Field Supervisor	2
Project Analyst	1	Perimeter Security Supervisor	3
Administrative Secretary	1	Perimeter Security Officer	12
Building Engineer Supervisor	1		
Electrician Supervisor	1		
Engineering Maintenance Supervisor	1		
Exterior Engineering Supervisor	1	<b>CUSTOMER SAFETY (Operations)</b>	<b>62</b>
Facility Support Supervisor	1	Vice President of Customer Safety	1
Graphics Supervisor	1	Senior Manager of Security	1
HVAC Supervisor	1	Control Center Supervisor	1
Mechanic/Welder Supervisor	1	Administrative Assistant	1
Plumber Supervisor	1	Surveillance Investigator	2
Engineering Assistant Supervisor	1	Canine Supervisor	1
Grounds Supervisor	2	Canine Officer	3
Building Engineer	19	Security Sergeant	6
Damage Assessment Technician	1	Security Officer	37
Electrician	7	Secretary	1
Exterior Engineer	4	Security Dispatcher	8
Facility Support Technician	2		
Graphics Technician	2	<b>FIRE PREVENTION (Operations)</b>	<b>4</b>
HVAC Technician	5	Senior Manager of Safety and Fire Prevention	1
Mechanic	1	Fire Prevention Coordinator	1
Mechanic/Welder	3	Life Systems Coordinator	1
Plumber	5	Fire Prevention Technician	1
Groundskeeper	7		
<b>CUSTOMER EXPERIENCE (Operations)</b>	<b>3</b>	<b>REGISTRATION (Operations)</b>	<b>4</b>
Director of Customer Experience	1	Registration Services Senior Supervisor	1
Destination Services Manager	1	Registration Services Supervisor	1
Customer Experience Specialist	1	Administrative Specialist	2
<b>CONVENTION SERVICES (Operations)</b>	<b>14</b>	<b>VISITOR INFORMATION (Operations)</b>	<b>9</b>
Senior Director of Convention Services	1	Visitor Information Center Supervisor	1
Senior Manager of Convention Services	4	Administrative Specialist	1
Convention Services Manager	5	Visitor Information Specialist	7
Associate Convention Services Manager	1		
Convention Services Coordinator	1	<b>Project Dedicated</b>	<b>1</b>
Administrative Secretary	1	Senior Vice President of Operations	1
Secretary	1		

# PERSONNEL ALLOCATION

## POSITION CLASSIFICATIONS

The FY 2020 salary schedule, which begins on July 14, 2019 is shown below. Included in the list are potential executive level positions which may be filled in a subsequent year.

GRADE	CLASS TITLE	ANNUAL SALARY SCHEDULE (\$)
<b>BARGAINING CLASS</b>		
9	Custodian Perimeter Security Officer	32,265.87 - 47,830.38
12	Mail Clerk	36,337.86 - 53,742.00
13	Administrative Specialist Visitor Information Specialist	37,764.09 - 55,809.00
14	Service Worker	39,252.33 - 58,124.04
15	Security Dispatcher	40,885.26 - 60,563.10
16	Accounting Specialist Business Service Specialist Database Marketing Coordinator Distribution Center Specialist Secretary Services Support Technician	42,559.53 - 62,878.14
17	Groundskeeper Security Officer	44,171.79 - 65,275.86
18	Photographer	45,866.73 - 67,962.96
19	Purchasing Assistant	47,830.38 - 70,712.07
20	A/V Technician Accounting Technician Building Engineer Canine Officer Damage Assessment Technician Electrician Exterior Engineer Facility Support Technician Graphics Technician HVAC Technician Mechanic Mechanic/Welder Perimeter Security Supervisor Plumber	49,649.34 - 73,605.87
22	Engineering Assistant Supervisor Fire Prevention Technician Grounds Supervisor Lead Accounting Technician Security Sergeant Services Supervisor	53,742.00 - 79,558.83
25	A/V Supervisor Building Engineer Supervisor Electrician Supervisor Engineering Maintenance Supervisor Exterior Engineering Supervisor Facility Support Supervisor Fire Prevention Coordinator Graphics Supervisor HVAC Supervisor Life Systems Coordinator Mechanic/Welder Supervisor Plumber Supervisor	60,563.10 - 89,542.44

## PERSONNEL ALLOCATION

GRADE	CLASS TITLE	HOURLY SALARY SCHEDULE (\$)
<b>PROFESSIONAL NON-EXEMPT CLASS</b>		
PNE-1	Administrative Secretary Advertising Coordinator Assistant to the Board Payroll Technician Records Management Specialist	19.42 - 29.13
PNE-2	Accounting & Finance Associate Communications Coordinator Digital Marketing Coordinator	21.78 - 32.69
PNE-3	Digital Communications Specialist Senior Systems Technician Telecommunications Specialist	24.38 - 36.59
PNE-4	Canine Supervisor Financial Systems Technician	27.31 - 40.96
PNE-5	Database Marketing Administrator	30.58 - 45.87
GRADE	CLASS TITLE	ANNUAL SALARY SCHEDULE (\$)
<b>PROFESSIONAL CLASS</b>		
P-1	Convention Services Coordinator Customer Experience Specialist News Bureau Assistant Sports Marketing & Special Events Coordinator	40,400.00 - 60,600.00
P-2	Administrative Assistant Administrative Coordinator Digital Engagement Specialist Operations Coordinator People Records Technician Surveillance Investigator	45,300.00 - 68,000.00
P-3	Archivist Communications Specialist Contracts Coordinator Executive Assistant Executive Assistant to the Board Executive Assistant to the CFO Executive Assistant to the CMO Lead Payroll Technician Lead Records Management Technician Legal Assistant People Coordinator People Rewards Administrator Registration Services Supervisor Traffic Field Supervisor Visitor Information Services Supervisor	50,700.00 - 76,100.00
P-4	Administrative Traffic Supervisor Control Center Supervisor Digital Marketing Analyst Financial Analyst Information Technology Coordinator Internal Auditor Lead Accountant Project Analyst Research Analyst	56,800.00 - 85,200.00
P-5	Contracts Administrator Executive Assistant to the CEO Applications Developer Registration Services Senior Supervisor Senior Research Analyst	63,600.00 - 95,400.00
P-6	Network Security Administrator Systems Administration Specialist	71,200.00 - 106,800.00
P-7	Applications Architect	79,800.00 - 119,700.00

# PERSONNEL ALLOCATION

GRADE	CLASS TITLE	ANNUAL SALARY SCHEDULE (\$)
<b>MANAGEMENT</b>		
M-1	Associate Convention Services Manager Community Relations Manager Event Design Manager Materials Management Manager People Partner Services Manager Video Production Manager	60,000.00 - 90,000.00
M-2	Accounting Manager Advertising Manager Air Service Development Manager Communications Manager Convention Services Manager Destination Services Manager Digital Engagement Manager People Information Systems Manager Project Manager Sales Executive Senior Editor Senior Manager of Visuals Specialty Markets Manager Sports Marketing & Special Events Manager Traffic Manager	69,600.00 - 104,400.00
M-3	Database Marketing Manager International Market Executive Senior Manager of Accounting Operations Senior Manager of Convention Services Senior Manager of Engineering Senior Manager of IT Applications Senior Manager of IT Operations Senior Manager of IT Systems Senior Manager of People Rewards Senior Manager of Safety & Fire Prevention Senior Manager of Security Senior Manager of Telecommunications	80,700.00 - 121,100.00
M-4	Director of Air Service Development Director of Communications Director of Customer Experience Director of Engineering Director of Event Design Director of Financial Resources Director of Information Technology Director of Marketing Systems Director of News Bureau Director of Purchasing & Business Services Director of Regional Sales Director of Specialty Market Sales Director of Sports Marketing & Special Events Senior Director of Digital Engagement Senior Director of Industry Relations Senior Manager of Extended Destinations	93,600.00 - 140,400.00
M-5	Controller Director of the Research Center Senior Director of Administration Senior Director of Advertising Senior Director of Business Development Senior Director of Business Sales Senior Director of Client Services Senior Director of Convention Services Senior Director of Engineering Senior Director of Global Development Senior Director of Global Sales Senior Director of Information Technology Senior Director of Leisure Sales Senior Director of People & Possibilities Senior Director of Strategic Initiatives	108,600.00 - 162,900.00

## PERSONNEL ALLOCATION

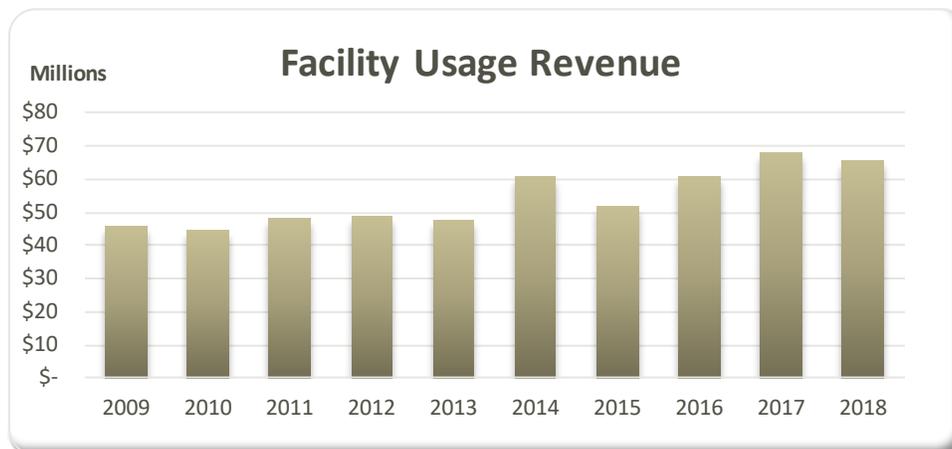
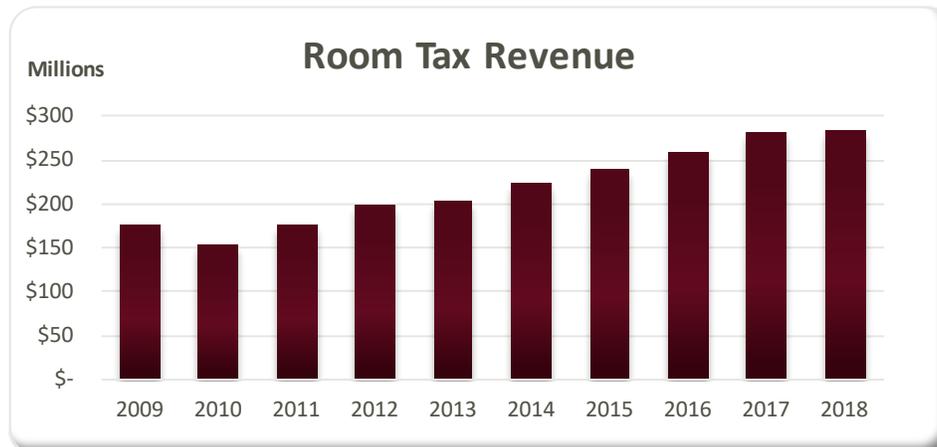
GRADE	CLASS TITLE	ANNUAL SALARY SCHEDULE (\$)
<b>EXECUTIVE (as of 7/1/2018)</b>		
E4	Vice Presidents	137,500.00 - 244,100.00
E3	Chief People Officer, Legal Counsel, Senior Vice President of Communications	171,900.00 - 305,100.00
E2	Chief Financial, Marketing & Operating Officer(s)	212,200.00 - 424,400.00
	Chief Executive Officer/President	Board of Directors Discretion

## STATISTICAL DATA

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

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

Fiscal Year	Total Revenues	Room Taxes	Facility Usage	Gaming Fees	Interest & Other
2009	\$ 225,143,479	\$ 176,726,992	\$ 45,640,631	\$ 2,101,166	\$ 674,689
2010	200,737,367	154,046,265	44,535,733	1,960,431	194,938
2011	226,060,028	175,425,978	48,158,659	1,919,186	556,204
2012	250,820,583	199,592,498	49,168,968	1,813,548	245,569
2013	253,051,353	203,196,429	47,846,895	1,831,589	176,440
2014	285,635,383	222,781,385	60,786,406	1,710,108	357,484
2015	293,207,376	239,318,802	51,968,374	1,726,843	193,357
2016	322,649,558	259,967,636	60,835,569	1,646,281	200,072
2017	351,387,322	281,389,017	68,007,099	1,593,600	397,606
2018	351,404,446	283,540,300	65,829,400	1,581,702	453,044

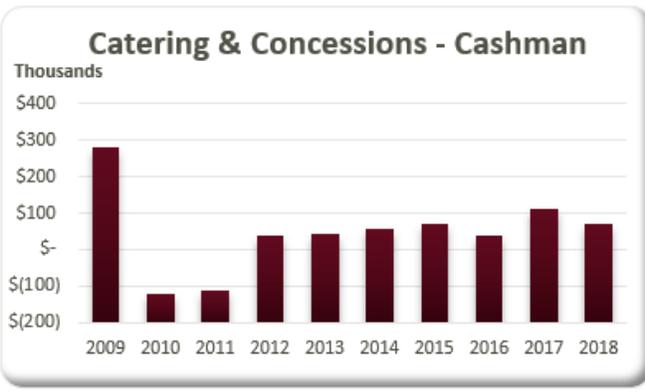
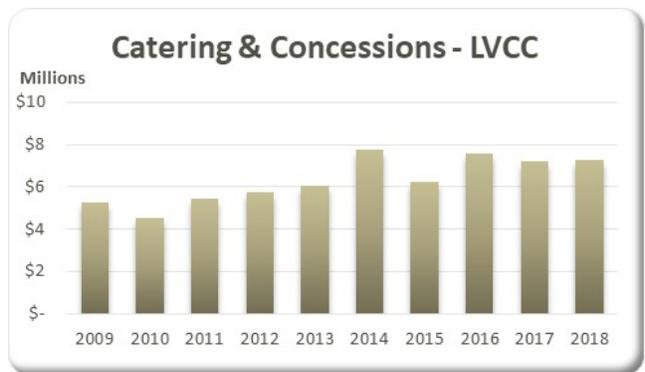
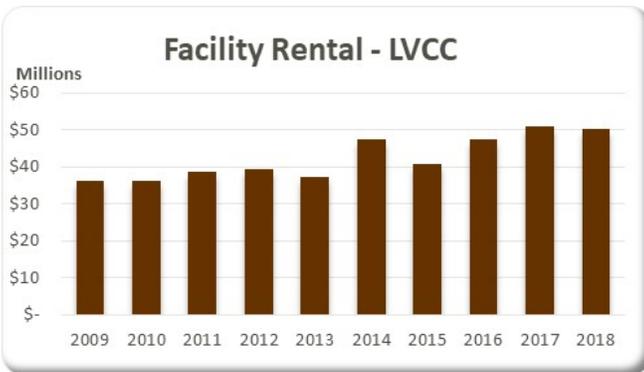


# STATISTICAL DATA

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

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

Fiscal Year	Total Revenues	CONVENTION CENTER				CASHMAN CENTER				
		Facility Rental	Catering & Concessions	Facility Rental	Catering & Concessions	Other Fees & Charges				
2009	\$ 45,640,631	\$ 36,227,413	-16%	\$ 5,247,263	-34%	\$ 1,428,416	-32%	\$ 281,434	95%	\$ 2,456,105
2010	44,535,733	36,002,880	-1%	4,547,121	-13%	1,511,102	6%	(121,721)	-143%	2,596,351
2011	48,158,659	38,688,753	7%	5,468,941	20%	1,597,635	6%	(113,475)	7%	2,516,805
2012	49,168,968	39,256,965	1%	5,747,299	5%	1,716,416	7%	36,267	132%	2,412,021
2013	47,846,895	37,165,086	-5%	6,063,135	5%	1,772,441	3%	42,774	18%	2,803,459
2014	60,786,406	47,388,553	28%	7,748,847	28%	1,734,836	-2%	55,487	30%	3,858,683
2015	51,968,374	40,837,099	-14%	6,257,047	-19%	1,836,856	6%	70,768	28%	2,966,604
2016	60,835,569	47,276,902	16%	7,554,524	21%	2,016,529	10%	36,789	-48%	3,950,825
2017	68,007,099	50,780,815	7%	7,229,597	-4%	1,862,846	-8%	111,503	203%	8,022,338
2018	65,829,400	50,144,249	-1%	7,305,567	1%	1,288,095	-31%	72,001	-35%	7,019,488



## STATISTICAL DATA

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

The schedule below includes only expenditures in the General Fund. It does not include other uses such as transfers for OPEB, Debt Service, or Capital Project Funds. The percentages shown in the column boxes indicate the percent of increase or decrease for that column compared to the preceding year.

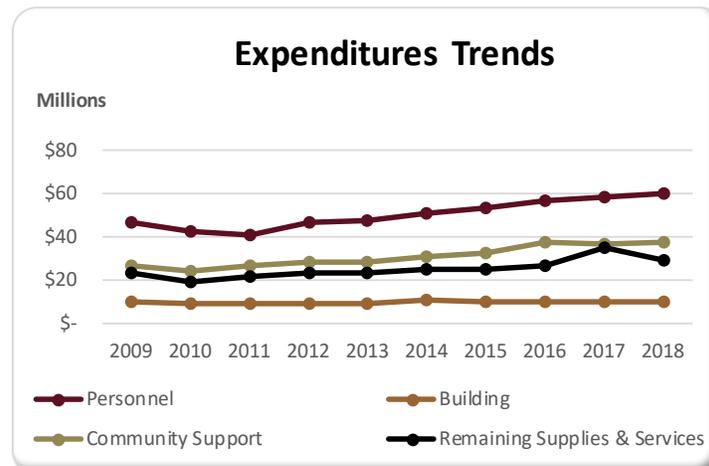
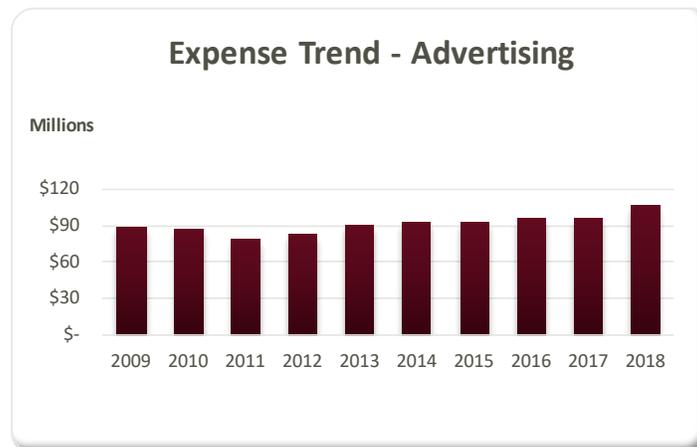
Fiscal Year	Total Expenditures	Personnel <sup>(A)</sup>	Advertising <sup>(B)</sup>	Building <sup>(C)</sup>	Community Support <sup>(D)</sup>	Remaining Supplies & Services
2009	\$ 196,747,731	\$ 46,804,234	\$ 89,342,627	\$ 10,151,104	\$ 26,802,232	\$ 23,647,534
2010	183,028,495	43,202,760	86,924,843	9,413,393	24,088,340	19,399,159
2011	178,389,411	41,324,899	79,423,380	9,041,566	26,842,989	21,756,577
2012	192,381,692	47,003,176	83,539,239	9,471,115	28,854,382	23,513,780
2013	199,569,062	47,428,784	90,466,753	9,467,068	28,736,573	23,469,884
2014	210,907,570	51,085,181	92,470,992	11,181,464	31,020,039	25,149,894
2015	214,520,535	53,261,897	93,148,972	10,108,151	32,870,164	25,131,351
2016	226,938,805	56,961,314	95,012,365	12,717,952	37,826,676	24,420,498
2017	237,018,620	58,828,010	95,905,154	9,990,686	37,196,297	35,098,473
2018	244,019,960	60,235,622	106,726,431	10,208,873	37,551,768	29,297,266

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

(B) Advertising includes only the services and supplies.

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

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

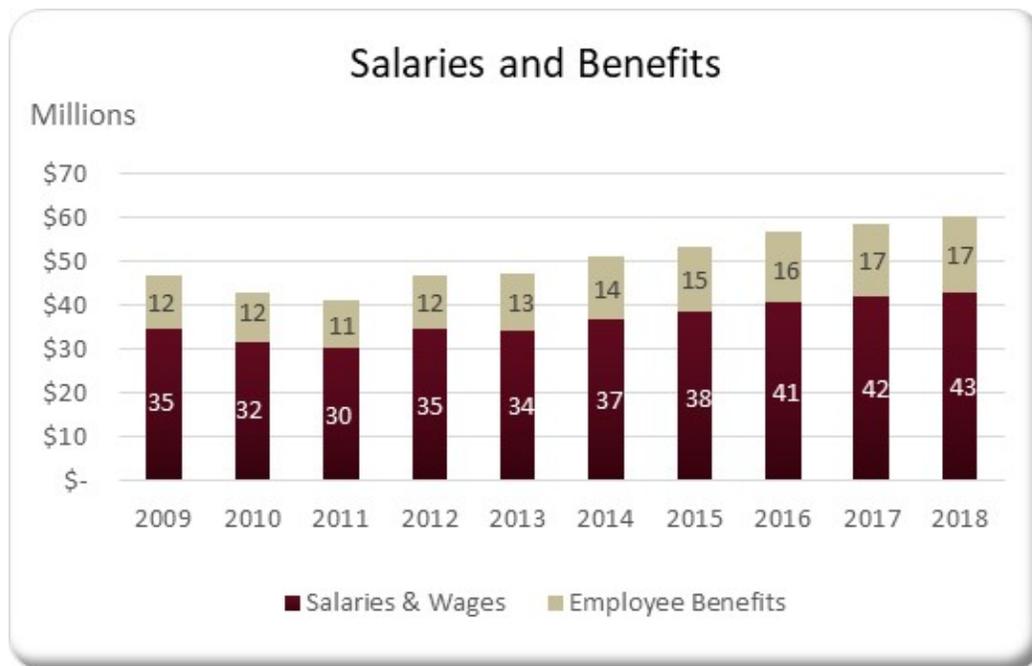


## STATISTICAL DATA

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

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

Fiscal Year	Personnel Expenditures	Salaries & Wages		Employee Benefits		Benefits as a Percent of Salaries
2009	\$ 46,804,234	\$ 34,897,735	-3%	\$ 11,906,499	3%	34%
2010	43,202,760	31,685,192	-9%	11,517,568	-3%	36%
2011	41,324,899	30,243,257	-5%	11,081,642	-4%	37%
2012	47,003,176	34,722,818	15%	12,280,358	11%	35%
2013	47,428,784	34,333,989	-1%	13,094,795	7%	38%
2014	51,085,181	36,890,086	7%	14,195,095	8%	38%
2015	53,261,897	38,466,086	4%	14,795,811	4%	38%
2016	56,961,314	40,972,715	7%	15,988,599	8%	39%
2017	58,828,010	42,128,113	3%	16,699,897	4%	40%
2018	60,235,622	42,924,105	2%	17,311,517	4%	40%



## STATISTICAL DATA

### FACILITY CHARGES AND SERVICES LAST TEN FISCAL YEARS

While many conventions and events are held at resort hotels, the LVCVA has also benefited from activities held at the Las Vegas Convention Center and Cashman Center. Facility charges and services revenue does not include catering/concessions revenues or reimbursed services.

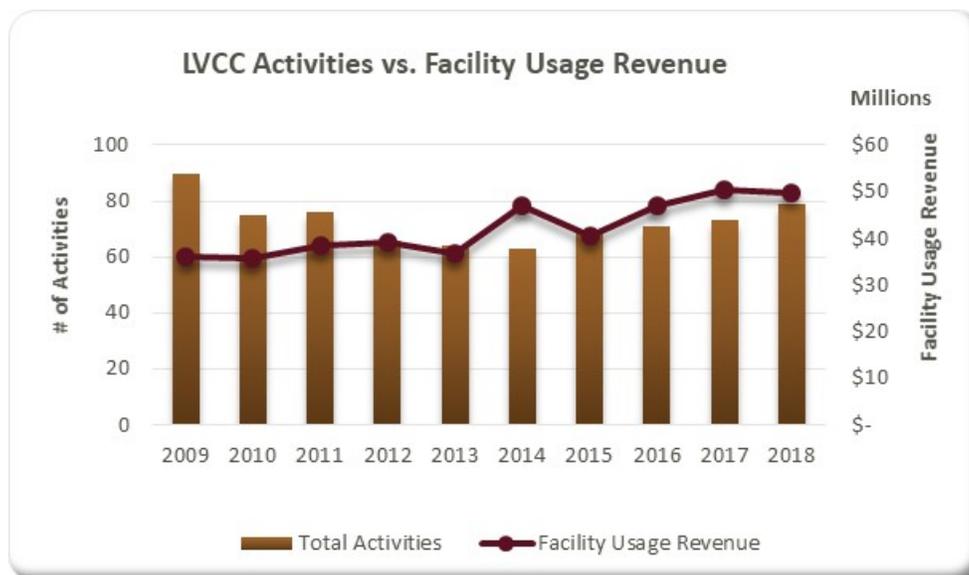
#### LAS VEGAS CONVENTION CENTER - BUILDING UTILIZATION

FISCAL YEAR	CONVENTIONS / TRADESHOWS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITY USAGE REVENUE
2009	68	15	7	90	\$ 35,951,249

In FY 2010, the methodology used in determining the event category was updated to be more specific regarding events other than conventions and tradeshow. Historical data going back one year was adjusted under the new method.

FISCAL YEAR	CONVENTIONS / TRADESHOWS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITY USAGE REVENUE
2010	64	9	2	75	\$ 35,783,911
2011	60	11	5	76	38,483,619
2012	53	10	3	66	39,022,683
2013	47	16	1	64	36,854,055
2014	47	13	3	63	47,067,894
2015	51	16	3	70	40,605,461
2016	51	19	1	71	46,954,668
2017	50	19	4	73	50,282,592
2018	54	23	2	79	49,669,504

Source: Las Vegas Convention and Visitors Authority – Research Center and Finance departments



**STATISTICAL DATA**

**FACILITY CHARGES AND SERVICES  
LAST TEN FISCAL YEARS (continued)**

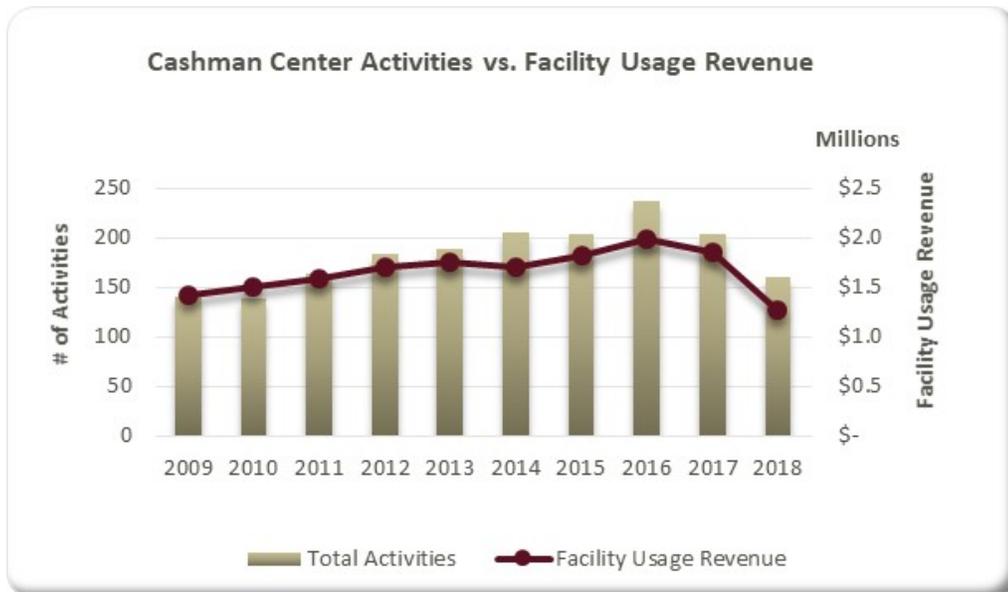
*CASHMAN CENTER - BUILDING UTILIZATION*

FISCAL YEAR	CONVENTIONS / TRADESHOWS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITY USAGE REVENUE
2009	0	102	38	140	\$ 1,412,766

In FY 2010, the methodology used in determining the event category was updated to be more specific regarding events other than conventions and tradeshow. Historical data going back one year was adjusted under the new method.

FISCAL YEAR	CONVENTIONS / TRADESHOWS	PUBLIC INVITED EVENTS	MEETINGS	TOTAL ACTIVITIES	FACILITY USAGE REVENUE
2010	1	100	38	139	\$ 1,497,930
2011	1	127	36	164	1,592,040
2012	1	144	38	183	1,699,204
2013	2	152	35	189	1,760,894
2014	1	169	35	205	1,708,593
2015	1	155	47	203	1,815,341
2016	1	173	62	236	1,989,571
2017	1	154	49	204	1,844,901
2018	0	131	29	160	1,270,436

Source: Las Vegas Convention and Visitors Authority – Research Center and Finance departments



EXCERPT OF RENTAL RATES PER FACILITY

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

LAS VEGAS CONVENTION CENTER

CONVENTION/TRADE SHOW AND PUBLIC EVENTS

When used for commercial exhibits, the cost per individual exhibit hall is either the minimum daily rate or \$0.35 per net square foot (effective for leases executed after July 1, 2018), whichever is greater. Exhibit halls used for catered food functions or general sessions only, are at no charge. The total number of move-in/move-out days equal to one (1) times the number of show days, are also at no charge. Additional move-in/move-out days are at 50% of the charged rate per day.

When exhibit halls are used for commercial exhibits and meeting rooms are used for association's use, meeting rooms will be provided in the amount of 10 complimentary meeting rooms per 100,000 square feet of exhibit space used in the North and Central Halls. Meeting rooms in the South Halls are assigned. Additional rooms will be charged the minimum daily room rate (ranges from \$150 to \$1,650). This includes a one-time set-up per day – i.e. lights, heat, air, custodial services, and sound services. Change-overs and revised room set-ups will be charged the daily room rate. Meeting rooms used as exhibits are charged double the daily rate. If meeting rooms are sublet, they will be charged the minimum daily rate or 15% of their sublease rate, whichever is greater. Rental of meeting rooms only are charged at the daily rate. In April 2015, the Board approved incremental rate increases over the next three fiscal years. The last of these increases was implemented in FY 2019. Please see pages 31-32 for more details.

CASHMAN CENTER

On June 1, 2017, the LVCVA transferred the Cashman Center property and land to the City of Las Vegas. The transfer agreement is joined to a management agreement, where the LVCVA continued to operate the meeting and exhibit hall facilities at Cashman Center until the end of December 2017. The building was handed over to the City in May 2019.

Starting in FY 2020, the LVCVA neither owns or operates Cashman Center and, therefore, has not budgeted revenues or expenses.

## STATISTICAL DATA

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

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

Per the Census Bureau, Clark County is the most populous county in the state of Nevada. The population in FY 2018 grew 2.6% compared to FY 2017.

The cities of Las Vegas, North Las Vegas, and Henderson have a total population of 1,203,058, which makes up 53% of the total Clark County population of 2,251,175. Labor force at 2018 stands at 1,097,668, a modest increase compared to 2017. Unemployment rate at 2018 is 4.7%, which has continued to decline since 2010.

Entity	Incorporation Date	2018 Population	Square Miles (approx.) *
Clark County	1909	1,009,673	7,441
Las Vegas	1911	644,113	134
N. Las Vegas	1946	248,701	100
Henderson	1953	310,244	105
Boulder City	1958	15,887	208
Mesquite	1984	22,557	32

Source: population estimates - Nevada State Demographer, square miles from the Clark County.

Further statistics that reflect the local economy are shown below.

AS OF JUNE 30	POPULATION (A)	LABOR FORCE (B)	UNEMPLOYMENT RATE (B)
2009	1,952,040	969,122	11.8%
2010	1,968,831	986,342	13.8%
2011	1,967,722	995,209	13.4%
2012	1,988,195	1,000,478	11.4%
2013	2,031,723	1,006,961	10.0%
2014	2,069,450	1,018,348	8.2%
2015	2,118,353	1,039,461	7.1%
2016	2,166,181	1,049,598	6.1%
2017	2,193,818	1,069,843	5.5%
2018	2,251,175	1,097,668	4.7%

Sources:

(A) Population from the Nevada State Demographer.

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

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

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



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

AS OF DEC 31,	MEDIAN HOUSEHOLD INCOME *	MEDIAN AGE * (C)	CCSD SCHOOL ENROLLMENT *
2009	58,148	35.3	309,476
2010	58,432	35.4	309,893
2011	54,255	34.5	308,373
2012	50,962	36.2	311,238
2013	50,454	36.4	314,643
2014	50,274	36.8	318,040
2015	52,865	37.2	319,713
2016	54,307	37.5	320,559
2017	55,034	37.7	321,648
2018	n/a	n/a	n/a

\* Note: CY2018 Median Household Income, Median Age, and CCSD School Enrollment are not available at the time of printing.

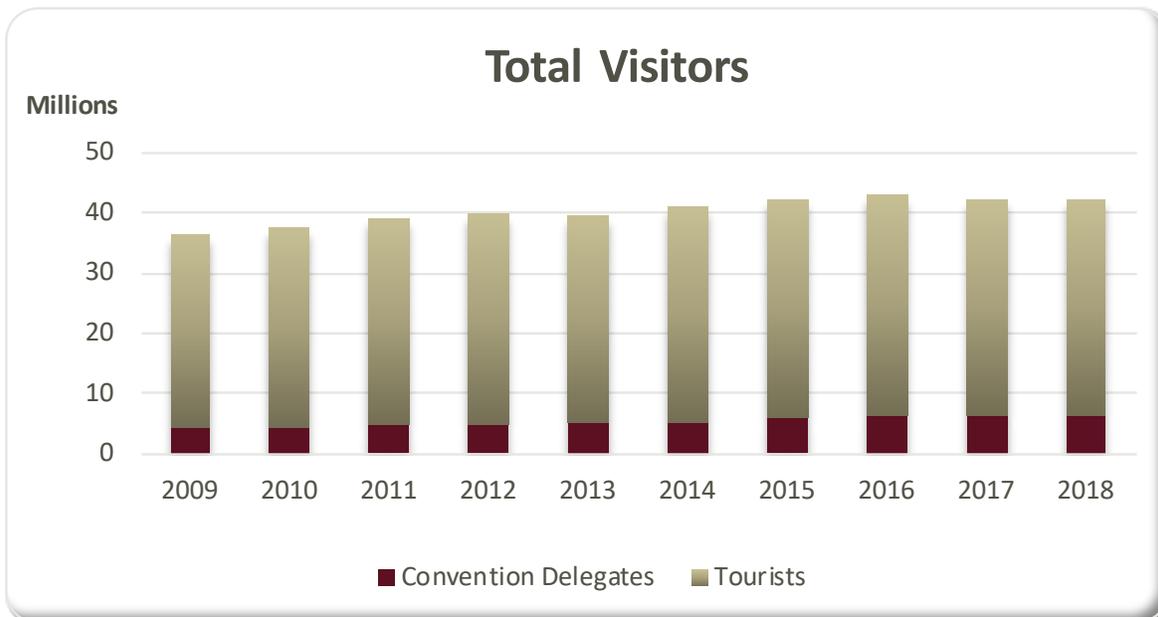
## STATISTICAL DATA

### VISITOR ANALYSIS LAST TEN CALENDAR YEARS

In its role of promoting Las Vegas as a travel destination, the LVCVA contributes to the growth of the entire local economy. The Las Vegas economy is heavily dependent on the tourism industry. In 2018, the total number of visitors to Las Vegas was 42.1 million, a slight decline compared to 2017.

CALENDAR YEAR	CONVENTION ATTENDANCE	% OF TOTAL VISITORS	TOURISTS	% OF TOTAL VISITORS	TOTAL VISITORS	INCREASE / (DECREASE)
2009	4,492,275	12%	31,859,194	88%	36,351,469	-3%
2010	4,473,134	12%	32,862,302	88%	37,335,436	3%
2011	4,865,272	12%	34,063,436	88%	38,928,708	4%
2012	4,944,014	12%	34,783,008	88%	39,727,022	2%
2013	5,107,416	13%	34,560,805	87%	39,668,221	0%
2014	5,169,054	13%	35,957,458	87%	41,126,512	4%
2015	5,891,151	14%	36,421,065	86%	42,312,216	3%
2016	6,310,616	15%	36,625,484	85%	42,936,100	1%
2017	6,646,200	16%	35,568,000	84%	42,214,200	-2%
2018	6,501,800	15%	35,615,000	85%	42,116,800	0%

Source: Las Vegas Convention and Visitors Authority - Research Center department



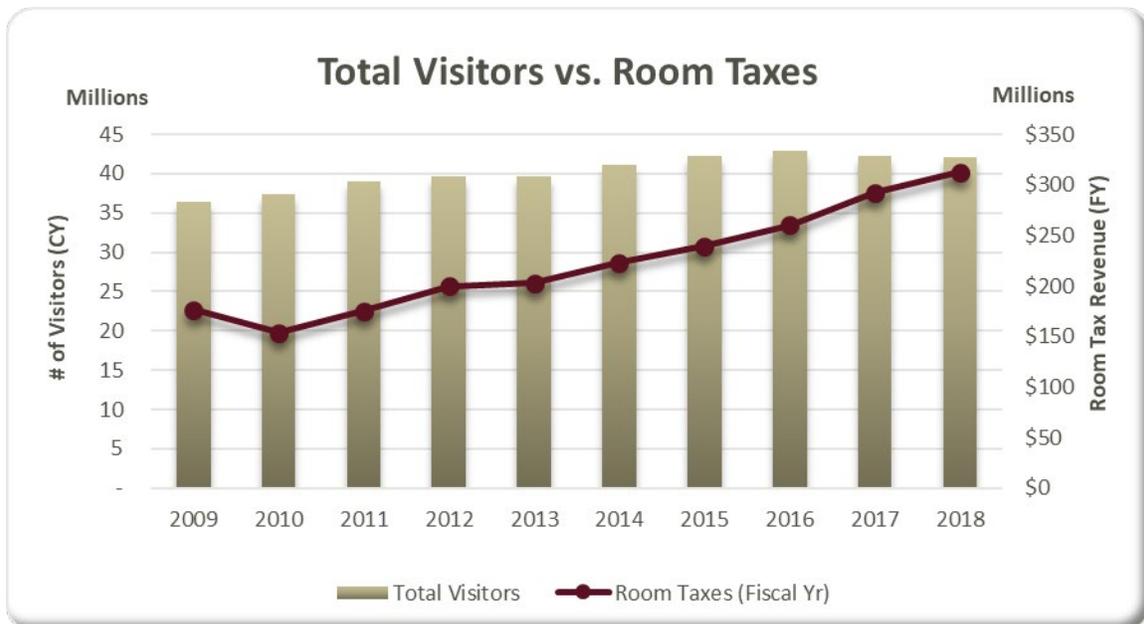
## STATISTICAL DATA

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

Strong visitor levels produce beneficial secondary effects in other industries as well, since visitors purchase a significant amount of goods and services while they visit the area. Indicators of the economic impact include total gaming revenues in Clark County and room taxes collected on behalf of the LVCVA. In FY 2018, the LVCVA collected a total \$283.5 million in room tax revenue and \$29.2 million in room tax - SB1 revenue housed in the LVCCD Capital Fund. In 2018 gaming revenues total \$10.2 billion, a 3% increase from 2017.

CALENDAR YEAR	TOTAL VISITORS	INCREASE / (DECREASE)	GAMING REVENUES (000)	INCREASE / (DECREASE)	ROOM TAXES (Fiscal Year)	INCREASE / (DECREASE)
2009	36,351,469	-3%	8,838,261	-10%	176,726,992	-20%
2010	37,335,436	3%	8,908,574	1%	154,046,265	-13%
2011	38,928,708	4%	9,222,677	4%	175,425,978	14%
2012	39,727,022	2%	9,399,845	2%	199,592,498	14%
2013	39,668,221	0%	9,674,404	3%	203,196,429	2%
2014	41,126,512	4%	9,553,864	-1%	222,781,385	10%
2015	42,312,216	3%	9,617,671	1%	239,318,802	7%
2016	42,936,100	1%	9,713,930	1%	259,967,636	9%
2017	42,214,200	-2%	9,978,503	3%	281,389,017	8%
2018	42,116,800	0%	10,249,964	3%	283,540,300	1%

Source: Las Vegas Convention and Visitors Authority - Research Center and Nevada State Gaming Control Board



## STATISTICAL DATA

### VISITOR DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

The Las Vegas Convention and Visitors Authority conducts and compiles various research information on visitors to gain a better understanding of the composition of the Clark County visitor and to tailor advertising campaigns. In 2018, the median age is 45.1, with 43% of visitors between the ages of 21 to 39, 33% between 40 and 59, and 24% over 60. Most visitors are married and employed. Further statistics regarding visitors to Las Vegas are shown below:

AS OF DECEMBER 31,	GENDER		AVERAGE	MARITAL STATUS			JOB CATEGORIES		
	Male	Female	AGE	Married	Single	Other*	Employed	Retired	Other**
2009	50%	50%	50.0	78%	15%	7%	65%	28%	7%
2010	50%	50%	49.2	79%	14%	7%	66%	27%	7%
2011	51%	49%	49.0	77%	15%	8%	66%	25%	9%
2012	51%	49%	44.8	75%	18%	7%	69%	19%	12%
2013	50%	50%	45.8	79%	15%	6%	67%	20%	13%
2014	49%	51%	45.2	80%	14%	6%	64%	20%	16%
2015	51%	49%	47.7	79%	14%	7%	67%	24%	9%
2016	50%	50%	44.0	70%	22%	8%	71%	17%	12%
2017	50%	50%	44.3	74%	18%	8%	72%	17%	11%
2018	50%	50%	45.1	79%	16%	5%	68%	22%	10%

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

\*Marital Status - Other includes separated, divorced, or widowed. Numbers may not foot due to rounding.

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

AS OF DECEMBER 31,	Foreign	UNITED STATES OF AMERICA			
		Eastern States	Southern States	Midwestern States	Western States
2009	14%	7%	11%	12%	55%
2010	18%	6%	11%	12%	54%
2011	16%	6%	12%	11%	55%
2012	17%	7%	11%	11%	54%
2013	20%	6%	12%	10%	52%
2014	19%	7%	12%	9%	53%
2015	16%	7%	13%	11%	53%
2016	19%	7%	15%	10%	49%
2017	16%	7%	15%	9%	52%
2018	20%	7%	16%	10%	47%

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

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

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

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

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

**STATISTICAL DATA****PRINCIPAL ROOM TAX PAYERS  
DECEMBER 31, 2018**

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

Number of Rooms at December 31, 2018	
MGM Grand	4,968
Luxor	4,400
Venetian	4,027
Aria	4,004
Excalibur	3,981
Bellagio	3,933
Caesars Palace	3,794
Circus Circus	3,763
Flamingo Las Vegas	3,460
Mandalay Bay	<u>3,211</u>
Total Top 10 Hotels	39,541
Total Jean/Primm	3,035
Other hotels/motels	<u>106,582</u>
Total Las Vegas metropolitan area	149,158
Total Laughlin	9,759
Total Mesquite	<u>1,885</u>
<b>Total Inventory of Rooms</b>	<b><u>160,802</u></b>

Source: Las Vegas Convention and Visitors Authority - Research Center department

Note: Other hotels/motels do not include timeshare properties.

## STATISTICAL DATA

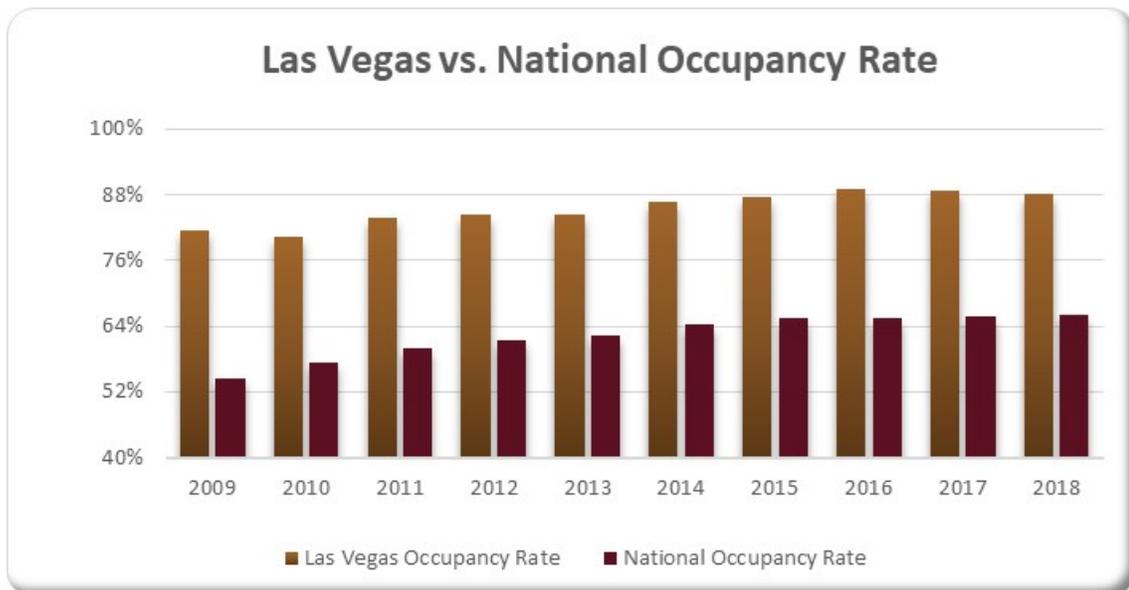
### OCCUPANCY RATE LAST TEN CALENDAR YEARS

Despite the increasing availability of rooms over the last decade, the occupancy rate for Las Vegas continues to grow, exceeding the national average by 22 points for calendar year 2018.

Calendar Year	Total Visitor Volume	Rooms Inventory*	Occupancy Percentage	Average Rooms Occupied Daily	Average Daily Rate	National Occupancy Percentage
2009	36,351,469	148,941	81.5%	121,387	\$ 93.06	54.5%
2010	37,335,436	148,935	80.4%	119,744	94.91	57.5%
2011	38,928,708	150,161	83.8%	125,835	105.11	59.9%
2012	39,727,022	150,481	84.4%	127,006	108.08	61.3%
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%

Source: Las Vegas Convention and Visitors Authority- Research Center department

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



**STATISTICAL DATA**

**ROOM TAX RATE DISTRIBUTION BY JURISDICTION  
AS OF JUNE 30, 2019**

	CLARK COUNTY			LAS VEGAS	
	Resort Hotels	Others	Others	Resort Hotels	Others
		Within 35 miles <sup>1</sup>	Outside 35 miles <sup>1</sup>		
<u>Distributed to:</u>					
State of Nevada <sup>2</sup>	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8
Clark County School District Collecting Jurisdiction	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8
County Transportation <sup>3</sup>	1	2	2	1	2
LVCVA	1	1	1	1	1
LVCVA - LVCCD Dedicated	5	4	2	5	4
Stadium Authority <sup>4</sup>	1/2	1/2	1/2	1/2	1/2
	7/8	1/2	-	1/2	1/2
<b>Total Room Tax Rate</b>	<b>13 3/8</b>	<b>13</b>	<b>10 1/2</b>	<b>13</b>	<b>13</b>

	NORTH LAS VEGAS		HENDERSON		BOULDER CITY		MESQUITE
	Resort Hotels	Others	Resort Hotels	Others	Resort Hotels	Others	All
<u>Distributed to:</u>							
State of Nevada <sup>2</sup>	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8	3 3/8
Clark County School District Collecting Jurisdiction	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8	1 5/8
County Transportation <sup>3</sup>	1	2	2	2	-	-	2
LVCVA	1	1	1	1	1	1	1
LVCVA - LVCCD Dedicated	5	4	5	4	6	4	4
Stadium Authority <sup>4</sup>	1/2	1/2	1/2	1/2	1/2	1/2	1/2
	1/2	1/2	1/2	1/2	1/2	1/2	-
<b>Total Room Tax Rate</b>	<b>13</b>	<b>13</b>	<b>14</b>	<b>13</b>	<b>13</b>	<b>11</b>	<b>12 1/2</b>

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

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

<sup>2</sup> A portion of proceeds are allocated to NV Commission on Tourism. This applies only to counties whose population exceeds 300,000. (i.e. Clark and Washoe Counties only). The monies generated by this additional room tax are to fund education and other state programs.

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

<sup>4</sup> Stadium Authority established in 2016 receives 0.5% room tax from lodging establishments within a 25-mile radius of the stadium district and 0.88% for properties located in the primary gaming corridor. The primary gaming corridor can be found on the Clark County Business license website at [www.clarkcountynv.gov/business-license/pages/default.aspx](http://www.clarkcountynv.gov/business-license/pages/default.aspx)

**RESORT HOTEL DEFINITIONS BY JURISDICTION**

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

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

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

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

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

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

## **GLOSSARY**

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

### ***Accounting System***

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

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

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

### ***Activity***

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

### ***Appropriation***

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

### ***Augmentation***

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

### ***Balanced Budget***

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

### ***Bond***

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

### ***Budget***

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

### ***Budget Document***

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

### ***Budget Message***

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

### ***Budgetary Control***

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

### ***Build America Bonds (BABs)***

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

## **GLOSSARY**

### **CAFR**

An abbreviation for Comprehensive Annual Financial Report.

### **Capital Asset**

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

### **Capital Budget**

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

### **Capital Expenditure (aka Capital Outlay)**

A purchase or improvement of a capital asset (i.e. land, buildings, furniture) with a cost of \$10,000 or more and a useful life of at least one year.

### **Capital Improvement Plan**

A financial planning and management tool that lists proposed capital projects and capital acquisitions for a rolling five-year period.

### **Capital Projects Fund**

A fund used to account for financial resources to be used for the acquisition or construction of capital assets.

### **Capitalization Threshold**

The level of cost at which an asset becomes subject to control and reporting as a capital asset.

### **Cash Basis Accounting**

A system of accounting in which transactions are recorded, and revenues and expenses are recognized, only when cash is received or paid.

### **CC**

An abbreviation for Cashman Center.

### **CIP**

An abbreviation for capital improvement plan.

### **Client**

Person or organization able to bring tourism or convention/meeting business to Las Vegas.

### **Commercial Paper**

A short-term negotiable paper arising from business transactions.

### **Debt Service Fund**

A fund established to accumulate resources for the payment of principal and interest on debt.

### **Debt Service Requirements**

The amount of resources that must be provided so that all principal and interest payments can be made in full and on schedule.

### **Defeased**

Retirement of debt of a state or local governmental unit in an indirect manner.

## **GLOSSARY**

### ***Department***

A grouping in the organizational structure of related sections or units.

### ***Depreciation***

The process of allocating the cost of tangible property over a period representing the asset's useful life, rather than expensing the entire cost in one year. Generally, at the end of an asset's useful life, the net value of the asset (original cost less accumulated depreciation) will equal the salvage value of the asset.

### ***Division***

A major grouping in the organizational structure of related activities within a functional area.

### ***EAC***

An abbreviation for Exhibitor Appointed Contractor.

### ***Employee Benefits***

A budget category that is comprised of retirement, insurance, unemployment, Medicare, and educational assistance expenses.

### ***Encumbrance***

The legal commitment of appropriated funds to purchase an item or service. To encumber means to set aside or commit funds for a future expenditure.

### ***Expenditure***

The amount of cash paid or to be paid for a service rendered, goods received, or an asset purchased.

### ***Fiscal Year (FY)***

A consecutive twelve-month period signifying the beginning and ending period for recording financial transactions. The LVCVA has designated July 1 to June 30 as its fiscal year.

### ***FYE***

An abbreviation for fiscal year ending.

### ***Function***

Financial and budgeting classification of a group of related activities aimed at accomplishing a broad goal or a major service. In the LVCVA's organizational chart, functions generally relate to divisions.

### ***Fund***

A separate self-balancing accounting entity. Resources are allocated to and accounted for in a fund based on the purposes of expenditures and the means of controlling them.

### ***Fund Balance***

The excess of assets and deferred outflows over liabilities and deferred inflows in a fund.

### ***GAAP (Generally Accepted Accounting Principles)***

A body of accounting and financial reporting standards set by the Governmental Accounting Standards Board (GASB) for state and local governments and by the Financial Accounting Standards Board (FASB) for private sector organizations.

### ***Gaming Fee***

A quarterly license fee imposed on operators of games based on the number of table games and slot machines in operation.

## **GLOSSARY**

### ***General Fund***

The general fund accounts for all the financial resources not specifically accounted for in another fund.

### ***General Obligation (G.O.) Bonds***

G.O. bonds have the full faith and credit of the LVCVA pledged to the repayment of the bonds. They are primarily secured by ad valorem taxes and are additionally secured by net pledged revenues of the LVCVA, represented basically by room taxes. The LVCVA has never resorted to the use of property taxes for debt service, using only net pledged revenues derived from operations. In fact, no ad valorem property tax revenues are allocated to the LVCVA for any purpose.

### ***GFOA***

An abbreviation for Government Finance Officers Association.

### ***Goal***

A statement of broad direction, purpose, or intent.

### ***Governmental Fund Type***

A fund used to account for general governmental activities. Includes the general fund, capital projects funds, and debt service funds.

### ***Grant***

A contribution or gift to be used or expended for a specified purpose or activity.

### ***Inventory***

The process of verifying physical fixed assets with records of capital assets.

### ***LGBT***

Abbreviation for Lesbian, Gay, Bisexual, and Transgender.

### ***LVCC***

Abbreviation for Las Vegas Convention Center.

### ***LVCCD Capital Fund***

Abbreviation for Las Vegas Convention Center District Capital Fund. A restricted fund established to account for all project revenues, including those received from SB1 legislation, as well as all related expenditures.

### ***LVCCD Debt Service Fund***

Abbreviation for Las Vegas Convention Center District Debt Fund. A restricted fund established to account for all debt issuances related to the LVCCD project.

### ***Line item Budget***

A budget that lists each expenditure category (salary, telephone, travel, etc.) separately, along with a dollar amount budgeted for each specific account.

### ***Line of Credit***

An arrangement between a financial institution, usually a bank, and a customer that establishes a maximum loan balance that the bank will permit the borrower to maintain. The borrower can draw down on the line of credit at any time, if the borrower does not exceed the maximum set in the agreement.

### ***Long-term Debt***

Debt with a maturity of more than one year after a fiscal year end.

## **GLOSSARY**

### ***Modified Accrual Accounting***

A basis of accounting. Revenues are recognized, and any related receivable is recorded, when they become both measurable and available. Expenditures are recognized when the liability is incurred, except for unmatured principal and interest on long-term debt, which is recognized when due.

### ***NAC***

An abbreviation for Nevada Administrative Code.

### ***NASCAR***

An abbreviation for National Association for Stock Car Auto Racing.

### ***NDOT***

An abbreviation for Nevada Department of Transportation.

### ***NRS***

An abbreviation for Nevada Revised Statutes.

### ***Objective***

A statement of specific direction, purpose, or intent based on the goals established for a function.

### ***OPEB Fund***

A restricted fund used to accumulate reserves for future other post-employment benefit costs.

### ***Operating Budget***

The portion of the budget that pertains to daily operations. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and entertainment.

### ***Organizational Unit***

Financial and budgeting classification for a responsibility unit within a government. Organizational units, which relate to sections in the structure of the LVCVA are the basic unit of the operating budget.

### ***Original Cost***

The invoice amount paid to the supplier of an item plus any other costs incurred to make the item capable of being used. Original cost includes shipping and installation.

### ***Other Post-Employment Benefits (OPEB)***

Post-employment benefits generally take the form of healthcare benefits provided to eligible retirees, including, in some cases, their beneficiaries. Las Vegas Convention and Visitors Authority (LVCVA) retirees may participate in the employee health insurance programs, which results in an implicit rate impact that affects the plan premiums.

### ***PERS***

An abbreviation for Public Employees Retirement System.

### ***PR***

An abbreviation for public relations.

### ***Purchase Order***

A document authorizing the purchase of goods and services.

## **GLOSSARY**

### ***Resources***

Total dollars available for appropriations, including estimated revenues, fund transfer in, and beginning fund balances.

### ***Revenue Bonds***

Bonds that pledge a specific dedicated LVCVA revenue source for their repayment.

### ***Revenues***

Resource increases from the sale of services or goods derived primarily from normal operations.

### ***Room Tax***

A tax levied on hotels, motels and other lodging establishments throughout Clark County and the incorporated cities.

### ***Salaries and Wages***

A budget category comprised of all full-time and temporary employee salaries including overtime and retirement payouts.

### ***Salvage Value***

The estimated amount for which the asset could be sold at the end of its useful life.

### ***Services and Supplies***

A budget category that includes those goods and services that are consumed and purchased on a regular basis (i.e. office supplies, utilities, repair & maintenance, and travel & entertainment).

### ***SMERF***

An abbreviation for Social, Military, Education, Religious, and Fraternal markets.

### ***Social Media***

Software tools that allow users to generate content, engage in conversations, and exchange content.

### ***Tangible***

An item capable of being touched.

### ***Transfer***

Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

### ***Useful Life***

The number of months or years that an asset is estimated to be used for the purpose for which it was purchased.

### ***Vertical***

Business niches where vendors serve a specific audience and their set of needs. Vertical markets are increasingly being served via ecommerce businesses because of the minimal overhead and ability to reach a worldwide audience.



Las Vegas Convention and Visitors Authority  
3150 Paradise Road, Las Vegas, Nevada, 89109-9096  
702-892-0711 | LVCVA.com