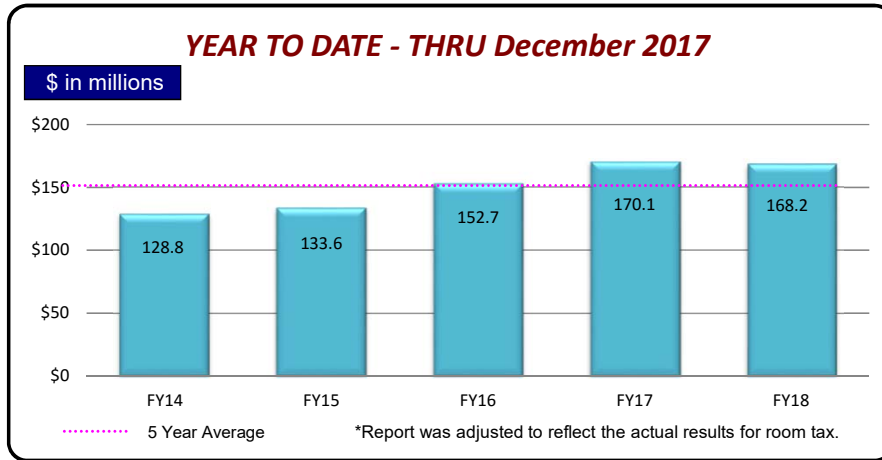




BUDGET AND STATISTICAL REPORT

December 2017

GENERAL FUND OPERATING REVENUES: YEAR TO DATE COMPARISONS



OPERATING REVENUES INCLUDE:

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

FINANCIAL HIGHLIGHTS:

- ✓ Year-to-date General Fund total operating revenues are 1.1% lower than last year.
- ✓ Year-to-date room tax earnings are up 1.5% over last year. (Pg. 3)
- ✓ Year-to-date Average Daily Rate (ADR) of \$116.02 is up 3.7% over last year. (Pg. 4)
- ✓ Year-to-date Occupancy Rate (OR) of 87.7% is down an average of 1.8% over last year. (Pg. 5)
- ✓ Year-to-date Average Rooms Occupied Daily (AROD) is 140,614 down 2.2% over last year. (Pg. 5)

FINANCE COMMENTS:

This report reflects operating results for the first six months of FY 2018 and a summary of the second fiscal-quarter investment activities. General Fund Room tax revenues year-to-date reflected a 1.5% increase over the prior year which is below the budgeted annual growth of 4.7%. Management will continue to monitor revenue trends in the following months to determine if economic conditions are likely to result in a need to formally reduce revenue budgets. In the interim, staff has begun to identify cost saving strategies to help offset potential reduced revenues. Key components of this revenue stream are room inventory, ADR and Occupancy Rates. Expenditures for operating accounts remain within budgetary expectations and transfers to other funds for debt service, capital projects and Other Post-Employment Benefits have been recorded as scheduled. Management will continue to monitor all revenue and expenditure accounts to ensure operating results remain aligned with budget authorizations.

The FY 2018 General Fund budget was augmented at the November 14, 2017 Board of Director's meeting. The augmentation was based on a higher than projected beginning fund balance for the fiscal year. General Fund expenditure and use budget was augmented by \$13.7 million and funds were made available through augmentation to supplement marketing accounts, increase transfers to the Capital Fund (reserve), and LVCCD fund.

The investment report reflects compliance with policy requirements including maturities and diversification. Due to volatility in the six month T-Bill interest rate, increasing from 1.13% in July to 1.53% in December, yields are not within the guidelines of the LVCVA investment policy of being within 50 basis points for November and December 2017. Rates were missed by 7 and 15 basis points. It is likely that if short-term interest rates continue to be volatile this guideline will not be achieved until a construction draw-down schedule can be solidified and other investment strategies can be utilized to increase short-term yields while maintaining security and sufficient liquidity.

**Statement of Sources & Uses of Funds
For the Period Ending December 31, 2017 ^(a)**

	YTD Actual	Annual Budget	% of Budget	Budget Remaining
SOURCES OF FUNDS				
Beginning Fund Balance	\$ 55,804,838	\$ 55,804,838	-	\$ -
Room Tax ^(b)	141,900,170	294,500,000	48%	(152,599,830)
Charges for Services - LVCC	22,437,018	53,241,000	42%	(30,803,982)
Other Sources ^{(b)(c)}	3,943,819	7,228,400	55%	(3,284,581)
<i>Total Sources</i>	\$ 224,085,845	\$ 410,774,238	47% ^(e)	\$ (186,688,393)
USES OF FUNDS				
General Government	\$ 9,396,765	\$ 24,128,900	39%	\$ 14,732,135
Advertising	37,853,135	104,875,000	36%	67,021,865
Marketing & Special Events	27,908,188	57,290,600	49%	29,382,412
Operations	18,926,354	43,131,300	44%	24,204,946
Collection Allocation ^(b)	14,263,451	25,000,000	57%	10,736,549
Other ^(d)	-	500,000	0%	500,000
Transfers to Other Funds	71,779,007	125,792,477	57%	54,013,470
Ending Fund Balance	43,958,945	30,055,961	-	(13,902,984)
<i>Total Uses</i>	\$ 224,085,845	\$ 410,774,238	47% ^(e)	\$ 186,688,393

^(a) Using the modified accrual basis of accounting.

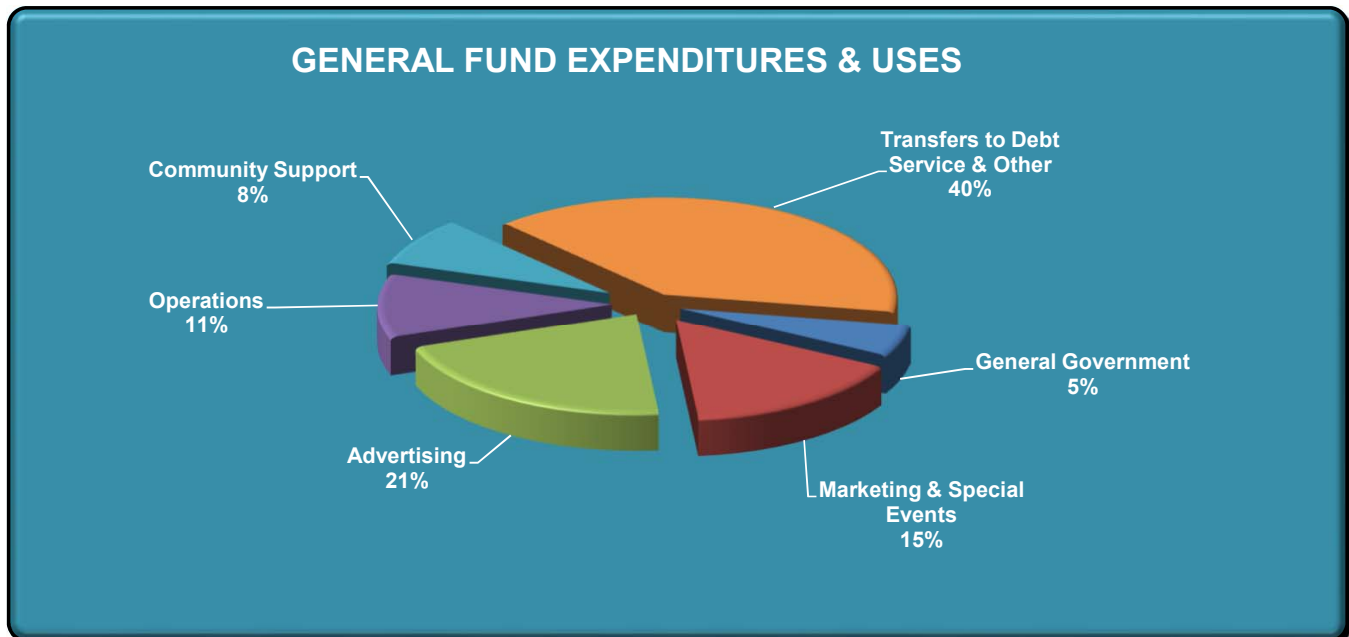
^(b) Report has been adjusted from the general ledger at December 31, 2017 to reflect actual room tax and gaming fee results, while the general ledger reports estimates for the quarter.

^(c) Other Sources includes gaming fees, Cashman Center facility charges, other charges & fees, interest earnings and transfer from reserves.

^(d) Other includes reserve for contingency.

^(e) % of Budget for Total Sources and Total Uses represents revenues and expenditures only, excluding beginning and ending fund balance.

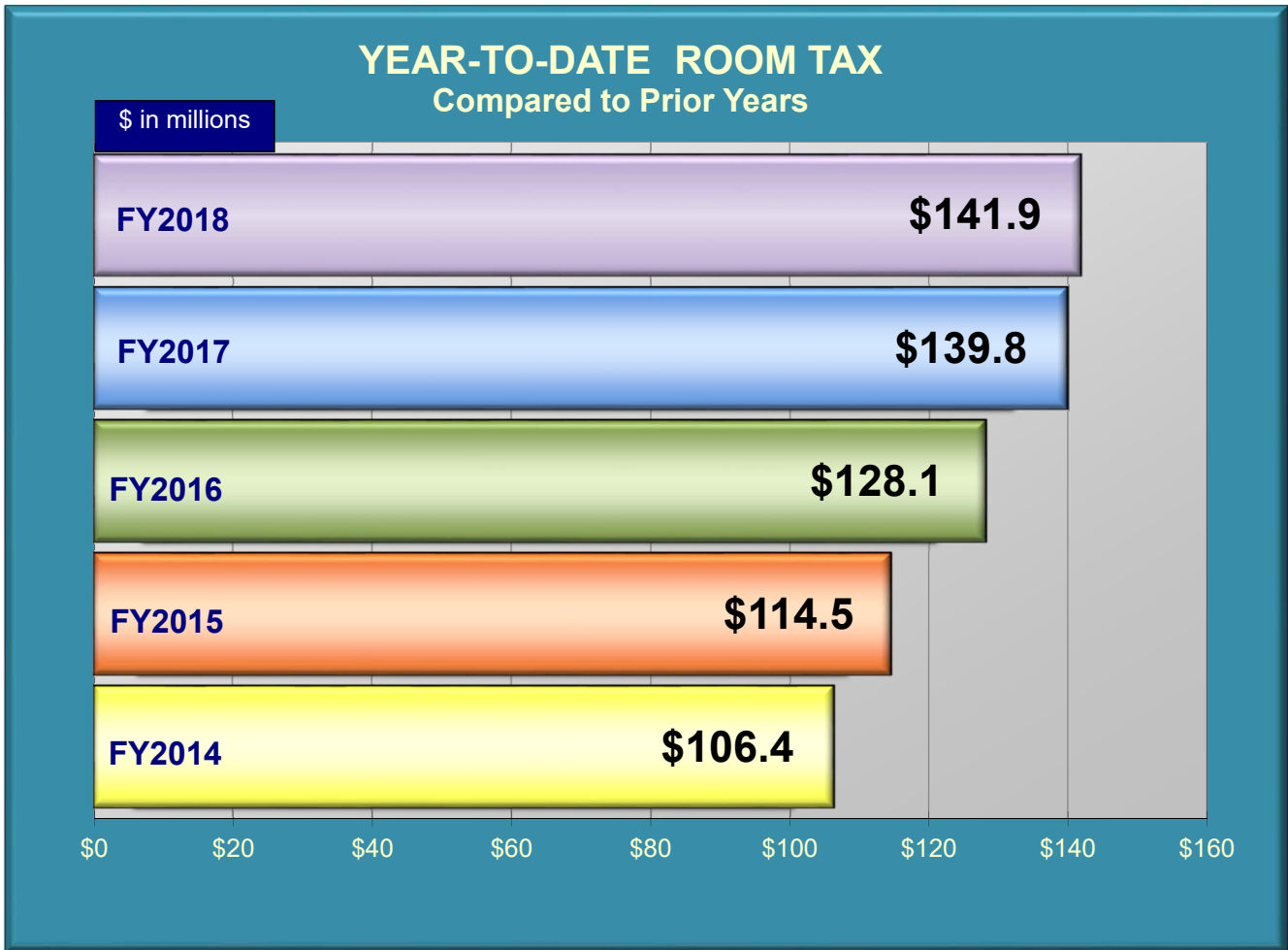
YEAR-TO-DATE GENERAL FUND EXPENDITURES & USES



ROOM TAX: FY 2017 ACTUAL TO FY 2018 ACTUAL

Month				Variation			
Activity	Received	FY 2017	FY 2018	Month	YTD	% Month	% YTD
Jun	Aug	\$ 22,767,407	\$ 22,789,884	\$ 22,477	\$ 22,477	0.1%	0.1%
Jul	Sep	23,040,388	24,985,840	\$ 1,945,452	\$ 1,967,929	8.4%	4.3%
Aug	Oct	21,427,409	21,707,237	\$ 279,828	\$ 2,247,757	1.3%	3.3%
Sep	Nov	24,951,421	25,343,827	\$ 392,406	\$ 2,640,163	1.6%	2.9%
Oct	Dec	26,236,041	26,439,073	\$ 203,032	\$ 2,843,195	0.8%	2.4%
Nov	Jan	21,409,310	20,634,309	\$ (775,001)	\$ 2,068,194	-3.6%	1.5%
Dec	Feb	17,942,765					
Jan	Mar	27,042,713					
Feb	Apr	19,261,212					
Mar	May	29,237,193					
Apr	Jun	24,061,252					
May	Jul	24,011,906					
		\$ 281,389,017	\$ 141,900,170				

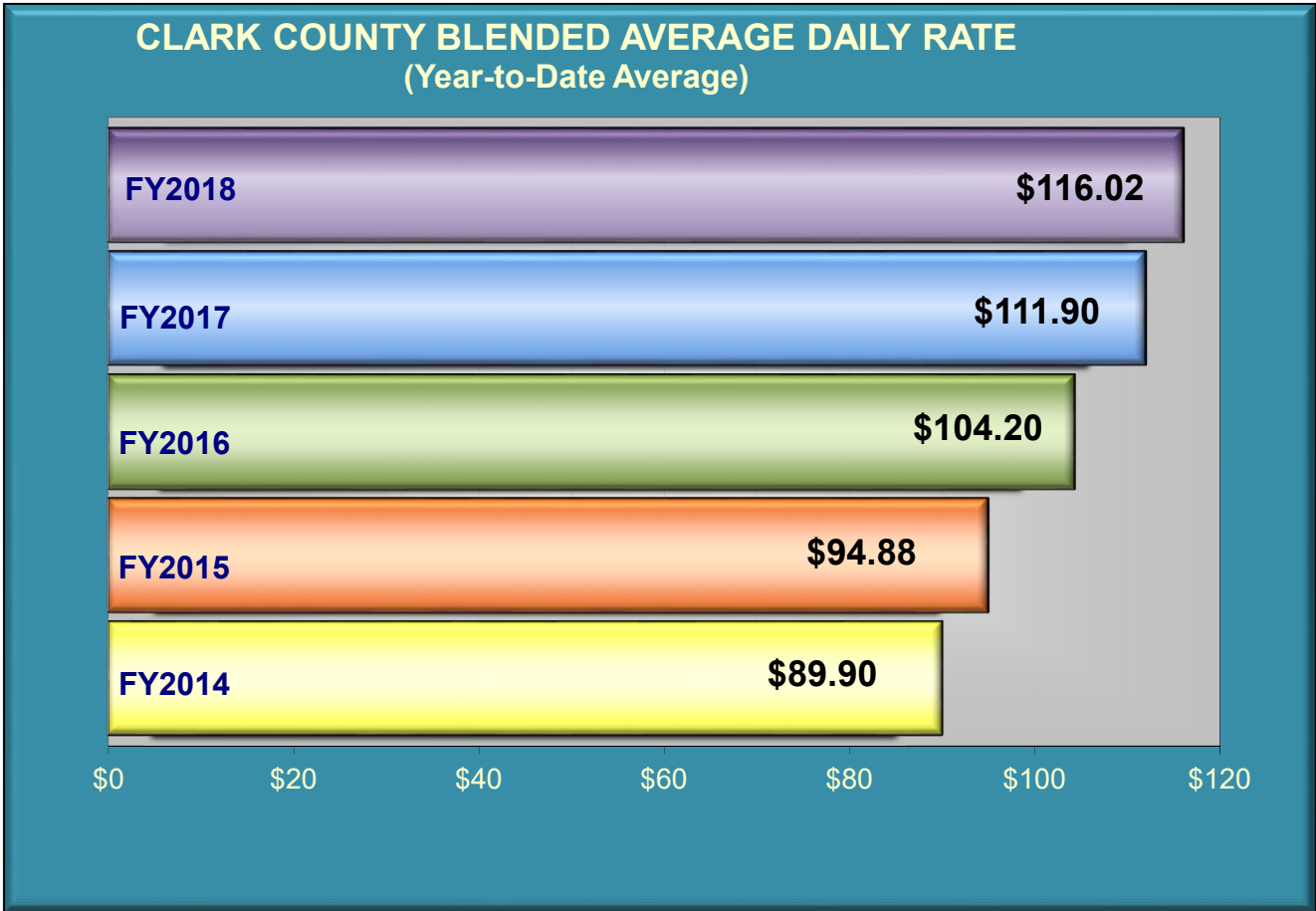
*Report has been adjusted from the general ledger at December 31, 2017 to reflect actual room tax results, while the general ledger reports the estimates for the quarter.



CLARK COUNTY BLENDED AVERAGE DAILY RATE: FY 2017 ACTUAL TO FY 2018 ACTUAL

	FY 2017	FY 2018	Variation			
			Month		YTD	
June	\$ 108.43	\$ 110.50	1.9%	↑	1.9%	↑
July	105.20	114.43	8.8%	↑	5.3%	↑
August	103.81	106.84	2.9%	↑	4.5%	↑
September	120.42	125.68	4.4%	↑	4.5%	↑
October	122.67	128.20	4.5%	↑	4.5%	↑
November	110.86	110.45	-0.4%	↓	3.7%	↑
December	98.46					
January	136.89					
February	107.74					
March	134.51					
April	118.55					
May	116.95					
Average	\$ 115.37	\$ 116.02				

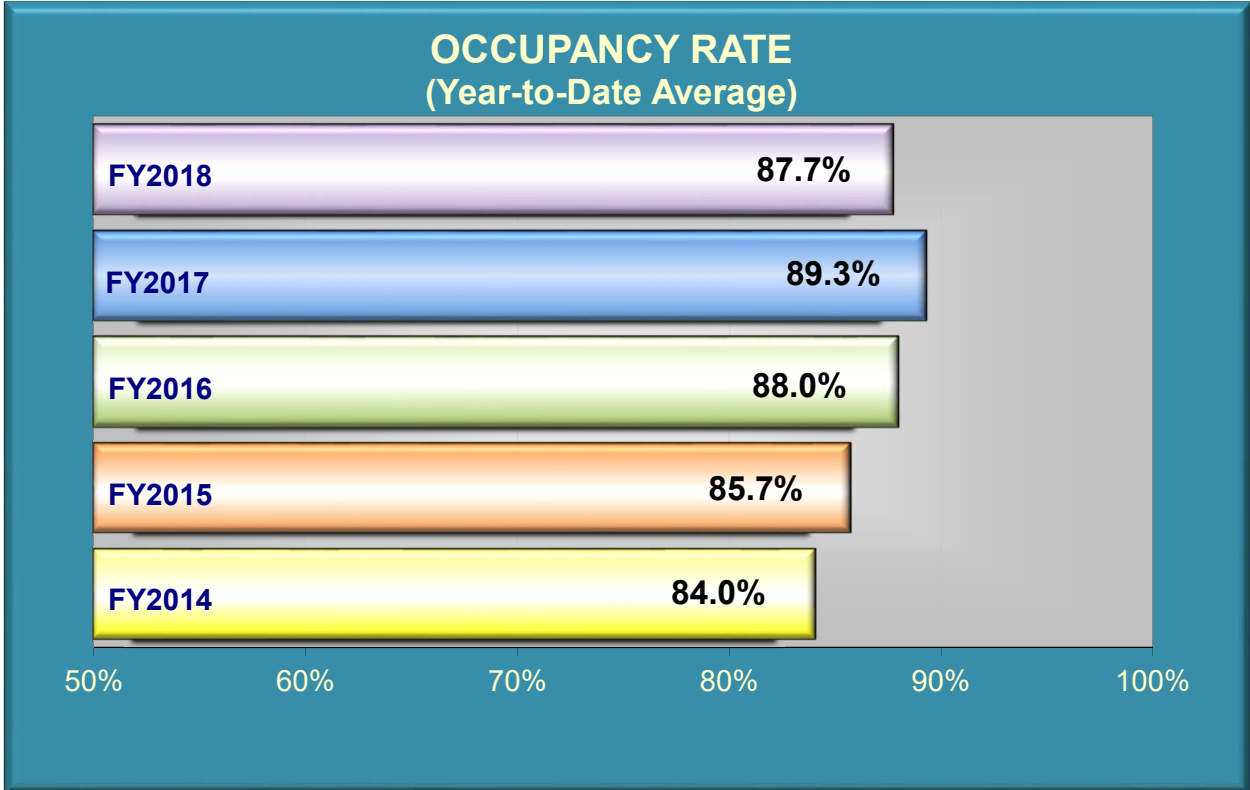
Average Daily Rate (ADR) is a blended average of the taxable rates for all of the hotels and motel units in the Las Vegas, Laughlin and Mesquite areas. ADR shown herein is tied to LVCVA's room tax received for the month of hotel/motel activity.



OCCUPANCY RATE: FY 2017 ACTUAL TO FY 2018 ACTUAL

	FY 2017			FY 2018			VARIATIONS (%)			
	# of Rooms	Occupancy Rate (OR)	Avg Rooms Occupied Daily (AROD)	# of Rooms	Occupancy Rate (OR)	Avg Rooms Occupied Daily (AROD)	O.R.		A.R.O.D.	
							Month		Month	
June	160,977	91.5%	147,294	160,252	90.3%	144,737	-1.3%	↓	-1.7%	↓
July	160,977	92.4%	148,743	160,252	92.5%	148,290	0.1%	↑	-0.3%	↓
August	160,888	87.1%	140,133	160,351	86.1%	137,984	-1.2%	↓	-1.5%	↓
September	160,888	90.4%	145,443	160,351	88.3%	141,511	-2.4%	↓	-2.7%	↓
October	161,098	90.2%	145,310	160,351	87.3%	140,062	-3.2%	↓	-3.6%	↓
November	161,301	84.0%	135,493	160,509	81.7%	131,101	-2.8%	↓	-3.2%	↓
December	161,164	76.8%	123,774							
January	161,164	83.2%	134,088							
February	161,176	83.4%	134,421							
March	161,176	91.6%	147,637							
April	161,176	88.4%	142,480							
May	161,176	86.5%	139,417							
Average		87.1%	140,353		87.7%	140,614	-1.8%	↓	-2.2%	↓

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

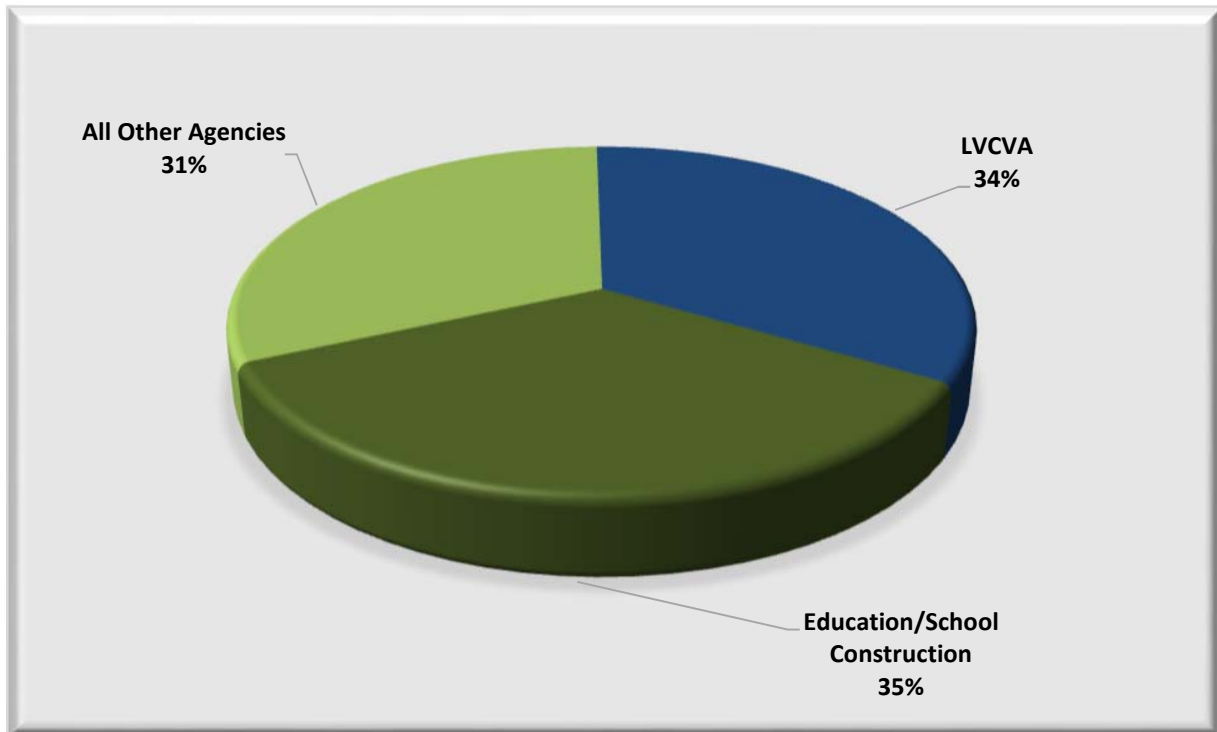


ROOM TAX DISTRIBUTION - BUDGET FOR FY 2018

Based on LVCVA's Budgeted Room Tax

		Amount	Percent
LVCVA Retains for Operations & Marketing		\$ 277,804,953	33.8%
4 - 5% distributed to LVCVA	\$ 294,500,000		
SB 1 - restricted for LVCCD Activities	29,450,000		
(Less Collection Allocation Paid to Entities)	(25,000,000)		
(Less Debt Service for Transportation)	(21,145,047)		
Portion Distributed to Entity / Jurisdiction		102,200,000	12.4%
1 - 2% Room Tax Retained by Entity	77,200,000		
Collection Allocation to Entities	25,000,000		
State of Nevada Schools (3%)		186,000,000	22.6%
Clark County School District (1 5/8%)		100,750,000	12.2%
Clark County Transportation (1%)		62,000,000	7.5%
Stadium Authority (.88%)		49,900,000	6.1%
State of Nevada General Fund (3/8%) ⁽¹⁾		23,250,000	2.8%
Nevada Department of Transportation		21,145,047	2.6%
TOTAL 12% - 13.38% ROOM TAX		\$ 823,050,000	100.0%

⁽¹⁾ A portion of proceeds are allocated to NV Commission on Tourism (NCOT)



**Statement of Sources & Uses of Funds
For the Period Ending December 31, 2017 ^(a)**

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% of Budget</u>	<u>Budget Remaining</u>
SOURCES OF FUNDS				
Beginning Fund Balance	\$ 36,970,630	\$ 36,970,630	-	\$ -
Room Tax - SB1 ^(c)	14,589,443	29,450,000	50%	(14,860,557)
Interest	203,261	266,500	76%	(63,239)
Transfers in - PayGo	27,500,000	47,500,000	58%	(20,000,000)
Transfers in - Collection Allocation	-	4,610,000	0%	(4,610,000)
Bond Proceeds	-	400,000,000	0%	(400,000,000)
<i>Total Sources</i>	<u>\$ 79,263,334</u>	<u>\$ 518,797,130</u>	<u>9%</u> ^(b)	<u>\$ (439,533,796)</u>
USES OF FUNDS				
Construction WIP	\$ 1,335,462	\$ 100,000,000	1%	\$ 98,664,538
Ending Fund Balance	77,927,872	418,797,130	-	340,869,258
<i>Total Uses</i>	<u>\$ 79,263,334</u>	<u>\$ 518,797,130</u>	<u>1%</u> ^(b)	<u>\$ 439,533,796</u>

^(a) Using the modified accrual basis of accounting.

^(b) % of Budget for Total Sources and Total Uses represents revenues and expenditures only, excluding beginning and ending fund balance.

^(c) Report has been adjusted from the general ledger at December 31, 2017 to reflect actual room tax - SB1 results, while the general ledger reports estimates for the quarter.

Finance Comments:

The Las Vegas Convention Center District (LVCCD) Capital Fund was created as a result of the passage of Senate Bill 1 (SB1), in the 30th Special Session of the Nevada Legislature, providing for a one-half of one percent (0.5%) increase to transient lodging tax. The new revenues are legislatively restricted to support the capital financing program for the convention center expansion and renovation program. The LVCCD Capital fund was created, to properly account for all restricted LVCCD resources, in compliance with statutory intent and appropriate reporting standards.

CONTRACT AMENDMENTS

Amendment Date	Contractor / Supplier	Description / Justification	Original Amount	Amendment Amount	Revised Amount
10/11/2017	Brownstein Hyatt Farber Schrek	<p>Federal Government Relations Representative This was a two month extension of a not to exceed monthly fee of \$15,000, however, administrative fees were incurred as per the contract language.</p>	\$30,000.00	\$790.40	\$30,790.40



**APPENDIX A
INVESTMENT REPORT
(UNAUDITED)
2nd Qtr FY18**

INVESTMENT OBJECTIVES

The primary objectives of the LVCVA investment policy are to minimize risk, ensure that cash is available when needed, and ensure a competitive rate of return while complying with the laws of the State of Nevada. The investment portfolio is divided into two different categories:

- (1) Short Term Portfolio (maturities less than 2 years) and
- (2) Intermediate Term Portfolio (maturities greater than 2 years and less than 5 years).

REQUIREMENTS AND COMPLIANCE

ITEM	REQUIREMENTS	ACTUAL PORTFOLIO						
Investment Maturity	<p>The LVCVA will not directly invest in securities maturing more than 5 years from the date of settlement. Securities that mature between 2-5 years from the date of settlement shall not exceed 10% of the total portfolio at the time of settlement.</p> <p>Furthest Maturity Date = 12/15/22 for a Total of 1,810 days. 9.2% of Total \$ Invested Exceed 2 Years.</p>	In Compliance						
Return on Investments	<p>The current investment strategy employed by the LVCVA is passive (hold until maturity). Given this strategy, each category of the LVCVA investment portfolio will be benchmarked on an average weighted yield to no more than 50 basis points below it's respective index to determine whether market yield is being achieved.</p> <p style="text-align: center;">Overall Portfolio Yield = 0.88%</p> <table border="1" style="width: 100%; margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Portfolio Yield</th> <th style="text-align: center;">Benchmark Index Yield</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Short Term = 0.81%</td> <td style="text-align: center;">6-Month T-Bill = 1.53%</td> </tr> <tr> <td style="text-align: center;">Intermediate Term = 1.77%</td> <td style="text-align: center;">2-Year T-Note = 1.89%</td> </tr> </tbody> </table>	Portfolio Yield	Benchmark Index Yield	Short Term = 0.81%	6-Month T-Bill = 1.53%	Intermediate Term = 1.77%	2-Year T-Note = 1.89%	Not Within Guideline
Portfolio Yield	Benchmark Index Yield							
Short Term = 0.81%	6-Month T-Bill = 1.53%							
Intermediate Term = 1.77%	2-Year T-Note = 1.89%							
Diversification	Diversification standards by asset type should fall within established maximum allocations as listed below and defined in the policy.	In Compliance						

ASSET CATEGORY	MAXIMUM MATURITY	AUTHORIZED LIMIT	QUALITY LIMITS S&P/MOODY'S	ACTUAL PORTFOLIO
U.S. Federal Agencies (Agency) & U.S. Treasury	5 Years	80%	N/A	25.1%
Money Market Fund (MMF)	N/A	30%	AAA	0.0%
Commercial Paper & Banker's Acceptance	Commercial Paper 270 Days, Banker's Accept 180 Days	20%	A1/P1	0.0%
Certificate of Deposit	1 Year	5%	A1/P1	0.0%
Local Govt Invest Pool (LGIP)	N/A	40%	N/A	31.8%
Deposits, Repurchase, & Overnight Investments	N/A	60%	N/A	43.1%
Total				100%

PORTFOLIO AS OF Dec. 31, 2017

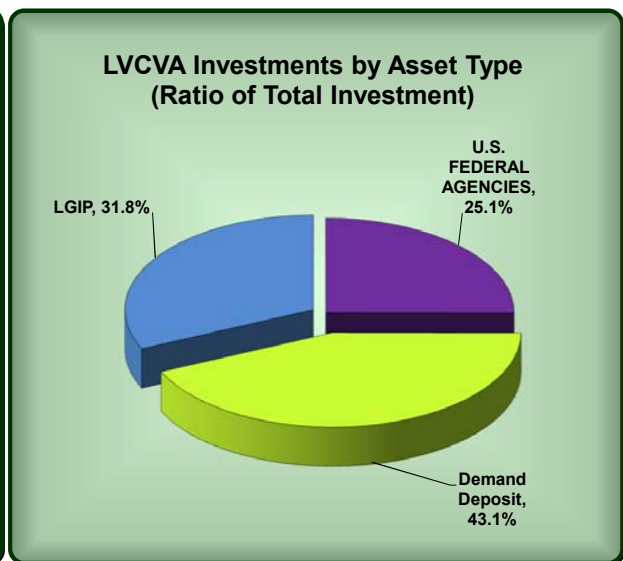
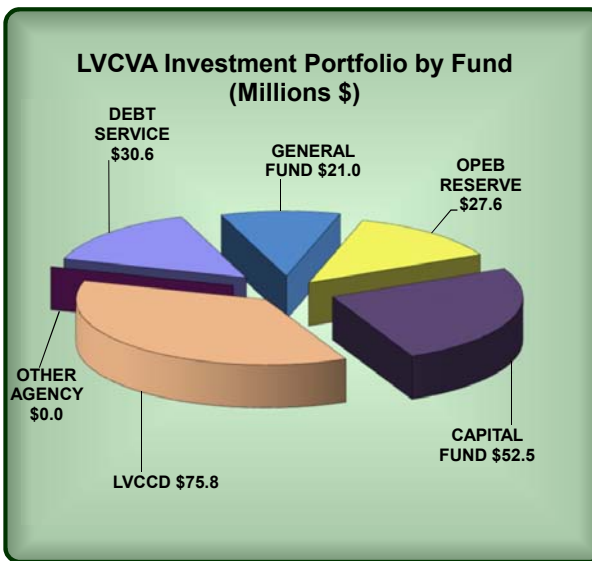
The LVCVA's total investment portfolio is diversified into various types of assets which are allowed by its investment policy and by Nevada Revised Statutes. A summary breakdown of the assets is as follows:

	AGENCIES	DEMAND DEPOSITS	LGIP	TOTAL
GENERAL FUND	\$ 2,971,870	\$ 14,745,751	\$ 3,276,623	\$ 20,994,244
OPEB RESERVE	20,950,651	60,015	6,558,906	27,569,572
CAPITAL FUND	28,043,095	8,615,851	15,792,362	52,451,308
LVCCD	-	42,498,011	33,252,191	75,750,202
OTHER AGENCY FUNDS ¹	-	-	-	-
DEBT SERVICE FUNDS	-	23,524,297	7,054,424	30,578,721
TOTALS	\$ 51,965,616	\$ 89,443,925	\$ 65,934,506	\$ 207,344,047
Authorized Limits ²	80%	60%	40%	100%
Actual	25.1%	43.1%	31.8%	100%

¹ Legally restricted for Nevada Department of Transportation (NDOT) expenditures.

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

LVCVA TOTAL INVESTMENTS



LVCVA PORTFOLIO OVERVIEW

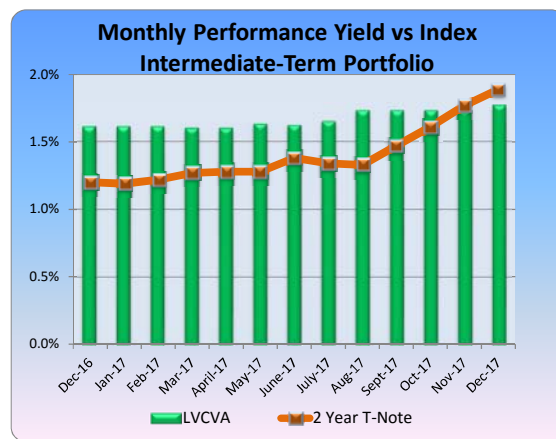
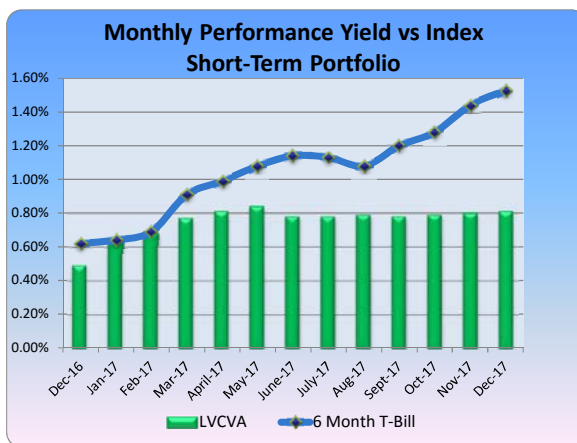
ASSET TYPE	ORIGINAL COST	FACE VALUE	FAIR VALUE	UNREALIZED GAIN/LOSS	INTEREST EARNED
U.S. FEDERAL AGENCIES	\$ 51,965,616	\$ 52,100,000	\$ 51,656,510	(309,106)	\$ 140,893
DEMAND DEPOSIT	89,443,925	89,443,925	89,443,925	-	\$ 117,263
LGIP	65,934,506	65,934,506	65,934,506	-	176,197
Total Portfolio	\$ 207,344,047	\$ 207,478,431	\$ 207,034,941	\$ (309,106)	\$ 434,353

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

PERFORMANCE

ASSET TYPE	1st Qtr FY18			2nd Qtr FY18		
	COST	FAIR VALUE	YIELD %	COST	FAIR VALUE	YIELD %
AGENCIES	44,057,985	43,922,806	1.20%	51,965,616	51,656,510	1.33%
DEMAND DEPOSIT	87,697,402	87,697,402	0.50%	89,443,925	89,443,925	0.50%
LGIP	55,758,308	55,758,308	1.07%	65,934,506	65,934,506	1.15%
TOTAL	187,513,695	187,378,516	0.86%	207,344,047	207,034,941	0.88%

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



LVCVA INVESTMENT PORTFOLIO DISTRIBUTION BY MATURITY

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

