

The background of the entire page is a photograph of the Las Vegas Convention Center, showing its iconic geodesic dome and glass facade. Overlaid on this are several large, overlapping circles in shades of purple, magenta, and blue. The circles are semi-transparent, allowing the building's structure to be seen through them. The text is placed on a solid tan background on the left and bottom.

2021

LAS
Vegas[®]
CONVENTION AND
VISITORS AUTHORITY

Audit Committee Meeting

Tuesday, December 7, 2021
Las Vegas Convention Center

www.lvcva.com



Board of Directors



JOHN MARZ
Chairman
Councilman
City of Henderson



MARILYN SPIEGEL
Vice Chair
Corporate Executive
Wynn and Encore



JIM GIBSON
Secretary
Commissioner
Clark County
Commission Office



ANTON NIKODEMUS
Treasurer
President and COO CityCenter
Aria Resort & Casino/
Vdara Hotel & Spa



SCOTT DEANGELO
EVP &
Chief Marketing Officer
Allegiant Travel Company



MICHELE FIORE
Councilwoman
City of Las Vegas



CAROLYN G. GOODMAN
Mayor
City of Las Vegas



**PAMELA GOYNES-
BROWN**
Councilwoman
City of North Las Vegas



JAN JONES BLACKHURST
Caesars Entertainment
Board of Directors
Chief Executive in Residence,
UNLV International
Gaming Institute



KIERNAN MCMANUS
Mayor
City of Boulder City



MICHAEL NAFT
Commissioner
Clark County
Commission Office



MARY BETH SEWALD
President and CEO
Vegas Chamber



STEVE THOMPSON
Executive Vice President
Operations
Boyd Gaming Corporation



BRIAN WURSTEN
Councilman
City of Mesquite



NOTICE OF PUBLIC MEETING AND AGENDA

AUDIT COMMITTEE MEETING

TUESDAY, DECEMBER 7, 2021
9:00 A.M.

Las Vegas Convention Center – Board Room
3150 Paradise Road
Las Vegas, Nevada 89109

This meeting is noticed in conformance with the State of Nevada Executive Department Declaration of Emergency Directives 006 and 044, dated March 22, 2020 and April 19, 2021, respectively.

Audit Committee:

Mayor Kiernan McManus, Chair
Commissioner Michael Naft, Vice Chair
Councilwoman Pamela Goynes-Brown
Ms. Mary Beth Sewald
Mr. Steve Thompson
Councilman Brian Wursten

THIS PUBLIC MEETING IS PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

LVCVA Website: www.lvcva.com/agenda
Nevada Public Notice Website: <https://notice.nv.gov/>

*THE AUDIT COMMITTEE (COMMITTEE) MAY: CONSIDER AGENDA ITEMS OUT OF ORDER;
COMBINE TWO OR MORE AGENDA ITEMS FOR CONSIDERATION; AND
REMOVE OR DELAY DISCUSSION ON ANY AGENDA ITEM AT ANY TIME.*

AGENDA

OPENING CEREMONIES

Call to Order
Roll Call
Pledge of Allegiance

COMMENTS FROM THE FLOOR BY THE PUBLIC

The first public comment period is limited to comments on items on the agenda. Items raised under this portion of the agenda cannot be deliberated or acted upon until the notice provisions of the Nevada Open Meeting Law have been met. If you wish to speak to the Committee at this time, please step up to the podium and clearly state your name and spell your first and last name for the record. Comments are limited to three (3) minutes in length.

APPROVAL OF AGENDA AND MINUTES

Approval of the Agenda.
For possible action.

Approval of the Minutes from the February 4, 2021, Audit Committee Meeting.
For possible action.

STAFF REPORTS - DISCUSSION AND POSSIBLE ACTION

A. **Resolution to Augment Fiscal Year 2022 Budget**

That the Committee consider recommending to the Board of Directors the approval of the proposed budget augmentation and the adoption of the associated Resolution 2021-02 to augment the fiscal year 2022 General Fund budget.

For possible action.

B. **Internal Audit Report**

That the Committee receive a report on the internal audit program.

This is an information item and does not require Committee action.

SET NEXT MEETING DATE

The next Committee meeting will be at the call of the Chair.

COMMENTS FROM THE FLOOR BY THE PUBLIC

This public comment period is for any matter that is within the jurisdiction of the Committee. Items raised under this portion of the agenda cannot be deliberated or acted upon until the notice provisions of the Nevada Open Meeting Law have been met. If you wish to speak to the Committee at this time, please step up to the podium and clearly state your name and spell your first and last name for the record. Comments are limited to three (3) minutes in length.

ADJOURNMENT

Persons are invited to submit written remarks for all matters, both on and off the agenda. Written remarks presented for inclusion in the Committee's minutes must be flat, unfolded, on paper of standard quality, and 8½ by 11 inches in size. Written remarks shall not exceed five (5) pages in length. The LVCVA will not accept for filing any submission that does not comply with this rule. On a case-by-case basis, the Committee may permit the filing of noncomplying [sic] written remarks, documents, and related exhibits pursuant to NRS 241.035(1)(e).

To submit ideas to the LVCVA, please visit <https://www.lvcva.com/who-we-are/meetings-and-minutes/>

The Committee's meeting rooms are accessible to persons with disabilities. If special arrangements are required, please contact the Customer Safety Department at: 702-892-7400, which is a 24-hour Dispatch Control Center, or contact Silvia Perez in the Board Office at: 702-892-2802 or sperez@lvcva.com

Members of the Committee may participate in this meeting via telephone conference call.

For information or questions regarding this agenda please contact:
Silvia Perez, Executive Assistant to the Board
3150 Paradise Road, Las Vegas, Nevada 89109
702-892-2802 or sperez@lvcva.com

Supporting materials for this meeting are available at 3150 Paradise Road, Las Vegas, NV 89109 or by contacting Silvia Perez at 702-892-2802 or sperez@lvcva.com

MINUTES
Audit Committee Meeting
February 4, 2021



Audit Committee Meeting February 4, 2021 Minutes

The Audit Committee Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority (LVCVA) was held telephonically at the Las Vegas Convention Center, 3150 Paradise Road, Las Vegas, Nevada 89109, on February 4, 2021. This meeting was properly noticed and posted in accordance with the State of Nevada Executive Department Declaration of Emergency Directives 006, 016, 018, 021, 026, 029, 033, and 035, dated March 22, 2020, April 29, 2020, May 7, 2020, May 28, 2020, June 29, 2020, July 31, 2020, September 30, 2020, and November 25, 2020, respectively.

Audit Committee (Committee) Members:

Present telephonically unless otherwise noted.

Mayor Kiernan McManus, Vice Chair

Councilwoman Pamela Goynes-Brown

Mary Beth Sewald

Steve Thompson

LVCVA Executive Staff in Attendance

Steve Hill, CEO/President

Caroline Bateman, General Counsel

Ed Finger, Chief Financial Officer

Lori Nelson-Kraft, Sr. VP of Communications

Brian Yost, Chief Operating Officer

Kate Wik, Chief Marketing Officer

Stana Subaric, Senior Vice President of People & Possibilities

Constance Brooks, Vice President of Public Affairs and Diversity

OPENING CEREMONIES

Vice Chair Kiernan McManus called the meeting to order at 11:31 a.m.

ROLL CALL

Caroline Bateman, General Counsel, acknowledged that all four members of the Audit Committee were present telephonically.

COMMENTS FROM THE FLOOR BY THE PUBLIC

There were no comments from the floor or virtually by the public.

APPROVAL OF AGENDA AND MINUTES

APPROVAL OF THE AGENDA AND MINUTES

Member Mary Beth Sewald moved, and it was carried by unanimous vote of the voting members, to approve the February 4, 2021, Audit Committee Meeting agenda and the December 2, 2020, Audit Committee Meeting minutes.

STAFF REPORTS – DISCUSSION AND POSSIBLE ACTION

ITEM A. **Appointment of External Audit Firm**

Ed Finger, Chief Financial Officer, requested that the Committee consider recommending to the Board of Directors: 1) Appointment of BDO USA, LLC (BDO) as the independent audit firm for the fiscal year ending June 30, 2021, in the amount of \$51,500; 2) Appointment of BDO to conduct the annual third-party audit on the receipt and use of lodging tax revenues for the Las Vegas Convention Center District expansion and renovation as imposed by the Southern Nevada Tourism Improvements Act (Chapter 2, Statutes of Nevada 2016, 30th Special Session), in the amount of \$6,000; and 3) Authorizing the Chief Financial Officer to execute the agreements.

Fiscal Impact

FY 2022: \$57,500 Expenditure

Mr. Finger explained the statutory requirements from the State of Nevada Department of Taxation for the appointment of an external audit firm, as well as the LVCVA's Audit Charter requirements.

Bill Nelson, Assurance Partner with BDO USA LLP, described BDO's audit scope and approach, including areas of focus for the FY21 audit.

Member Sewald moved, and it was carried by unanimous vote of the voting members, to recommend to the Board of Directors: 1) Appoint BDO USA, LLC (BDO) as the independent audit firm for the fiscal year ending June 30, 2021, in the amount of \$51,500; 2) Appoint BDO to conduct the annual third-party audit on the receipt and use of lodging tax revenues for the Las Vegas Convention Center District expansion and renovation as imposed by the Southern Nevada Tourism Improvements Act (Chapter 2, Statutes of Nevada 2016, 30th Special Session), in the amount of \$6,000; and 3) Authorize the Chief Financial Officer to execute the agreements.

ITEM B. **Proposed 2021 Audit Plan**

That the Committee consider recommending to the Board of Directors, approval of the calendar year 2021 audit plan.

Mr. Finger described qualitative and quantitative criteria used in the audit planning process.

Tom Donohue of BDO provided detailed information to the Committee on the steps involved in the creation of the audit plan, including interfacing with outgoing internal audit staff, and a detailed risk assessment identification and ranking process. Mr. Donohue described the six project areas identified in the summary plan including the Monorail inventory control assessment and advertising audit, as well as a contingency plan for special unplanned projects.

Vice Chair McManus thanked Mr. Donohue for his efforts and emphasized the importance of transparency in the expenditure of funds.

Mr. Donohue offered his contact information to members of the Committee.

Mr. Finger commented on the relationship between the Audit Committee and the independent audit firm and stated that staff recommends the Audit Plan proposed by BDO.

Member Sewald requested that staff send Mr. Donohue's contact information to the Committee, to which Mr. Finger confirmed.

Member Sewald moved, and it was carried by unanimous vote of the voting members to recommend to the Board of Directors, approval of the calendar year 2021 audit plan.

SET NEXT MEETING DATE

Vice Chair McManus stated the next meeting will be set at the call of the Chair.

COMMENTS FROM THE FLOOR BY THE PUBLIC

There were no comments from the floor or virtually by the public.

ADJOURNMENT

Vice Chair McManus adjourned the meeting at 11:49 a.m.

Respectfully submitted,

Date Approved: December 7, 2021


Silvia Perez
Executive Assistant to the Board

Kiernan McManus
Audit Committee Chair

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

AUDIT COMMITTEE MEETING

AGENDA DOCUMENTATION

MEETING DATE:	DECEMBER 7, 2021	ITEM A
TO:	AUDIT COMMITTEE	
FROM:	ED FINGER CHIEF FINANCIAL OFFICER	<div style="border: 1px solid black; padding: 2px;"> <small>DocuSigned by:</small>  <small>93337CA3F6364C0...</small> </div>
SUBJECT:	RESOLUTION TO AUGMENT FISCAL YEAR 2022 BUDGET	

RECOMMENDATION

That the Audit Committee consider recommending to the Board of Directors the approval of the proposed budget augmentation and the adoption of the associated Resolution 2021-02 to augment the fiscal year (FY) 2022 General Fund budget.

For possible action.

FISCAL IMPACT

FY 2022 - General Fund:

Increase in budgeted resources:

Beginning General Fund fund balance \$25,171,049

Increase in expenditures and transfers out:

Marketing (Advertising) \$ 400,000

Community Support (Collection Allocation) \$ 4,563,570

Transfers Out (LVCCD Capital) \$20,207,479

COMMITTEE ACTION:

DocuSigned by:

Steve Hill

STEVE HILL
CEO/PRESIDENT

PURPOSE AND BACKGROUND

Nevada Revised Statutes (NRS) 354.598005 identifies the procedures and requirements for augmenting or amending a local government's budget. Two sources of funds that may be considered for augmentation are either a beginning fund balance that is larger than budgeted, or revenues that are larger than originally budgeted. Both beginning fund balance and revenues qualify for fiscal year 2022 augmentation. Only beginning fund balance is being used for this augmentation.

Las Vegas Convention and Visitors Authority Audit Committee Meeting
Agenda Documentation
Meeting Date: December 7, 2021
Subject: Resolution to Augment Fiscal Year 2022 Budget

General Fund:

The fiscal year 2022 General Fund actual beginning balance exceeded budget by \$25,171,049. Staff recommends augmenting the available resources as follows:

1. Fiscal year 2021 wedding license fee collections exceeded budget. These revenues are restricted to use for marketing the Southern Nevada wedding industry. The \$400,000 Marketing augmentation would increase the fiscal year 2022 advertising budget from \$82,000,000 to \$82,400,000.
2. Fiscal year 2022 room taxes are approximately forty-five percent (45%) ahead of budget through October 2021. Ten percent (10%) of room taxes and gaming fees, not to exceed \$25,000,000 per year, are required per interlocal agreement to be returned to Clark County and its incorporated cities for the licensing, collection, and enforcement of room taxes in each jurisdiction. The Community Support collection allocation augmentation would increase the amount budgeted to be returned to Clark County and the cities to from \$20,436,430 to \$25,000,000 in fiscal year 2022.
3. The additional projected collection allocation above \$25,000,000 per year is required, under Senate Bill 1 of the 2016 Special Legislative Session, to be transferred to the Las Vegas Convention Center District (LVCCD) Capital Fund. The projected amount for augmentation in fiscal year 2022 is \$4,000,000.

The final proposed augmentation amount is the residual excess beginning fund balance. This amount of \$16,207,479, added to the \$4,000,000 collection allocation transfer, totals to a \$20,207,479 requested augmentation to the LVCCD Capital Fund. There was no LVCCD Capital Fund transfer in the original fiscal year 2022 budget.

RESOLUTION No. 2021-02

RESOLUTION TO AUGMENT BUDGET OF THE
LAS VEGAS CONVENTION AND VISITORS AUTHORITY
FOR THE 2022 FISCAL YEAR

WHEREAS, the resources of certain funds of the Las Vegas Convention and Visitors Authority have now been determined to be higher than budgeted on July 1, 2021,

WHEREAS, the opening fund balance in the General Fund was budgeted to be \$43,132,910 and is now determined to be \$68,303,959, and

WHEREAS, there is a need to increase appropriations for the purpose of establishing funding for expenditures and other uses in the current year as follows:

	Revenues and Other Sources	Expenditures and Other Uses
GENERAL FUND:		
Beginning fund balance in excess of budget	\$ 25,171,049	\$ -
Increase in Marketing (Advertising) expenditures	-	400,000
Increase in Community Support (Collection Allocation) expenditures	-	4,563,570
Transfer to LVCCD Capital Projects Fund	-	20,207,479
TOTAL GENERAL FUND	<u>\$ 25,171,049</u>	<u>\$ 25,171,049</u>

NOW THEREFORE, IT IS HEREBY RESOLVED, that the Board of Directors of the LVCVA shall amend its fiscal year 2022 budget by appropriating \$25,171,049 for use in the General Fund, thereby increasing appropriations from \$280,175,073 to \$305,346,122.

PASSED AND ADOPTED this 14th day of December 2021, by the following vote:

Those Voting Aye: _____

Those Voting Nay: _____

Those Abstaining: _____

Those Absent: _____

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

By _____

JOHN MARZ
CHAIRMAN


ATTEST:

ANTON NIKODEMUS
TREASURER

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

AUDIT COMMITTEE MEETING

AGENDA DOCUMENTATION

MEETING DATE:	DECEMBER 7, 2021	ITEM B
TO:	AUDIT COMMITTEE	
FROM:	ED FINGER CHIEF FINANCIAL OFFICER	<div style="border: 1px solid black; padding: 2px;"> <small>DocuSigned by:</small>  <small>93337CA3F6364C0...</small> </div>
SUBJECT:	INTERNAL AUDIT REPORT	

RECOMMENDATION

That the Audit Committee receive a report on the internal audit program.

This is an information item and does not require Committee action.

FISCAL IMPACT

None.

COMMITTEE ACTION:	
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DocuSigned by:

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STEVE HILL
CEO/PRESIDENT

PURPOSE AND BACKGROUND

The Audit Committee last met on February 4, 2021, where it recommended approval of the LVCVA's annual audit plan (Audit Plan) by the Board of Directors. The Board approved the Audit Plan at its February 9, 2021 Regular Meeting.

The approved Audit Plan included the following audits:

- Monorail parts and supplies inventory
- Monorail revenue
- Advertising
- Employee management
- Purchasing process
- Promotional materials
- General IT audit
- A to-be-determined audit

Staff and BDO USA, LLC will provide a report on completed and in-progress audits, as well as the projected completion of the Audit Plan.

2021 BOARD OF DIRECTORS REGULAR MEETING SCHEDULE



JANUARY

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JUNE

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JULY

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NOVEMBER

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DECEMBER

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- Regular meetings of the Las Vegas Convention and Visitors Authority (LVCVA) Board of Directors (Board) are scheduled for the second Tuesday of each month at 9 a.m., or at the call of the chair.
- All Board meetings of the LVCVA are open to the general public.
- Per NRS 354.596(4): The public hearing on the tentative budget must be held by the governing body not sooner than the third Monday in May and not later than the last day in May.
- Agendas and approved minutes of the Board meetings are posted on the LVCVA website at: www.lvcva.com/agenda.
- Most meetings are held at the Las Vegas Convention Center in the Board Room at 3150 Paradise Road, Las Vegas, Nevada 89109. Locations of meetings are subject to change.

Regular Meetings

JANUARY	12	MAY	11	SEPTEMBER	14
FEBRUARY	09	JUNE	08	OCTOBER	12
MARCH	09	JULY	13	DECEMBER	14
APRIL	06	AUGUST	10		

Committee Meetings/Other

AUDIT COMMITTEE MEETING – FEBRUARY 4
 MARKETING COMMITTEE MEETING – MARCH 1
 COMPENSATION COMMITTEE MEETING – APRIL 8
 MARKETING COMMITTEE MEETING – MAY 17
 PUBLIC HEARING ON THE BUDGET – MAY 26
 POLICY COMMITTEE MEETING – JUNE 29
 COMPENSATION COMMITTEE MEETING – JULY 8
 AUDIT COMMITTEE MEETING – DECEMBER 7



Committees of the LVCVA Board of Directors

AUDIT COMMITTEE

Mayor Kiernan McManus, Chair
Commissioner Michael Naft, Vice Chair
Councilwoman Pamela Goynes-Brown
Ms. Mary Beth Sewald
Mr. Steve Thompson
Councilman Brian Wursten

COMPENSATION COMMITTEE

Ms. Marilyn Spiegel, Chair
Ms. Mary Beth Sewald, Vice Chair
Mr. Scott DeAngelo
Councilwoman Michele Fiore
Commissioner Michael Naft

POLICY COMMITTEE

Ms. Jan Jones Blackhurst, *Chair*
Councilwoman Pamela Goynes-Brown, Vice Chair
Mayor Carolyn Goodman
Mayor Kiernan McManus
Mr. Anton Nikodemus

LVCVA REPRESENTATIVES ON THE LAS VEGAS EVENTS BOARD OF DIRECTORS

Commissioner Jim Gibson
Mayor Carolyn Goodman

LVCCD COMMITTEE

Commissioner Jim Gibson, Chair
Mr. Anton Nikodemus, Vice Chair
Mayor Carolyn Goodman
Ms. Jan Jones Blackhurst
Councilman John Marz
Commissioner Michael Naft
Mr. Steve Thompson

MARKETING COMMITTEE

Councilman John Marz, Chair
Mr. Anton Nikodemus, Vice Chair
Mr. Scott DeAngelo
Councilwoman Pamela Goynes-Brown
Ms. Jan Jones Blackhurst
Ms. Mary Beth Sewald
Ms. Marilyn Spiegel