



Financial Statements  
June 30, 2020

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada

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Stadium Authority Board of Directors

Steve Hill, Chairman	CEO/President, Las Vegas Convention and Visitors Authority
Ike Lawrence Epstein, Vice-Chairman	Sr. Executive Vice President/COO, UFC
Jan Jones Blackhurst	Board of Directors Member, Caesars Entertainment
Ken Evans	President, Urban Chamber of Commerce
Geoconda Argüello-Kline	Secretary-Treasurer for the Culinary Workers Union, Local 226
Bill Hornbuckle	CEO/President, MGM Resorts International
Mike Newcomb	Executive Director, Thomas & Mack Center
J. Tito Tiberti	Former President, J.A. Tiberti Construction
Tommy White	Business Manager-Secretary Treasurer, Laborers International Union, Local 782
Laura Fitzpatrick	Treasurer, Clark County



Financial Section  
June 30, 2020

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada



## Independent Auditor's Report

To the Honorable Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority Board of Directors  
Clark County, Nevada

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Clark County Stadium Authority, dba: Las Vegas Stadium Authority, Clark County, Nevada (the "Authority"), a component unit of Clark County, Nevada (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) on pages 5 through 11 and the budgetary comparison information on pages 28 through 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the budgetary comparison information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements as a whole. The individual fund schedules, as listed in the supplementary information section of the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2020 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

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

Las Vegas, Nevada  
December 21, 2020

Management of the Clark County Stadium Authority dba Las Vegas Stadium Authority (the "Authority") offers the following discussion and analysis as a narrative introduction to the basic financial statements and an analytical overview of the Authority's financial activities for the fiscal year ended June 30, 2020. This narrative is intended as a supplement and should be read in conjunction with the financial statements.

#### Financial Highlights

- The independent auditor's report offers an unmodified opinion that the Authority's financial statements are presented fairly in all material respects.
- The Authority's net position increased by \$265,033,998, from \$372,631,507 as of June 30, 2019, to \$637,665,505 as of June 30, 2020. Unrestricted net position was \$ (534,239,523), a decrease of \$257,978,540 from the prior year.
- Capital assets were \$1,801,183,098, an increase from the prior year. Construction of the stadium commenced in fiscal year 2018.
- At year end, bonds payable totaled \$733,938,584, a decrease from the prior year resulting from principal payments and amortization of bond premiums.
- Deferred inflows related to the sale of personal seat license revenue were \$551,101,948, an increase from the prior year resulting from increased sales.
- Room tax revenues decreased by \$12,603,071 due to the Covid-19 pandemic, which shut down major resort properties from mid-March through early June 2020.
- Expenses decreased by \$237,050.

#### Overview of the Financial Statements

The Authority's financial statements include the following components:

- Government-Wide Financial Statements
  - Statement of Net Position – This statement presents information on the Authority's assets and liabilities. The difference between assets and liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

- Statement of Activities – This statement presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected tax revenue and accounts payable).
- Governmental Funds Financial Statements
  - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Authority's near-term financial requirements.
  - Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with the same information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Authority's near-term financing decisions. To facilitate this comparison, both the governmental funds balance sheet and the statement of governmental fund revenues, expenditures and changes in fund balances include an adjustments column that show reconciling items, if any, between governmental funds and governmental activities.
  - The Authority maintains three governmental funds. The Authority adopts an annual appropriated budget for these three governmental funds. A budgetary comparison statement is provided for each of the Authority's governmental funds to demonstrate compliance with the budget.
- Notes to Financial Statements
  - The Notes to Financial Statements are an integral part of the financial statements and provide additional information that is necessary in order to gain a comprehensive understanding of data reported in the financial statements.

Government-Wide Financial Analysis

Comparative summary financial statements of the Authority are presented as follows:

	Net Position June 30, 2020 and 2019	
	2020	2019
<b>Assets</b>		
Current and other assets	\$ 152,296,258	\$ 565,148,401
Capital assets	1,801,183,098	981,613,852
Total Assets	1,953,479,356	1,546,762,253
<b>Liabilities</b>		
Long-term liabilities	733,938,584	739,005,988
Other liabilities	30,773,319	113,425,004
Total Liabilities	764,711,903	852,430,992
Deferred inflows	551,101,948	321,699,754
<b>Net Position</b>		
Net investment in capital assets	1,108,628,053	592,480,625
Restricted	63,276,975	56,411,865
Unrestricted	(534,239,523)	(276,260,983)
Total net position	\$ 637,665,505	\$ 372,631,507

- As noted earlier, net position may serve over time as a useful indicator of the Authority's financial position. Assets exceeded liabilities and deferred inflows by \$637,665,505 as of June 30, 2020, and by \$372,631,507 as of June 30, 2019, a net increase of \$265,033,998.
- The largest portion of the Authority's net position at June 30, 2020, reflects its investment in capital (land and construction in progress); less any related debt outstanding used to acquire those assets. These assets are comprised of land and construction in progress of the football stadium. Accordingly, these assets are not available for future spending. Although the Authority's investments in its capital assets are reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources since capital assets themselves cannot be used to liquidate the debt.
- 10% of the Authority's net position is restricted due to resources that are subject to external restriction on how they may be used. The restricted net position is for repayment of long-term debt and capital projects.

- The remaining portion of the Authority's net position is unrestricted, but is negative at \$534,239,523 mainly due to the sale of future personal seat license revenues being recorded as a deferred inflow. The proceeds from the sale are being spent on construction.

Changes in Net Position  
 Years ended June 30, 2020 and 2019

	2020	2019
Revenues		
Program revenues		
Capital contributions	\$ 250,506,650	\$ 82,958,724
General Revenues		
Room tax revenues	36,872,823	49,475,894
Investment earnings	7,288,958	16,122,195
Total Revenues	294,668,431	148,556,813
Expenses		
General government	730,362	964,898
Interest expense	28,904,071	28,906,586
Total Expenses	29,634,433	29,871,484
Change in Net Position	265,033,998	118,685,329
Net Position		
Beginning of year	372,631,507	253,946,178
End of year	\$ 637,665,505	\$ 372,631,507

- Program revenues increased by \$167,547,923 due to an increase in donated capital for the construction of the football stadium during the fiscal year.
- Room tax revenues decreased by \$12,603,071 due to the Covid-19 pandemic, which shut down major resort properties from mid-March through early June 2020.
- Investment earnings decreased by \$8,883,237 due to the spending of bond proceeds during the fiscal year.

#### Financial Analysis of the Authority's Funds

- At June 30, 2020, the Authority's governmental funds reported a combined ending fund balance of \$(426,946,633), a decrease of \$559,609,928.
- Fund balance components have been classified as nonspendable, restricted, and unassigned based on the extent to which the Authority is bound to observe constraints imposed on the use of fund resources.
- Nonspendable fund balance was \$15,469 and consists of prepaid expenses.
- \$86,732,798 of fund balance is restricted. Spending of these resources is constrained either by externally imposed (statutory, bond covenant, or grantors) limitations on their use. Restricted fund balances include \$7,992,762 for capital projects and \$78,740,036 for debt service.
- Unassigned fund balance was \$(513,694,900).
- The General Fund (Stadium Authority Fund) is the main operating fund of the Authority. The fund balance increased by \$1,349,969 from \$15,989,206 to \$17,339,175.
- The fund balance of the Debt Service Fund increased by \$7,512,058 mainly due to transfers from the general fund for debt service reserves.
- The fund balance of the Capital Projects Fund decreased by \$568,471,955 due to capital outlay related to the construction of the football stadium.

#### Budgetary Highlights

- The Stadium Authority Fund's actual total revenue was higher than the final budget by \$1,277,984, primarily due to higher room tax revenue than expected for the fiscal year.
- The Stadium Authority Fund's actual total expenditures and other financing uses were \$9,692,698 less than the final budget, primarily due to lower transfers to other funds than expected for the fiscal year.

Capital Assets

The Authority's investment in capital assets, net of accumulated depreciation at June 30, 2020, was \$1,801,183,098. Major additions during the fiscal year were for construction in progress. Detail by type of assets is summarized in the table below.

	Capital Assets June 30, 2020 and 2019	
	2020	2019
Land	\$ 77,780,128	\$ 77,780,128
Construction in Progress	1,723,402,970	903,833,724
Total Assets	\$ 1,801,183,098	\$ 981,613,852

For additional information on the Authority's capital assets see note 4 in the accompanying financial statements.

Long-Term Debt

On May 1, 2018, on behalf of the Authority, Clark County, Nevada issued Clark County, Nevada General Obligation (Limited Tax) Stadium Improvement Bonds (Additionally Secured with Pledged Revenues) Series 2018A. The proceeds are being used to (i) acquire, construct, lease, improve or equip or any combination thereof, within the boundaries of the stadium district a football stadium capable of hosting the home games of the National Football League team; (ii) fund a debt service reserve fund for the Bonds; (iii) fund a capitalized interest fund; and (iv) pay the costs of issuing the Bonds. Interest payments are paid semiannually beginning December 1, 2018, with an interest rate ranging from 4.0% to 5.0%. Principal will be paid annually beginning June 1, 2019. The bonds mature on May 1, 2048.

	Outstanding Debt June 30, 2020 and 2019	
	2020	2019
Revenue backed general obligation bonds	\$ 733,938,584	\$ 739,005,988

### Economic Factors

The COVID-19 pandemic has had a profound effect on the Southern Nevada economy. Heading into 2020, the regional economy was in the midst of an extended period of stability and expansion that included record employment levels, a year-over-year job growth rate that ranked among the best in the nation and the lowest unemployment rate in more than a decade. The region's core tourism industry, which accounts for one-fifth of direct economic activity, helped drive the overall economic growth trend as annual visitation in 2019 climbed to 42.5 million, the second-highest total ever reported.

The COVID-19 pandemic significantly disrupted the global, national and regional economies. In Nevada, all gaming properties were closed for several months to help limit the spread of the coronavirus and reduce stress on the state's health care infrastructure. The closures through April and May included most of the resort hotels along the Las Vegas Strip that are home to the majority of the region's 148,000 hotel rooms. Most properties reopened during the fiscal year, however, visitation to Southern Nevada remained well below prior levels due to a host of pandemic-related factors, including travel reductions around the nation and the world, operational capacity limits in casinos, restaurants and other public-facing businesses, and the cancellation or relocation of conventions, special events and other activities involving large gatherings.

The pandemic's impact on the Southern Nevada tourism industry had a direct effect on room taxes, the Authority's primary revenue source. The amount of room tax revenue collected is a factor of the number of hotel and motel rooms available, occupancy rate and the average daily room rate (ADR). The pandemic's impact on visitation depressed all three factors, resulting in room revenue of more than 25 percent below the budgeted amount during the fiscal year.

The pandemic affected the timelines for some tourism-related projects in Southern Nevada, but others have continued or reached completion during that time. Allegiant Stadium opened in July, and Circa Resort and Casino opened in October. The Las Vegas Convention Center expansion was headed for completion before the end of the year, and Resorts World Las Vegas was progressing toward a summer 2021 grand opening. The development and distribution of effective vaccines against COVID-19 provide a path to economic recovery in Southern Nevada, and while the economic impacts of these major projects may not be known for some time, they are positioned to bolster Southern Nevada's core tourism industry and the economy as a whole as they recover from the COVID-19 recession.

### Requests for Information

Questions concerning the information provided in this report or requests for additional financial information should be addressed to Las Vegas Stadium Authority c/o Applied Analysis at 6385 S. Rainbow Blvd., Suite 105, Las Vegas, NV 89118.



Basic Financial Statements  
June 30, 2020

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada

Clark County Stadium Authority,  
 dba: Las Vegas Stadium Authority  
 Clark County, Nevada  
 Statement of Net Position  
 June 30, 2020

	Governmental Activities
<b>Assets</b>	
Cash and investments	
In custody of the County Treasurer	\$ 17,597,997
In custody of other officials	157,067
With fiscal agent	130,098,820
Interest receivable	129,742
Room taxes receivable	929,213
Accounts receivable	3,367,950
Prepaid expenses	15,469
Capital assets not being depreciated	1,801,183,098
Total assets	1,953,479,356
<b>Liabilities</b>	
Accounts payable	28,068,942
Accounts payable - Clark County	72,000
Accrued interest	2,632,377
Long-term liabilities	
Bonds payable, due within one year	2,545,000
Bonds payable, due after one year	731,393,584
Total liabilities	764,711,903
Deferred Inflows of Resources	
Deferred amounts related to sale of future personal seat license revenues	551,101,948
Total liabilities and deferred inflows of resources	1,315,813,851
<b>Net Position</b>	
Net investment in capital assets	1,108,628,053
Restricted	
Capital projects	7,992,762
Debt service	55,284,213
Unrestricted	(534,239,523)
Total net position	\$ 637,665,505

Clark County Stadium Authority,  
 dba: Las Vegas Stadium Authority  
 Clark County, Nevada  
 Statement of Activities  
 For the Fiscal Year Ended June 30, 2020

	Expenses	Program Revenues Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position Primary Government Governmental Activities
Governmental activities:			
General government	\$ 730,362	\$ 250,506,650	\$ 249,776,288
Interest expense	28,904,071	-	(28,904,071)
Total governmental activities	29,634,433	250,506,650	220,872,217
General Revenues			
Room taxes			36,872,823
Investment earnings			7,288,958
Total general revenues			44,161,781
Change in net position			265,033,998
Net position, beginning			372,631,507
Net position, ending			\$ 637,665,505

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada  
Balance Sheet Governmental Funds  
June 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>Assets</b>				
<b>Cash and investments</b>				
In custody of the County Treasurer	\$ 17,069,572	\$ 498,764	\$ 29,661	\$ 17,597,997
On hand	-	-	157,067	157,067
With fiscal agent	-	68,276,555	61,822,265	130,098,820
Interest receivable	29,488	99,992	262	129,742
Due from other funds	-	864,725	-	864,725
Room taxes receivable	929,213	-	-	929,213
Accounts receivable	-	-	3,367,950	3,367,950
Prepaid expenses	15,469	-	-	15,469
<b>Total assets</b>	<b>\$ 18,043,742</b>	<b>\$ 69,740,036</b>	<b>\$ 65,377,205</b>	<b>\$ 153,160,983</b>
<b>Liabilities</b>				
Accounts payable	\$ 34,297	\$ -	\$ 28,034,645	\$ 28,068,942
Due to other funds	598,270	-	266,456	864,726
Accounts payable - Clark County	72,000	-	-	72,000
<b>Total liabilities</b>	<b>704,567</b>	<b>-</b>	<b>28,301,101</b>	<b>29,005,668</b>
<b>Deferred inflows of resources</b>				
Personal seat license revenues	-	-	551,101,948	551,101,948
<b>Fund balances</b>				
Nonspendable	15,469	-	-	15,469
Restricted	16,992,762	69,740,036	-	86,732,798
Unassigned	330,944	-	(514,025,844)	(513,694,900)
<b>Total fund balances</b>	<b>17,339,175</b>	<b>69,740,036</b>	<b>(514,025,844)</b>	<b>(426,946,633)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 18,043,742</b>	<b>\$ 69,740,036</b>	<b>\$ 65,377,205</b>	<b>\$ 153,160,983</b>

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada

Reconciliation of the Balance Sheet to the Statement of Net Position  
June 30, 2020

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Total fund balance - governmental funds \$ (426,946,633)

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the fund financial statements, but are reported in the governmental activities on the statement of net position.

Governmental capital assets	<u>1,801,183,098</u>	1,801,183,098
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Long-term liabilities and deferred outflows and inflows of resources, such as general obligation bonds and loans payable and compensated absences, are not due and payable in the current period and are not included in the fund financial statements, but are included in the governmental activities on the statement of net position.

Bonds payable	<u>(733,938,583)</u>	(733,938,583)
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Accrued interest payable		<u>(2,632,377)</u>
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Total net position - governmental activities		<u>\$ 637,665,505</u>
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Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds  
For the Fiscal Year Ended June 30, 2020

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Revenues				
Room taxes	\$ 36,872,823	\$ -	\$ -	\$ 36,872,823
Investment earnings	618,353	1,724,676	4,945,929	7,288,958
Total revenues	<u>37,491,176</u>	<u>1,724,676</u>	<u>4,945,929</u>	<u>44,161,781</u>
Expenditures				
General government	730,114	249	-	730,363
Capital outlay	-	-	569,062,596	569,062,596
Debt service				
Principal	-	1,775,000	-	1,775,000
Interest	-	32,203,750	-	32,203,750
Total expenditures	<u>730,114</u>	<u>33,978,999</u>	<u>569,062,596</u>	<u>603,771,709</u>
Excess (deficiency) of revenues over (under) expenditures	<u>36,761,062</u>	<u>(32,254,323)</u>	<u>(564,116,667)</u>	<u>(559,609,928)</u>
Other financing sources (uses)				
Transfers from other funds	-	39,766,381	-	39,766,381
Transfers to other funds	(35,411,093)	-	(4,355,288)	(39,766,381)
Total other financing sources and uses	<u>(35,411,093)</u>	<u>39,766,381</u>	<u>(4,355,288)</u>	<u>-</u>
Net change in fund balances	1,349,969	7,512,058	(568,471,955)	(559,609,928)
Fund balances-beginning	<u>15,989,206</u>	<u>62,227,978</u>	<u>54,446,111</u>	<u>132,663,295</u>
Fund balances-ending	<u>\$ 17,339,175</u>	<u>\$ 69,740,036</u>	<u>\$ (514,025,844)</u>	<u>\$ (426,946,633)</u>

Clark County Stadium Authority,  
 dba: Las Vegas Stadium Authority  
 Clark County, Nevada  
 Reconciliation of the Statement of Revenues, Expenditures and  
 Changes in Fund Balances to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2020

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Net change in fund balances - total governmental funds \$ (559,609,928)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the statement of activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. The Authority utilizes a capital capital projects fund to construct the stadium project.

Capitalized expenditures	569,062,596	
Capital contributions	<u>250,506,650</u>	
		819,569,246

Governmental funds report bond proceeds as current financial resources. In contrast, the statement of activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast the statement of activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds.

Principal payments	<u>1,775,000</u>	
		1,775,000

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds.

Change in accrued interest	7,276	
Amortization of bond premiums	<u>3,292,404</u>	
		<u>3,299,680</u>

Change in net position of governmental activities		<u><u>\$ 265,033,998</u></u>
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## **Note 1 - Summary of Significant Accounting Policies**

### **The Reporting Entity**

The Clark County Stadium Authority, dba: Las Vegas Stadium Authority (the "Authority") was created on October 17, 2016, by Senate Bill 1 during the 30th Special Session of the Nevada State Legislature in 2016 to provide a pathway for the construction, development and operation of an NFL stadium in Clark County, Nevada.

The organization and funding of the Authority are governed by Senate Bill 1. The governing board (the "Board") includes three representatives appointed by the Nevada Governor's Office, three representatives appointed by the Clark County Commission, two representatives appointed by the Stadium Authority Board of Directors and one representative appointed by the University of Nevada, Las Vegas. The Authority is funded by a 0.88 percent tax on rooms rented on the Strip and some adjacent areas to the west and south, and a 0.5 percent tax on rooms within the remainder of the Authority district as defined in Senate Bill 1.

The Authority is an integral part of the Clark County, Nevada financial reporting entity and as such, the Authority is considered a component unit of the County. The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as applicable to governmental entities.

### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Authority. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. All governmental funds are considered to be major funds and they are reported as separate columns in the fund financial statements.

### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

#### **Government-Wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

### **Governmental Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or within 90 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Room taxes and interest revenue associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues in the current year.

The Authority reports the following major governmental funds:

*Stadium Authority General Fund* – this is the general operating fund of the Authority. The general operating fund is used to account for all resources and cost of operations traditionally associated with governments, which are not accounted for and reported in other funds.

*Stadium Debt Service Fund* - this fund is used to account for the payment of principal and interest, and the cost of operations associated with the debt service for the Authority's general obligation debt.

*Stadium Capital Projects Fund* - this fund is used to account for the costs of constructing the stadium paid from bond proceeds, room tax revenues, and interest earnings.

### **Assets, Liabilities and Deferred Inflows of Resources and Net Position or Equity**

#### **Cash and Investments**

The majority of all cash and investment transactions of the Authority are held with a fiscal agent. These investments are invested by third-party trustees in various securities. The remaining cash and investment transactions of the Authority are handled by the Clark County Treasurer's office. Cash balances are combined and invested as permitted by law in combination with Clark County funds. Investments are reported at fair value on the balance sheet and statement of net position. Changes in the fair value of investments are included in investment income of the individual funds.

Investments are reported at fair value on the balance sheet and statement of net position. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. Changes in the fair value of Authority investments are part of interest earnings of the individual fund.

### **Accounts Receivable**

The accounts receivable are shown net of any provision for doubtful accounts.

### **Capital Assets**

Capital assets, which include construction in progress and land are reported in the government-wide financial statements.

The stadium will be depreciated once the construction is complete and the stadium is placed in service. Prior to that time, all construction is reported as construction in progress.

### **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as prepaid bond insurance and deferred losses, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources whereas discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### **Deferred Inflows of Resources**

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Under the provisions of GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, the Authority has elected to record the purchased revenues related to personal seat licenses as deferred inflows of resources.

### **Net Position or Equity**

In the government-wide statements, equity is classified as net position and displayed in three components:

- Net investment in capital assets – Capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets net of unspent financing proceeds.

- Restricted net position – Net position with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, the classifications of fund balance represent amounts that are not subject to appropriation or are legally segregated for a specific purpose. The following classifications have been implemented by the Authority:

- Nonspendable – amounts that are not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact.
- Restricted – amounts constrained to specific purposes by external providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed – amounts constrained to specific purposes by the Authority itself, using its highest level of decision-making authority, the Stadium Authority Board of Directors (the Board). To be reported as committed, the Board must take formal action, via entering into interlocal agreements or professional service contracts, prior to the end of the reporting period. Amounts cannot be used for any other purpose unless the Board takes the same formal action to remove or change the constraint.
- Assigned – amounts the Authority intends to use for a specific purpose. These assignments, however, are not legally binding and are meant to reflect intended future uses of the Authority's ending fund balance. The Board has authority to assign amounts of ending fund balance.
- Unassigned – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Authority considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Authority considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**Note 2 - Stewardship, Compliance and Accountability**

**Compliance with Nevada Revised Statutes**

Excess of Expenditures Over Appropriations

Per NRS 354.626, no governmental agency may expend or contract to expend funds in excess of amounts appropriated for that function. The Authority is required to report and explain expenditures or contracts to expend that exceeded budgeted appropriations for the General Fund, Special Revenue, Debt Service, and Capital Project Funds. As of June 30, 2020, the expenditures, including transfers out, in the Capital Projects Fund were \$573,417,883 exceeding budgeted appropriations by \$74,593,748. These expenditures include \$228,650,601 funded by the sale of personal seat licenses. In accordance with GASB Statement No. 48, *Sale and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, the revenues from the sale of personal seat licenses has been recorded as a deferred inflow. The revenues will be recognized after the first game is played in the football stadium. Because these revenues have not been recognized, the Authority did not have an available revenue resource or fund balance to budget appropriations for these expenditures causing the budget violation.

Unrestricted Deficit Fund Balance

The Capital Projects Fund had a deficit unassigned fund balance of \$514,025,884 at June 30, 2020. This excess was the result of capital expenditures exceeding budgeted expenditures and the revenues from the sale of personal seat licenses being recorded as deferred inflows as noted above. The negative fund balance will be addressed during the following fiscal year when the sale of personal seat licenses of \$551,101,948 are recognized as revenues.

**Note 3 - Cash and Investments**

The majority of all cash and investments of the Authority are included in the investment pool of the Clark County Treasurer (the "Treasurer") and the Authority's trustees, the Bank of New York Mellon and U.S. Bank. As of June 30, 2020, these amounts are distributed as follows:

Cash and investments held in Clark County Investment Pool	\$ 17,597,997
In custody of other officials	157,067
Cash with fiscal agents	130,098,820
	130,098,820
Grand total	\$ 147,853,884

#### Clark County Investment Pool

The Treasurer invests monies held both by individual funds and through a pooling of monies. The pooled monies, referred to as the investment pool, are invested as a whole and not as a combination of monies from each fund belonging to the pool. In this manner, the Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balance of the fund for the month in which the investments mature.

According to state statutes, County monies must be deposited with federally insured banks and savings and loan associations within the County. The Treasurer is authorized to use demand accounts, time accounts, and certificates of deposit.

State statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible state investments. Permissible state investments are similar to allowable County investments described below except that some state investments are longer term and include securities issued by municipalities outside the state of Nevada.

Due to the nature of the investment pool, it is not possible to separately identify any specific investment as being that of the Authority. Instead, the Authority owns a proportionate share of each investment, based on the Authority's participation percentage in the investment pool.

#### Interest Rate Risk

Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the duration of its investment portfolio to less than 2.5 years. The County's investment policy limits investment portfolio maturities for certain investment instruments as follows: U.S. Treasury and U.S. agencies to less than ten years; bankers' acceptances to 180 days maturity; commercial paper to 270 days maturity; certificates of deposit to 1 year maturity; corporate notes and bonds to 5 years maturity; and repurchase agreements to 90 days maturity.

#### Interest Rate Sensitivity

At June 30, 2020, the County invested in the following types of securities that have a higher sensitivity to interest rates:

*Callable Securities* are directly affected by the movement of interest rates. Callable securities allow the issuer to redeem or call a security before maturity, one time or generally on coupon dates.

*Asset Backed Securities* are financial securities backed by a loan, lease, or receivable against assets other than real estate and mortgage backed securities. These securities are subject to interest rate risk in that the value of the assets fluctuates inversely with changes in the general levels of interest rates.

*Credit Risk*

The County’s investment policy applies the prudent-person rule: “In investing the County’s monies, there shall be exercised the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

*Concentrations of Credit Risk*

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The County’s investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to no more than five percent of the Clark County investment pool.

*GASB 31*

GASB Statement No. 31 requires the County to adjust the carrying amount of its investment portfolio to reflect the change in fair or market values. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income in the funds reflects this positive or negative market value adjustment.

*Trustee Cash*

The Authority utilizes two Trustee’s to service their debt and capital outlay, Bank of New York Mellon and U.S. Bank, respectively.

As of June 30, 2020, the \$130,098,820 held by the Trustees were invested in short-term investments with entities as indicated in the tables below:

Investment Type	Investment Maturities (in Years)		
	Fair Value June 30, 2020	Less Than 1	1 to 3
United States Treasury Notes	\$ 10,057,400	\$ 10,057,400	\$ -
United States Treasury Bills	47,969,800	47,969,800	-
First American Treasury Obligation	71,190,465	60,996,065	10,194,400
Morgan Stanley Money Market Funds	881,155	881,155	-
	<u>\$ 130,098,820</u>	<u>\$ 119,904,420</u>	<u>\$ 10,194,400</u>
Investment Ratings	Moody's	S&P	
United States Treasury Notes	Aaa	AA+	
United States Treasury Bills	Aaa	AA+	
First American Treasury Obligation	Aaa	AA+	
Morgan Stanley Money Market Funds	N/A	N/A	

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Balance June 30, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2020</u>
Governmental activities				
Capital assets not being depreciated				
Land	\$ 77,780,128	\$ -	\$ -	\$ 77,780,128
Construction in progress	<u>903,833,724</u>	<u>819,569,246</u>	<u>-</u>	<u>1,723,402,970</u>
Total capital assets not being depreciated	<u>981,613,852</u>	<u>819,569,246</u>	<u>-</u>	<u>1,801,183,098</u>
Governmental activities capital assets	<u>\$ 981,613,852</u>	<u>\$ 819,569,246</u>	<u>\$ -</u>	<u>\$ 1,801,183,098</u>

**Note 5 - Interfund Balances and Transfers**

The composition of interfund balances at June 30, 2020 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Debt Service Fund	General Fund	\$ 598,270
	Capital Projects Fund	<u>266,456</u>
		<u>\$ 864,726</u>

These balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Interfund transfers for the year ended June 30, 2020, consisted of the following:

<u>Transfers In:</u>	<u>Transfers Out:</u>		
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Debt service fund	<u>\$ 35,411,093</u>	<u>\$ 4,355,288</u>	<u>\$ 39,766,381</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

**Note 6 - Long-Term Liabilities**

Bonds payable at June 30, 2020, are comprised of the following bonds:

Series	Purpose	Date Issued	Date of Final Maturity	Interest Rate	Original Amount	Balance June 30, 2020
2018A	Construction	05/01/18	05/01/48	4.00-5.00%	\$ 645,145,000	\$ 642,300,000
Total general obligation bonds					<u>\$ 645,145,000</u>	<u>\$ 642,300,000</u>

Summary of Debt Service – The annual debt service requirements to maturity are as follows:

Year ending June 30,	Total Principal	Total Interest	Total
2021	\$ 2,545,000	\$ 32,115,000	\$ 34,660,000
2022	3,365,000	31,987,750	35,352,750
2023	4,240,000	31,819,500	36,059,500
2024	5,175,000	31,607,500	36,782,500
2025	6,170,000	31,348,750	37,518,750
2026 - 2030	48,150,000	151,005,000	199,155,000
2031 - 2035	84,315,000	135,567,500	219,882,500
2036 - 2040	132,840,000	109,917,000	242,757,000
2041 - 2045	197,420,000	70,612,500	268,032,500
2046 - 2048	158,080,000	15,952,792	174,032,792
	<u>\$ 642,300,000</u>	<u>\$ 641,933,292</u>	<u>\$ 1,284,233,292</u>

There are a number of limitations and restrictions contained in the bond indentures. The Authority is in compliance with all significant limitations and restrictions.

**Pledged Revenues**

The Authority has pledged future receipts from the levy of the room taxes imposed pursuant to Section 33 of the Act and the Room Tax Ordinance. The total principal and interest remaining to be paid on the bonds is \$1,284,233,292. Principal and interest paid for the current year and pledged revenues received were as follows:

Pledged revenues - room taxes	\$ 36,872,823
Debt service	33,978,750
Coverage	1.09

Clark County Stadium Authority,  
 dba: Las Vegas Stadium Authority  
 Clark County, Nevada  
 Notes to Financial Statements  
 June 30, 2020

Changes in Long-Term Liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	\$ 644,075,000	\$ -	\$ (1,775,000)	\$ 642,300,000	\$ 2,545,000
Plus: issuance premiums	94,930,988	-	(3,292,404)	91,638,584	-
Total long-term liabilities	<u>\$ 739,005,988</u>	<u>\$ -</u>	<u>\$ (5,067,404)</u>	<u>\$ 733,938,584</u>	<u>\$ 2,545,000</u>

**Note 7 - Commitments**

In March 2018, the Authority approved a series of documents related to the construction and operation of the Authority project. These agreements are primarily between the Clark County Stadium Authority and LV Stadium Events Company LLC (“StadCo”), the developer and operator of the stadium, as well as other entities. The agreements include, but are not limited to, the following: the Stadium Development Agreement, generally relating to the funding and construction of the stadium project; the Stadium Lease Agreement, generally relating to the operation of the stadium upon completion; the Construction Funds Trust Agreement and the Stadium Disbursing Agreement, generally relating to the management and disbursement of project funds; the Authority PSL Account Agreement, the PSL Sales and Marketing Agreement and the Purchase and Sale Agreement, generally relating to the marketing, sales and revenues of personal seat licenses; and other legal agreements related to various aspects of the project.

**Note 8 - Subsequent Events**

Subsequent to the end of the fiscal year, construction of the stadium was substantially completed in July 2020. On August 31, 2020, the stadium was issued an unconditional Final Certificate of Occupancy.

On November 25, 2020, an unscheduled draw in the amount of \$11,553,389 was made on the debt reserve fund for payment of the interest due on the outstanding Bonds on December 1, 2020, in the amount of \$16,057,500. The total amount on deposit in the Reserve Fund after the draw was made was \$57,257,617.



Required Supplementary Information  
June 30, 2020

**Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada**

Clark County Stadium Authority,  
 dba: Las Vegas Stadium Authority  
 Clark County, Nevada  
 General Fund (Stadium Authority Fund)

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
 For the year ended June 30, 2020

	2020			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Intergovernmental Revenue				
Room taxes	\$ 49,550,000	\$ 35,904,224	\$ 36,872,823	\$ 968,599
Investment Earnings	50,000	87,000	396,385	309,385
Total revenues	49,600,000	35,991,224	37,269,208	1,277,984
Expenditures				
Current				
Service and supplies	2,166,640	900,000	730,114	(169,886)
Other Financing Uses				
Transfers to other funds	47,433,360	50,728,368	41,205,556	(9,522,812)
Total expenditures and other financing uses	49,600,000	51,628,368	41,935,670	(9,692,698)
Net change in fund balance	-	(15,637,144)	(4,666,462)	10,970,682
Fund Balances - Beginning	-	15,637,144	15,637,144	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,970,682</u>	<u>\$ 10,970,682</u>

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada

Reconciliation of General Fund Budgetary Information to General Fund GAAP Information  
For the year ended June 30, 2020

	General Fund Budgetary Basis	Waterfall Residual Fund (Internally Reported)	Eliminations	General Fund as reported on statement of revenues, expenditures and changes in fund balances (GAAP Basis)
Revenues				
Intergovernmental Revenue				
Room taxes	\$ 36,872,823	\$ -	\$ -	\$ 36,872,823
Investment Earnings	396,385	221,968	-	618,353
Total revenues	37,269,208	221,968	-	37,491,176
Other Financing Sources				
Transfers from other funds	-	15,146,525	(15,146,525)	-
Total revenues and other financing sources	37,269,208	15,368,493	(15,146,525)	37,491,176
Expenditures				
Current				
Service and supplies	730,114	-	-	730,114
Other Financing Uses				
Transfers to other funds	41,205,556	9,352,062	(15,146,525)	35,411,093
Total expenditures and other financing uses	41,935,670	9,352,062	(15,146,525)	36,141,207
Net change in fund balance	(4,666,462)	6,016,431	-	1,349,969
Fund Balances - Beginning	15,637,144	352,062	-	15,989,206
Fund Balances - Ending	\$ 10,970,682	\$ 6,368,493	\$ -	\$ 17,339,175

**Note 1 - Budgetary Information**

The Authority uses the following procedures to establish, modify, and control the budgetary data presented in the financial statements:

- a. Prior to April 15, the Authority Board submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.
- b. The Nevada State Department of Taxation notifies the Authority of its acceptance of the budget.
- c. Public hearings are conducted on the third Monday in May.
- d. After all changes have been noted and hearings closed, the Authority adopts the budget on or before June 1.
- e. The Authority's administrative contractor is authorized to transfer budgeted amounts within functions or funds, and any other transfers must be approved by the Authority Board.
- f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal Authority Board action.
- g. Statutory regulations require budget control to be exercised at the function level within the Stadium Authority fund, which serves as the Authority's general fund. The Authority administratively exercises control at the budgeted item level within a department.
- h. All appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year up to the amount of available opening fund balance.
- i. Budgeted amounts as originally adopted for the year ended June 30, 2020, were augmented for grants and other Board actions.
- j. Budgets are adopted on a basis consistent with the method used to report on governmental funds, which are prepared in accordance with the accounting principles generally accepted in the United States of America.

**Note 2 - Reconciliation of General Fund Budgetary Information to General Fund GAAP Information**

This statement reconciles the general fund as presented for budget purposes to the presentation required under the modified accrual basis of accounting.



Supplementary Information  
June 30, 2020

**Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada**

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada  
Waterfall Reserve Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
For the year ended June 30, 2020

	2020			
	Original Budget	Final Budget	Actual	Variance
Revenues				
Investment Earnings	\$ 25,000	\$ 25,600	\$ 221,968	\$ 196,368
Other Financing Sources				
Transfers from other funds	4,449,610	16,748,618	15,146,525	(1,602,093)
Total revenues and other financing sources	<u>4,474,610</u>	<u>16,774,218</u>	<u>15,368,493</u>	<u>(1,405,725)</u>
Expenditures				
Capital outlay	7,288,099	-	-	-
Other Financing Uses				
Transfers to other funds	-	9,000,000	9,352,062	352,062
Total expenditures and other financing uses	<u>7,288,099</u>	<u>9,000,000</u>	<u>9,352,062</u>	<u>352,062</u>
Net change in fund balance	(2,813,489)	7,774,218	6,016,431	(1,757,787)
Fund Balances - Beginning	<u>2,813,489</u>	<u>352,062</u>	<u>352,062</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 8,126,280</u>	<u>\$ 6,368,493</u>	<u>\$ (1,757,787)</u>

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
For the year ended June 30, 2020

	2020			
	Original Budget	Final Budget	Actual	Variance
Revenues				
Investment Earnings	\$ 150,000	\$ 150,000	\$ 1,724,676	\$ 1,574,676
Other Financing Sources				
Transfers from other funds	52,928,857	52,928,857	39,766,381	(13,162,476)
Total revenues and other financing sources	<u>53,078,857</u>	<u>53,078,857</u>	<u>41,491,057</u>	<u>(11,587,800)</u>
Expenditures				
Services and Supplies	5,000	5,000	249	(4,751)
Principal	1,775,000	1,775,000	1,775,000	-
Interest	32,203,750	32,203,750	32,203,750	-
Total expenditures	<u>33,983,750</u>	<u>33,983,750</u>	<u>33,978,999</u>	<u>(4,751)</u>
Net change in fund balance	19,095,107	19,095,107	7,512,058	(11,583,049)
Fund Balances - Beginning	<u>68,500,883</u>	<u>68,500,883</u>	<u>62,227,978</u>	<u>(6,272,905)</u>
Fund Balances - Ending	<u>\$ 87,595,990</u>	<u>\$ 87,595,990</u>	<u>\$ 69,740,036</u>	<u>\$ (17,855,954)</u>

Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada  
Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
For the year ended June 30, 2020

	2020			
	Original Budget	Final Budget	Actual	Variance
Revenues				
Investment Earnings	\$ 4,950,000	\$ 4,950,000	\$ 4,945,929	\$ (4,071)
Other Income	32,742,904	32,742,904	-	(32,742,904)
Total revenues	<u>37,692,904</u>	<u>37,692,904</u>	<u>4,945,929</u>	<u>(32,746,975)</u>
Total revenues and other financing sources	<u>37,692,904</u>	<u>37,692,904</u>	<u>4,945,929</u>	<u>(32,746,975)</u>
Expenditures				-
Capital Outlay	488,879,028	488,879,028	569,062,596	80,183,568
Other Financing Uses				
Transfers to other funds	<u>9,945,107</u>	<u>9,945,107</u>	<u>4,355,288</u>	<u>(5,589,819)</u>
Total expenditures and other financing uses	<u>498,824,135</u>	<u>498,824,135</u>	<u>573,417,884</u>	<u>74,593,749</u>
Net change in fund balance	(461,131,231)	(461,131,231)	(568,471,955)	(107,340,724)
Fund Balances - Beginning	<u>461,131,231</u>	<u>461,131,231</u>	<u>54,446,111</u>	<u>(406,685,120)</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$(514,025,844)</u>	<u>\$(514,025,844)</u>



Comments of Independent Auditors  
June 30, 2020

**Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority  
Clark County, Nevada**



**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards***

To the Honorable Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority Board of Directors  
and the Honorable Board of County Commissioners  
Clark County, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Clark County Stadium Authority, dba: Las Vegas Stadium Authority, Clark County, Nevada (the "Authority"), a component unit of Clark County, Nevada, as of and for the year ended June 30, 2020, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated December 21, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Las Vegas, Nevada  
December 21, 2020



### Auditor's Comments

To the Honorable Clark County Stadium Authority,  
dba: Las Vegas Stadium Authority Board of Directors  
and the Honorable Board of County Commissioners  
Clark County, Nevada

In connection with our audit of the financial statements of the governmental activities and the major Funds of the Clark County Stadium Authority, dba: Las Vegas Stadium Authority, Clark County, Nevada (the "Authority") as of and for the year ended June 30, 2020, and the related notes to the financial statements, except as noted below, nothing came to our attention that caused us to believe that the Authority failed to comply with the specific requirements of Nevada Revised Statutes cited below. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the requirements of Nevada Revised Statutes cited below, insofar as they relate to accounting matters.

#### CURRENT YEAR STATUTE COMPLIANCE

The Authority conformed to all significant statutory constraints on its financial administration during the year except for those items identified in Note 2 of the accompanying financial statements.

#### CURRENT YEAR RECOMMENDATIONS

We noted no material weaknesses and reported no significant deficiencies in internal controls.

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

Las Vegas, Nevada  
December 21, 2020