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**RENO-SPARKS CONVENTION AND VISITORS AUTHORITY
NOTICE OF PUBLIC MEETING
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Thursday, June 28, 2018

9:00 A.M.

**Reno-Sparks Convention and Visitors Authority
4001 S. Virginia Street, Board Room
Reno, Nevada**

BOARD OF DIRECTORS:

Commissioner Bob Lucey, Chairman

Mr. Nat Carasali
Mr. Lee Dillard
Councilman Ed Lawson
Mr. Rick Murdock

Mayor Hillary Schieve
Mr. Mark Sterbens
Mr. Bill Wood
Mr. Vick Wowo

THIS MEETING IS IN COMPLIANCE WITH THE NEVADA OPEN MEETING LAW AND HAS BEEN
PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

Reno-Sparks Convention & Visitors Authority (RSCVA) offices at 4001 S. Virginia St, Suite G, Reno, NV
Reno City Hall
Sparks City Hall
National Bowling Stadium
RSCVA Website: www.rscva.com/public-meetings
Online at <https://notice.nv.gov/>
Reno-Sparks Convention Center
Washoe County Administration Bldg.
Washoe County Courthouse

Items on the agenda are for possible action by the Board of Directors unless stated otherwise. Items will not necessarily be considered in the order listed. The Board may combine two or more agenda items for consideration, may remove an item from the agenda or may delay discussion relating to an item on the agenda at any time. Support materials are made available when they are provided to the Board, or if provided during the meeting, support materials will be made available at the meeting at the same time as they are made available to the Board. Support materials are also available at the RSCVA administrative offices and at the scheduled meeting. The designated contact to obtain support materials is Corie Carlsen, 4001 South Virginia Street, Suite G, Reno, NV (775) 827-7618.

AGENDA

A. OPENING CEREMONIES

Call to Order
Pledge of Allegiance
Roll Call

B. COMMENTS FROM THE FLOOR BY THE PUBLIC

Public comment is limited to three minutes. The public is encouraged to comment on all agenda items as well as issues not on the agenda during the Public Comment period, or on "action" items immediately before board discussion of such "action" items. Members of the public desiring to speak must complete a "Request to Speak" form and return it to the RSCVA clerk at the meeting. No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken. Public comments may not be accepted after the Chairman closes any period for public comment.

C. APPROVAL OF THE AGENDA

For possible action.

D. APPROVAL OF MINUTES OF MAY 24, 2018 BOARD OF DIRECTORS' REGULAR MEETING

For possible action.

E. PRESENTATIONS

E1. Presentation of the RSCC Feasibility Study by Johnson Consulting

Charles Johnson, President of Johnson Consulting, will be presenting the Feasibility Study findings on the proposed expansion of the Reno-Sparks Convention Center. He will be joined by Ryan Johnson, Project Manager, and Brian Tennyson, Principal of LMN Architects. Skip Donau, representing Safari Club International and Lori Jenks, representing Emerald Expositions will give comment on the proposed expansion.

This is an information item. Not an action item.

E2. Selection of appointment for the Reno-Tahoe Airport Authority Board seat on the RSCVA Board

The Reno-Tahoe Airport Authority seat, currently represented by Nat Carasali, is up for renewal in July 2018. The RTIA has submitted the following three names for consideration of appointment by the RSCVA Board: Nat Carasali, Daniel Farahi and Carol Chaplin.

For discussion and possible action.

E3. Reno-Sparks Convention and Visitors Authority Staff Update

Phil DeLone, President/CEO, and RSCVA staff will deliver updates on Executive Office, Marketing, Sales, Facilities, and Finance, including the Corporate Scorecard.

This is an information item. Not an action item.

F. PERSONNEL & FINANCE COMMITTEE RECOMMENDATION REGARDING CEO GOALS AND PROCESS FOR AWARDED BONUS FOR FISCAL YEAR 2018-2019

The Personnel/Finance Committee will present a recommendation to the Board of Directors for President/CEO Phil DeLone's goals and objectives for FY 2018-2019, as well as the process for award of a bonus for Fiscal Year 2018-2019. The Board of Directors may adopt, reject and/or revise the recommended goals and process.

For discussion and possible action.

G. FINANCIAL DIVISION

G1. Public Hearing: Regarding the Approval of Resolution Adopting the Budget Augmentation for the Reno-Sparks Convention and Visitors Authority for Fiscal Year 2017-18 (current fiscal year).

Public Hearing Regarding the Approval of Resolution Adopting the Budget Augmentation for the Reno-Sparks Convention and Visitors Authority for Fiscal Year 2017-18.

For discussion and possible action.

G2. Public Hearing: Review and possible approval for the RSCVA Board of Directors to adopt proposed amendments to the Authority's Transient Lodging Tax Rules and Regulations

Review and possible approval regarding the adoption of the proposed amendments to the Authority's Transient Lodging Tax Rules and Regulations. This is a first reading of the proposed amendments.

For discussion and possible action.

G3. Review and possible approval of the RSCVA 2018-2019 Insurance Coverage

Review and possible approval of the FY 2018-19 RSCVA Property, General Liability, Automobile, Umbrella, Excess Workers' Compensation, Other States Workers' Compensation, Public Officials' Liability, Crime and Internet Liability Insurance Coverage.

For discussion and possible action.

G4. Review and possible approval of the Amended and Restated Management Agreement with SMG

Review and possible approval of an Amended and Restated Management Agreement with SMG amending and restating the existing Management Agreement with SMG to potentially revise certain compensation structures and to otherwise incorporate comments off RSCVA bond counsel.

For discussion and possible action.

H. SALES AND MARKETING DIVISION

H1. Review and possible approval regarding a contract extension for The Decker/Royal Agency, the RSCVA's Public Relations Agency of Record

Staff is recommending the RSCVA Board of Directors authorize the President/CEO to extend the agreement with The Decker/Royal Agency for two years (July 1, 2018 – June 30, 2020), in the amount of \$66,000 per year, with an option to extend for an additional two years.

For discussion and possible action.

I. DISCUSSION AND POSSIBLE APPROVAL OF ONE-TIME FUNDING OF THE RED, WHITE AND TAHOE BLUE FIREWORKS

For discussion and possible approval of one-time funding of The Red, White and Tahoe Blue 4th of July event for the amount of \$25,000.

For discussion and possible action.

J. BOARD MEMBER COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

K. COMMENTS FROM THE FLOOR BY THE PUBLIC

Public comment is limited to three minutes. The public is encouraged to comment on all agenda items as well as issues not on the agenda during the Public Comment period, or on "action" items immediately before board discussion of such "action" items. Members of the public desiring to speak must complete a "Request to Speak" form and return it to the RSCVA clerk at the meeting. No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken. Public comments may not be accepted after the Chairman closes any period for public comment.

L. ADJOURNMENT

For possible action.

Persons are invited to submit written remarks for all matters, both on and off the agenda. Written remarks presented for inclusion in the Board of Directors' minutes must be flat, unfolded, on paper of standard quality, and 8 ½ by 11 inches in size. Written remarks shall not exceed five (5) pages in length. The RSCVA will not accept for filing any submission that does not comply with this rule. On a case-by-case basis, the Board of Directors may permit the filing of noncomplying written remarks, documents, and related exhibits pursuant to NRS 241.035(1)(e). Board of Directors' meeting rooms are accessible to persons with disabilities. If special arrangements are required, please contact Corie Carlsen at 775-827-7618.

For information or questions regarding this agenda, please contact:
The RSCVA Executive Office
P.O. Box 837, Reno, NV 89504
775-827-7618



P.O. Box 837
Reno, NV 89504 USA
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VisitRenoTahoe.com

**Reno-Sparks Convention & Visitors Authority
Board of Directors Meeting Minutes
May 24, 2018**

The Regular Meeting of the Board of Directors of the Reno-Sparks Convention & Visitors Authority met at 9:00 a.m., May 24, 2018, at the Reno-Sparks Convention and Visitors Authority, 4001 S. Virginia Street, Reno, NV. The meeting was duly noticed and posted in compliance with the Nevada Open Meeting Law.

A. OPENING CEREMONIES

Call to Order

Chairman Bob Lucey called the meeting to order at 9:00 a.m.

Pledge of Allegiance led by Member Vick Wowo

Board Members Present:

Nat Caraseli
Lee Dillard
Councilman Ed Lawson
Commissioner Bob Lucey
Rick Murdock
Mayor Hillary Schieve
Mark Sterbens
Bill Wood
Vick Wowo

Board Members Absent:

RSCVA Executive Staff Present:

Phil DeLone, President/CEO
Jennifer Cunningham, Executive Vice President
Robert Chisel, Director of Finance
Sheri Nill, Director of Human Resources
Mike Larragueta, Vice President of Sales
Esther Isaac, Director of Marketing
Ben Kennedy, Legal Counsel
Molly Rezac, Legal Counsel

RSCVA Executive Staff Absent:

B. COMMENTS FROM THE FLOOR BY THE PUBLIC

None

C. APPROVAL OF THE AGENDA

Chairman Lucey announced that agenda item F2, Public Hearing: Review and Adoption of the RSCVA 2018-2019 Fiscal Year Budget (Resolution 583), would be moved and discussed directly after the approval of the meeting minutes from the April 24, 2018 Board of Director Meeting as several board members were attending the 2018 Salute to Women of Achievement luncheon.

MOTION: Mayor Hillary Schieve made a motion to approve the April 26, 2018 Agenda with changes. Seconded by Member Lee Dillard. **Motion carried unanimously.**

D. APPROVAL OF MINUTES OF APRIL 26, 2018 REGULAR MEETING

MOTION: Mayor Schieve made a motion to approve the April 26, 2018 Minutes. Seconded by Member Vick Wowo. **Motion carried unanimously.**

E. PRESENTATIONS

F1. Reno-Sparks Convention and Visitors Authority Staff Update

Phil DeLone, President and CEO included his presentation remarks in his discussion of item F1, Review and Discussion of the Proposed of the Proposed FY 2018/19 Annual Plan.

Mr. Art Jimenez briefly discussed the progress with PHG and the China market.

F. FINANCIAL DIVISION UPDATE

F1. Review and Discussion of the Proposed FY 18-19 Annual Plan

Phil DeLone, President and CEO, gave an overview of the FY 2018-19 Annual Plan. Mr. DeLone touched on the RSCVA's focus areas which include the proposed expansion of the Reno-Sparks Convention Center, the facilities transition with SMG, enhanced air service to the area and the consumer marketing expansion. He also discussed the continued refurbishment of the RSCC, the development of the Chinese market, the capital improvements to the RSLEC and the renovation of the National Bowling Stadium. Mr. DeLone spoke to the RSCVA's Strategic Priorities as they relate to the Annual Plan which includes Visitor Growth, Direct Room Night Growth, Facility Efficiency and Organizational Sustainability.

Jennifer Cunningham, Executive Vice President, presented an overview of Strategic Priority #1 - Visitor Growth and Destination Awareness: Increase the awareness of and access to Reno Tahoe through repositioning the destination in key growth markets. She discussed destination perception & awareness, destination engagement and target market growth. Mrs. Cunningham stated that the overall media budget for FY 18/19 would come in at \$6.8 million. She finished by addressing direct room night growth and air service support.

Michael Larraguetta, Vice President of Sales, presented Strategic Priority #2 – Direct Room Night Growth: Leverage the region's competitive strengths and RSCVA owned/managed facilities to grow taxable room nights. He started with the convention sales goals for FY 2018/19 of 280,000 room nights. Addressing the growth of net produced room nights, room nights in the sales pipeline, convention produced room nights and sports produced room nights. Mr. Larraguetta went on to discuss the remaining three goals as leveraging the regional offices & vertical market focus, destination site experience program and the utilization of media communication.

Art Jimenez, Executive Director of Tourism Sales, presented the Strategic Plan Priority #2 for Tourism Sales. Mr. Jimenez discussed the objectives for the FY 2018/19, starting with a focus on traditional wholesalers, international & domestic receptive operators and online travel agencies. He went on to discuss the Authority's goals for travel agents, group tour/motorcoach operators and the direct to consumer- ski/golf options.

Robert Chisel, Director of Finance, presented Strategic Plan Priority #3 – Facility Efficiency: Efficiently and effectively operate all RSCVA facilities to support visitor growth and community benefit. He discussed the SMG transition, operating margins, FY18/19 Capital projects and the client/customer experience.

Phil DeLone, President and CEO, presented the Strategic Plan Priority #4 - Organizational Sustainability: Enable the organization to support the growth and development of people, processes & technology improvements.

MOTION: Member Rick Murdock made a motion to approve the FY 18/19 Annual Plan. Seconded by Mayor Schieve. **Motion carried unanimously.**

F2. Public Hearing: Review and Adoption of the RSCVA 2018-2019 Fiscal Year Budget (Resolution 583)

Robert Chisel, Director of Finance, presented the FY 2018-2019 proposed budget for the Reno-Sparks Convention and Visitors Authority. Mr. Chisel reviewed the budget process, the Strategic Plan, along with the expenditures and revenues by department.

Chairman Lucey opened the public hearing and asked for comments. Being none, Chairman Lucey closed the public hearing and asked for a motion to approve the RSCVA 2018-2019 FY Budget.

MOTION: Mayor Schieve made a motion to approve the RSCVA 2018-2019 FY Budget. Seconded by Member Rick Murdock. **Motion carried unanimously.**

G. BOARD MEMBER COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

Member Dillard requested that SMG present an Annual Plan at a future board meeting.

Mayor Schieve requests that the RSCVA look at participation in the San Francisco Pride event.

H. COMMENTS FROM THE FLOOR BY THE PUBLIC

I. ADJOURNMENT

Meeting adjourned at 11:00 a.m.



RSCVA BOARD SEAT APPOINTMENT

Presentation by Legal Council



Reno-Tahoe Airport Authority

P.O. Box 12490 • Reno, NV 89510-2490 • (775)328-6400 • (775)328-6510

May 17, 2018

Mr. Phil DeLone
CEO
RSCVA
P.O. Box 837
Reno, NV 89504

RE: Reno-Tahoe Airport Authority Submission for Trustee Appointment to the RSCVA Board

Dear Phil:

As you know, the Airport's current representative to the RSCVA Board is Nat Carasali whose term will expire on June 30, 2018. Mr. Carasali is eligible to serve another 2-year term.

The Reno-Tahoe Airport Authority Board of Trustees took action at their meeting on May 17, 2018, and submits the following three RTAA Trustees for consideration of appointment by the RSCVA Board as the new air service representative: Mr. Nat Carasali, Mr. Daniel Farahi, and Ms. Carol Chaplin. The Trustees may be contacted by email as follows:

Nat Carasali at nbpartners@peppermillcas.com;
Daniel Farahi at danielfarahi@monarchcasino.com; and
Carol Chaplin at carol@ltva.org.

Please feel free to contact me if you have any questions regarding this submission.

Sincerely,

Marily M. Mora, A.A.E.
President/CEO

cc: Jennifer Cunningham
RTAA Trustees Carasali, Farahi, and Chaplin



RSCVA STAFF UPDATES & CORPORATE SCORECARD

Presentation by
Phil DeLone and RSCVA Staff

RSCVA Monthly Snapshot: April 2018

Strategic Plan Priority #1: Visitor Growth & Awareness					
Marketing Goals	OVERALL VISITOR GROWTH	April'18	April'17	Y/Y%	Monthly Goal
	Visitor Volume	397,674	411,342	-3.3%	397,089
	# of Web Sessions - National Overall	294,123	-	-	TBD
	Number of web session partner referrals	3,750	-	+/- 100%	TBD
	SF: Web Sessions	53,006	-	-	TBD
	SF: Impressions (Outdoor, Digital, Print)	27,024,116	-	+/- 100%	TBD
	Seattle: Web Sessions	25,868	-	-	TBD
	Seattle: Impressions (Outdoor, Digital, Print)	21,689,285	-	+/- 100%	TBD
	LA Basin: Web Sessions	79,511	-	-	TBD
	LA Basin: Impressions (Outdoor, Digital, Print)	53,756,311	-	+/- 100%	TBD
MARKET PERFORMANCE/CASH OCCUPIED ROOMS					
Washoe County Total					
	Room Inventory	691,245	702,683	-1.6%	709,462
	Cash Room Nights	287,038	301,000	-4.6%	289,031
	Comp Room Nights	68,828	70,813	-2.8%	73,574
	Overall Occupancy	69.4%	71.0%	-2.3%	68.7%
	Taxable Revenue	\$31,304,804	\$29,934,593	4.6%	\$29,742,183
	A.D.R.	\$109.06	\$99.45	9.7%	\$102.90
	Rev Par	\$50.51	\$42.37	19.2%	-
	Gaming Win	\$65,396,288	\$64,189,961	1.9%	-
Hotel Market Segment					
	Room Inventory	467,068	468,275	-0.3%	469,320
	Cash Room Nights	245,060	251,808	-2.7%	246,771
	Comp Room Nights	68,484	70,469	-2.8%	73,142
	Overall Occupancy	69.0%	70.1%	-1.6%	68.7%
	Taxable Revenue	\$28,529,404	\$26,959,551	5.8%	\$27,428,551
	A.D.R.	\$116.42	\$107.06	8.7%	\$111.15
	Rev Par	\$62.78	\$58.59	7.2%	-
AIRLIFT					
	Air Passengers	N/A	N/A	N/A	N/A
Strategic Plan Priority #2: Direct Room Night Growth					
Tourism Goals	TOURISM SALES GOALS	April'18	April'17	Y/Y%	Monthly Goal
	Traditional Wholesaler	1,320	1,528	-13.6%	511
	International/Domestic Receptive Operators	1,295	1,605	-19.3%	2,678
	Online Travel Agent	39,837	29,623	34.5%	29,008
	Travel Agent	16,614	11,549	43.9%	15,457
	Group Tour/Motorcoach	5,574	4,312	29.3%	4,479
	Ski and Golf Production	133	274	-51.5%	275
Convention Sales Goals	TENTATIVE SALES PIPELINE				
	# of Leads Issued	65	33	97.0%	66
	# of Room Nights for Leads Issued	128,157	70,380	82.1%	-
	# of Outstanding Leads in Sales Pipeline	270	239	13.0%	-
	# of Room Nights in Sales Pipeline	583,149	598,238	-2.5%	776,000
	PRODUCED ROOM NIGHTS				
	Gross Produced Room Nights	11,703	1,960	497.1%	16,832
	Net Produced Room Nights	11,703	1,960	497.1%	18,141
	Net Produced Room Nights % of Goal	64.5%	10.8%	497.1%	100%
	Convention Produced Room Nights	9,166	1,325	591.8%	1,325
	Sports Produced Room Nights	2,537	635	299.5%	60
	Bowling Produced Room Nights	-	-	+/- 100%	2,000
	Equestrian Produced Room Nights	-	-	+/- 100%	500
	ACTUAL ROOM NIGHTS (RNs Realized This Year)				
	Groups/Conventions Actual Room Nights	11,876	5,224	127.3%	7,793
	Sports Actual Room Nights	17,049	10,715	59.1%	25,032
	Bowling Actual Room Nights	3,350	470	612.8%	3,400
	Equestrian and Livestock Actual Room Nights	6,607	4,272	54.7%	6,500
	Total Actual Room Nights	38,882	20,681	88.0%	42,725
	Number of concert events at REC	3	3	0.0%	1
Strategic Plan Priority #3: Facility Efficiency					
GM Goals	OPERATING MARGIN	April'18	April'17	Y/Y%	Monthly Goal
	Reno-Sparks Convention Center	\$321,578	\$256,246	25.5%	\$288,028
	Reno Events Center	\$82,018	\$31,571	159.8%	-\$45,007
	National Bowling Stadium	-\$141,256	-\$78,538	-79.9%	-\$81,294
	Reno-Sparks Livestock Events Center	\$103,198	-\$6,548	1676.0%	-\$6,431
	Wildcreek Golf Course	-\$22,948	\$5,060	553.6%	-\$16,357

Legend:	
Comparison of current actual to the monthly goal	
Green	>= 95% of target
Yellow	80-95% of target
Red	< 80% of target
*Note that for goals without targets, color coding is based on the same period the previous year	

RSCVA Monthly Snapshot: Year-to-Date April 2018

Strategic Priority #1: Visitor Growth & Awareness						
Marketing Goals	OVERALL VISITOR GROWTH	FY 17-18	FY 16-17	YTD Target	Y/Y%	Annual Goal
	Visitor Volume	4,239,309	4,086,528	4,174,324	3.7%	5,025,248
	# of Web Sessions - National Overall	2,387,534	-	TBD	-	TBD
	Number of web session partner referrals	37,493	-	TBD	+/- 100%	TBD
	SF: Web Sessions	451,220	-	TBD	-	TBD
	SF: Impressions (Outdoor, Digital, Print)	100,018,820	-	TBD	+/- 100%	TBD
	Seattle: Web Sessions	170,332	-	TBD	-	TBD
	Seattle: Impressions (Outdoor, Digital, Print)	107,249,210	-	TBD	+/- 100%	TBD
	LA Basin: Web Sessions	445,720	-	TBD	-	TBD
	LA Basin: Impressions (Outdoor, Digital, Print)	243,673,949	-	TBD	+/- 100%	TBD
MARKET PERFORMANCE/CASH OCCUPIED ROOMS						
Washoe County Total						
Room Inventory	7,157,921	7,234,964	7,285,227	-1.1%	8,759,376	
Cash Room Nights	3,064,045	2,949,287	3,017,332	3.9%	3,626,875	
Comp Room Nights	724,690	751,302	767,566	-3.5%	935,500	
Overall Occupancy	70.9%	68.5%	70.0%	3.5%	70.0%	
Taxable Revenue	\$316,876,646	\$283,049,576	\$300,728,441	12.0%	\$361,344,865	
A.D.R.	\$103.42	\$95.97	\$99.67	7.8%	\$99.63	
Rev Par	\$49.64	\$43.22	-	14.9%	-	
Gaming Win	\$706,232,105	\$670,124,667	-	5.4%	-	
Hotel Market Segment						
Room Inventory	4,766,137	4,746,551	4,786,338	0.4%	5,751,360	
Cash Room Nights	2,595,255	2,468,538	2,536,575	5.1%	3,047,285	
Comp Room Nights	720,540	747,193	763,402	-3.6%	930,634	
Overall Occupancy	71.7%	68.9%	70.0%	4.1%	68.5%	
Taxable Revenue	\$281,147,097	\$249,723,035	\$266,784,730	12.6%	\$321,008,588	
A.D.R.	\$108.33	\$101.16	\$105.18	7.1%	\$105.34	
Rev Par	\$60.83	\$53.49	-	13.7%	-	
AIRLIFT						
Air Passengers	N/A	N/A	N/A	N/A	N/A	

Strategic Priority #2: Direct Room Night Growth								
Tourism Goals	Tourism Sales Goals	FY 17-18	FY 16-17	YTD Target	Y/Y%	Annual Goal		
	Traditional Wholesaler	16,849	19,263	20,087	-12.5%	21,109		
	International/Domestic Receptive Operators	21,338	18,489	17,997	15.4%	23,353		
	Online Travel Agency	427,683	351,976	379,552	21.5%	437,567		
	Travel Agent	125,115	99,370	106,067	25.9%	136,983		
	Group Tour/Motorcoach	35,901	40,382	38,535	-11.1%	47,591		
	Ski and Golf Production	10,161	9,451	12,376	7.5%	12,996		
	TENTATIVE SALES PIPELINE							
Convention Sales Goals	# of Leads Issued	608	459	616	32.5%	744		
	# of Room Nights for Leads Issued	956,147	787,942	-	21.3%	-		
	# of Outstanding Leads in Sales Pipeline	270	217	-	24.4%	-		
	# of Room Nights in Sales Pipeline	583,149	463,074	776,000	25.9%	776,000		
	PRODUCED ROOM NIGHTS							
	Gross Produced Room Nights	268,401	192,033	194,118	39.8%	260,000		
	Net Produced Room Nights	263,742	191,323	195,427	37.9%	260,000		
	Net Produced Room Nights % of Goal	135.0%	117.7%	100.0%	14.7%	100%		
	Convention Produced Room Nights	139,087	141,077	146,950	-1.4%	196,021		
	Sports Produced Room Nights	124,455	42,204	24,981	194.9%	33,979		
	Bowling Produced Room Nights	200	7,096	20,000	-97.2%	24,000		
	Equestrian Produced Room Nights	-	6,387	5,000	-100.0%	6,000		
	ACTUAL ROOM NIGHTS (RNs Realized This Year)							
	Groups/Conventions Actual Room Nights	151,463	78,237	126,333	93.6%	138,566		
	Sports Actual Room Nights	39,411	30,079	45,996	31.0%	66,622		
	Bowling Actual Room Nights	18,367	16,052	14,800	14.4%	37,000		
Equestrian and Livestock Actual Room Nights	19,673	19,267	33,000	2.1%	35,000			
Total Actual Room Nights	228,914	143,635	220,129	59.4%	277,188			
Number of concert events at REC	47	15	17	213.3%	20			

Strategic Priority #3: Facility Efficiency							
OPERATING MARGIN		FY 17-18	FY 16-17	YTD Target	Y/Y%	Annual Goal	
GM Goals	Reno-Sparks Convention Center	-\$315,597	-\$890,185	-\$887,187	64.5%	-\$1,111,190	
	Reno Events Center	-\$170,189	-\$100,160	-\$123,896	-69.9%	-\$187,575	
	National Bowling Stadium	-\$1,465,786	-\$1,235,839	-\$1,194,074	-18.6%	-\$1,149,766	
	Reno-Sparks Livestock Events Center	-\$443,367	-\$625,461	-\$521,795	29.1%	-\$715,922	
	Wildcreek Golf Course	-\$274,834	-\$283,634	-\$276,091	-3.1%	-\$276,091	

Legend:	
Comparison of current actual to the Year to Date Target	
Green	>= 95% of target
Yellow	80-95% of target
Red	< 80% of target
*Note that for goals without targets, color coding is based on the same period the previous year	



**PERSONNEL/FINANCE
COMMITTEE
RECOMMENDATION FOR
FY 2018/19 CEO GOALS**

Presentation by
Personnel/Finance Committee



P.O. Box 837
Reno, NV 89504 USA
t: 775.827.7600
VisitRenoTahoe.com

Date: 06.18.2018
To: Board of Directors
From: Molly Rezac, Legal Counsel
Subject: **Fiscal Year 2018/2019 CEO Goals—Recommendation
by Personnel Committee**

The Personnel Committee met on June 5, 2018 to review for recommendation the Fiscal Year 2018/2019 CEO Goals. The CEO Goals recommended by the Personnel Committee for approval by the Board are attached hereto as **Exhibit A**.

By way of background, Phil DeLone began his employment with the RSCVA on January 1, 2017. At that time, the Board had approved its Strategic Plan; however, the Board and Mr. DeLone agreed he needed some time to develop his own vision for the agency. In the summer and fall of 2017, the Personnel Committee spent significant time developing proposed CEO Goals for Fiscal Year 2017-2018. The CEO Goals are tied to the Strategic Priorities set forth in the Strategic Plan.

The Board held a retreat in November 2017 and updated the Strategic Plan with Mr. DeLone's additional recommendations. At that same time, the Board approved Mr. DeLone's Fiscal Year 2017-2018 CEO Goals that are tied to the Strategic Plan.

In developing a recommendation for Fiscal Year 2018-2019 CEO Goals, the Personnel Committee again concentrated on the Strategic Priorities as set forth in the Strategic Plan. In addition, the Committee reviewed the anticipated results for Fiscal Year 2017/2018 CEO Goals. A copy of the anticipated results is attached hereto as **Exhibit B**. Staff prepared the analysis of anticipated results in all areas so that the Committee could determine an appropriate increase in each Strategic Priority Goal. The Committee discussed each and every goal, including discussing the appropriate increase in room night growth given the RSCVA's policy on crediting city-wide events such as Interbike more significantly in the year it is booked. Further, the Committee chose to recommend a change in the weighting of the Leadership and Organizational Health so that they are equal at 10%. The Committee felt that Mr. DeLone had developed his team (the goal for FY 2017-2018 in Leadership) and while he needs to maintain that effective management team, the overall Organizational Health is equally important as the agency moves forward.

EXHIBIT A



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Date: 06.18.2018
To: Board of Directors
From: Phil DeLone, President/CEO
Subject: **Fiscal Year 2018/2019 CEO Goals**

Strategic Priorities	FY 18/19 Goals	% Weight	Process
Strategic Priority #1: Visitation/Destination Awareness			
VISITATION/DESTINATION AWARENESS – Change the perception of Reno-Tahoe through positioning the destination around outdoor activities, arts and culture, and innovative industries. Increase destination awareness and visitor growth by 2-7% from target markets (Bay Area, LA and Seattle).	1,278,000 total room nights from 3 target markets (Bay Area, LA Basin, Seattle) which represents an average of 2.2% increase	15%	Bonus calculated on following scale: If 1,278,000 or more room nights achieved, full bonus for this goal awarded. If 1,251,000-1,277,999 room nights achieved, 75% bonus for this goal awarded.
Strategic Priority #2: Direct Room Night Growth			
PRODUCED GROUP ROOM NIGHTS – The number of room nights booked in meeting, convention, sports, equestrian and non-USBC bowling. FY 2017/2018 room nights were 260,000.	Produce 280,000 Room Nights	35%	Bonus calculated on following scale: If 280,000 room nights produced, full bonus for this goal awarded. If 275,000 to 279,999 room nights produced, 90% bonus for this goal awarded. If 270,000 to 274,999 room nights produced, 80% bonus for this goal awarded. If 267,000 to 269,999 room nights produced 70% bonus for this goal awarded.

CLIENT SATISFACTION – Maintain exemplary ratings on overall satisfaction and experience of meeting planners and event producers for all events booked via RSCVA sales staff, held at RSCVA facilities.	Maintain or exceed a straight average client satisfaction of 5.5 on a scale of 1-7, working closely with SMG on continuance of benchmark.	10%	Bonus given if goal achieved.
Strategic Priority #3: Facility Efficiency			
FACILITY MANAGEMENT – Realize the highest/best use of the facilities, in line with the RSCVA mission. Complete onboarding of SMG & SAVOR. Improve operating revenues and minimize losses.	Increase FY18/19 revenue by facility over FY17/18, excluding NBS due to renovations.	15%	Bonus given if goal achieved.
Strategic Priority #4: Organizational Sustainability			
LEADERSHIP	Maintain a solid Executive Management Team.	10%	Bonus given if goal achieved.
ORGANIZATIONAL HEALTH – Provide overall organization health. Key indicators include: 1) internally-employee engagement & culture; 2) externally-community involvement and leadership.	1) Maintain average Employee Satisfaction = 4.0 2) Maintain current community involvement levels at 50.	10%	Bonus given if goal achieved.
FINANCIAL HEALTH – Deliver on the Board approved fiscal year budget in adherence to RSCVA financial policies and increase overall facility efficiency	+/- 5% of fiscal year budget achieved	5%	Bonus given if goal achieved

EXHIBIT B



FY 17/18 CEO Goals

Strategic Priorities	FY 17/18 Goals	% Weight	Process	FY17/18 Performance
Strategic Priority #1: Visitation/Destination Awareness				
VISITATION/DESTINATION AWARENESS – Change the perception of Reno-Tahoe through positioning the destination around outdoor activities, arts and culture, and innovative industries. Increase destination awareness and visitor growth by 2-7% from target markets (Bay Area, LA and Seattle).	1,245,000 total room nights from 3 target markets (Bay Area, LA Basin, Seattle)	15%	Bonus calculated on following scale: If 1,245,000 or more room nights achieved, full bonus for this goal awarded. If 1,220,000-1,244,999 room nights achieved, 75% bonus for this goal awarded.	1,251,000 Actual room nights achieved. Performance based the 2017 Visitor Origination Analysis, produced by OnStrategy, representing a 2.6% increase.
Strategic Priority #2: Direct Room Night Growth				
PRODUCED ROOM NIGHTS – The number of room nights booked in meeting, convention, sports, equestrian and non-USBC bowling. FY 2015/2016 room nights were 238,000.	Produce 260,000 Room Nights	35%	Bonus calculated on following scale: If 260,000 room nights produced, full bonus for this goal awarded. If 255,000 to 259,999 room nights produced, 90% bonus for this goal awarded. If 250,000 to 254,999 room nights produced, 80% bonus for this goal awarded. If 247,000 to 249,999 room nights produced 70% bonus for this goal awarded.	305,000 total group room nights produced, as of June 30, 2018. NOTE: Performance includes 60,000 room nights representing 3 years of Interbike contracts.

FY 17/18 CEO Goals

CLIENT SATISFACTION – Maintain exemplary ratings on overall satisfaction and experience of meeting planners and event producers for all events booked via RSCVA sales staff, held at RSCVA facilities.	Establish Client Satisfaction benchmark	10%	Bonus given if goal achieved.	Benchmark established. Overall client satisfaction on a scale of 1-7. RSCC = 6.8 (13 surveys) RSLEC = 6.4 (13 surveys) NBS = 6.3 (13 surveys) REC = 7 (1 survey)
Strategic Priority #3: Facility Efficiency				
FACILITY MANAGEMENT – Realize the highest/best use of the facilities, in line with the RSCVA mission.	Board Approval of professional management contract for all facilities	10%	Bonus given if goal achieved.	Board approved SMG contract on March 22, 2018.
Strategic Priority #4: Organizational Sustainability				
LEADERSHIP	Build a solid Executive Management Team	15%	Bonus given if goal achieved.	100% retention of executive staff
ORGANIZATIONAL HEALTH – Provide overall organization health. Key indicators include: 1) internally-employee engagement & culture; 2) externally-community involvement and leadership.	Establish Employee Engagement benchmark	5%	Bonus given if goal achieved.	1. Employee benchmark established via an annual Employee Satisfaction Survey in October 2017. Mean Score of 4.3, 1-5 scale (41 responses). 2. Quarterly community engagement includes RTAA, EDAWN, TravelNevada, Reno-Sparks Chamber, City of Reno, City of Sparks, Washoe County, etc. 50+ meetings.
FINANCIAL HEALTH – Deliver on the Board approved fiscal year budget in adherence to RSCVA financial policies and increase overall facility efficiency	+/- 5% of fiscal year budget achieved	5%	Bonus given if goal achieved	By June 30, 2018, anticipated to be w/in 5% of approved budget.



**RESOLUTION
ADOPTING THE BUDGET
AUGMENTATION FOR THE
RSCVA FY 2017/18**

Presentation by
Finance Division

REVENUES	FINAL BUDGET	REVISIONS	REVISED REVENUE RESOURCES
Taxes:			
Room tax (net)	37,080,256	2,400,000	39,480,256
Subtotal	37,080,256	2,400,000	39,480,256
Miscellaneous:			
Interest earnings	24,000	30,000	54,000
Rents and royalties	5,975,040	600,000	6,575,040
Convention & Visitors Services	227,987	40,000	267,987
Golf course operations	1,772,300	(400,000)	1,372,300
Other	788,867	0	788,867
Subtotal	8,788,194	270,000	9,058,194
SUBTOTAL REVENUE ALL SOURCES	45,868,450	2,670,000	48,538,450
Other Financing Sources:			
Short/medium -term financing	0	0	0
Fund transfers In	0	0	0
Proceeds from sale of fixed assets	0	0	0
SUBTOTAL OTHER FINANCING SOURCES	0	0	0
Beginning Fund Balance:			
Reserved	0	6,279,654	6,279,654
Unreserved	5,882,429	867,531	6,749,960
Total Beginning Fund Balance	5,882,429	7,147,185	13,029,614
Prior Period Adjustments	0	0	0
Residual Equity Transfers	0	0	0
TOTAL AVAILABLE RESOURCES	51,750,879	9,817,185	61,568,064

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE B - GENERAL FUND
 REVISED REVENUE SCHEDULE

EXPENDITURE BY FUNCTION AND ACTIVITY	FINAL BUDGET	REVISIONS	REVISED EXPENDITURES
GENERAL GOVERNMENT			
Salaries and wages	1,007,939	250,000	1,257,939
Employee benefits	575,673	100,000	675,673
Services and supplies	1,061,856	400,000	1,461,856
Capital outlay	88,750	10,000	98,750
Subtotal	2,734,218	760,000	3,494,218
TOTAL GENERAL GOVERNMENT	2,734,218	760,000	3,494,218

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE B - GENERAL FUND
 FUNCTION: GENERAL GOVERNMENT

EXPENDITURE BY FUNCTION AND ACTIVITY	FINAL BUDGET	REVISIONS	REVISED EXPENDITURES
OTHER - FACILITY OPERATION			
Salaries and wages	2,696,639	550,000	3,246,639
Employee benefits	1,736,629	475,000	2,211,629
Services and supplies	4,706,225	950,000	5,656,225
Capital outlay	0	10,000	10,000
Subtotal	9,139,493	1,985,000	11,124,493
OTHER - GOLF COURSE OPERATIONS			
Salaries and wages	718,983	(150,000)	568,983
Employee benefits	296,095	125,000	421,095
Services and supplies	1,001,201	25,000	1,026,201
Capital outlay	0	0	0
Subtotal	2,016,279	0	2,016,279
OTHER - CONVENTION & TOURISM PROMOTION			
Salaries and wages	2,840,141	100,000	2,940,141
Employee benefits	1,399,642	25,000	1,424,642
Services and supplies	11,953,075	2,400,000	14,353,075
Capital outlay	0	0	0
Subtotal	16,192,858	2,525,000	18,717,858
OTHER - COMMUNITY GRANTS & MISCELLANEOUS			
Salaries and wages	0	0	0
Employee benefits	0	0	0
Services and supplies	1,594,801	50,000	1,644,801
Capital outlay	0	0	0
Subtotal	1,594,801	50,000	1,644,801
TOTAL COMMUNITY SUPPORT	28,943,431	4,560,000	33,503,431

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE B - GENERAL FUND
 FUNCTION: COMMUNITY SUPPORT

EXPENDITURE BY FUNCTION AND ACTIVITY	FINAL BUDGET	REVISIONS	REVISED EXPENDITURES
FUNCTION SUMMARY			
General Government	2,734,218	760,000	3,494,218
Community Support	28,943,431	4,560,000	33,503,431
TOTAL EXPENDITURES - ALL FUNCTIONS	31,677,649	5,320,000	36,997,649
OTHER USES:			
Contingency	400,000	0	400,000
Residual Equity Transfer	0	0	0
Operating transfers	13,675,000	2,400,000	16,075,000
TOTAL EXPENDITURES AND OTHER USES	45,752,649	7,720,000	53,472,649
ENDING FUND BALANCE			
Reserved	0	0	0
Unreserved	5,998,230	2,097,185	8,095,415
TOTAL ENDING FUND BALANCE	5,998,230	2,097,185	8,095,415
TOTAL GENERAL FUND COMMITMENTS AND FUND BALANCE	51,750,879	9,817,185	61,568,064

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE B - SUMMARY - EXPENDITURES, OTHER USES AND FUND BALANCE
 GENERAL FUND - ALL FUNCTIONS

REVENUES	FINAL BUDGET	REVISIONS	REVISED REVENUE RESOURCES
Taxes			
Room Taxes	0	0	0
Subtotal	0	0	0
Miscellaneous			
Interest Earnings	2,700	50,000	52,700
Rents and royalties	0	0	0
Subtotal	2,700	50,000	52,700
OTHER FINANCING SOURCES			
Operating transfers In	4,200,000	1,000,000	5,200,000
Proceeds from short-term financing	0	0	0
Proceeds from long-term debt	0	0	0
Beginning Fund Balance			
Reserved	989,149	564,400	1,553,549
Unreserved	0	0	0
Total Beginning Fund Balance	989,149	564,400	1,553,549
Prior Period Adjustments	0	0	0
Residual Equity Transfers	0	0	0
TOTAL AVAILABLE RESOURCES	5,191,849	1,614,400	6,806,249

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE B-2
 FUND 23 - CAPITAL PROJECTS FUND

EXPENDITURE BY FUNCTION AND ACTIVITY	FINAL BUDGET	REVISIONS	REVISED EXPENDITURES
EXPENDITURES:			
Capital Projects			
Services and supplies	0	0	0
Capital outlay	4,150,000	1,050,000	5,200,000
Subtotal Expenditures	4,150,000	1,050,000	5,200,000
OTHER USES:			
Contingency	0	0	0
Operating Transfers (Schedule T)	0	0	0
Subtotal Other Uses			
ENDING FUND BALANCE:			
Reserved	997,601	564,400	1,562,001
Unreserved	0	0	0
TOTAL ENDING FUND BALANCE	997,601	564,400	1,562,001
TOTAL CAPITAL PROJECTS FUND COMMITMENTS AND FUND BALANCE	5,147,601	1,614,400	6,762,001

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE B-2
 FUND 23 - CAPITAL PROJECTS FUND

REVENUES	FINAL BUDGET	REVISIONS	REVISED REVENUE RESOURCES
Miscellaneous			
Room Tax	-	-	-
Interest Earnings	31,419	28,000	59,419
Other	-	-	-
Subtotal	31,419	28,000	59,419
Other Financing Sources			
Transfers In (Schedule T)	9,475,000	1,400,000	10,875,000
Proceeds of medium-term financing	-	-	-
Net Proceeds of Refunding	-	-	-
Beginning Fund Balance			
Reserved	12,459,852	-	12,459,852
Unreserved	-	-	0
Total Beginning Fund Balance	12,459,852	-	12,459,852
Prior Period Adjustments	-	-	-
Residual Equity Transfers	-	-	-
TOT. TOTAL AVAILABLE RESOURCES	21,966,271	1,428,000	23,394,271

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
SCHEDULE C - DEBT SERVICE FUND
THE ABOVE DEBT IS REPAYED BY OPERATING RESOURCES

EXPENDITURE BY FUNCTION AND ACTIVITY	FINAL BUDGET	REVISIONS	REVISED EXPENDITURES
TYPE - 1999 Convention Center CAB			
Principal	5,440,000	-	5,440,000
Interest	-	-	-
Reserves - Increase or (Decrease)	-	-	-
Other	-	-	-
TYPE - 2011 RSCC Refunding Bonds			
Principal	-	-	-
Interest	4,224,044	-	4,224,044
Reserves - Increase or (Decrease)	-	-	-
Other	-	-	-
Arbitrage	-	-	0
Fiscal Agent Fees	10,000	28,000	38,000
Advance Refunding-2011 RSCC	-	1,400,000	1,400,000
SUBTOTAL EXPENDITURES	9,674,044	1,428,000	11,102,044
ENDING FUND BALANCE			
Reserved	12,292,227	-	12,292,227
Unreserved	-	-	-
TOTAL ENDING FUND BALANCE	12,292,227	-	12,292,227
TOTAL COMMITMENTS AND FUND BALANCE	21,966,271	-	21,966,271

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
SCHEDULE C - DEBT SERVICE FUND
THE ABOVE DEBT IS REPAYED BY OPERATING RESOURCES

PROPRIETARY FUND	FINAL APPROVED	REVISIONS	REVISED TOTAL
OPERATING REVENUE:			
User Charges	1,476,315	200,000	1,676,315
Other Charges	0	0	0
Total Operating Revenue	1,476,315	200,000	1,676,315
OPERATING EXPENSE:			
Claims expense	1,397,100	150,000	1,547,100
Administrative expense	21,175	40,000	61,175
Supplies and services	0	0	0
Total Operating Expense	1,418,275	190,000	1,608,275
Operating Income or (Loss)	58,040	10,000	68,040
NONOPERATING REVENUES:			
Interest Earned	0	0	0
TOTAL NONOPERATING REVENUES	0	0	0
NONOPERATING EXPENSE	0	0	0
TOTAL NONOPERATING EXPENSE	0	0	0
Net Income Before Operating Transfers	58,040	10,000	68,040
Operating Transfers			
In	0	0	0
Out	0	0	0
Net Operating transfers	0	0	0
NET INCOME	58,040	10,000	68,040

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE F-1 REVENUES, EXPENSES AND NET INCOME
 FUND 20 - INTERNAL SERVICE (SELF INSURANCE) FUND

PROPRIETARY FUND	FINAL BUDGET	REVISIONS	REVISED STATEMENT OF CASH FLOWS
CASH FLOWS FROM OPERATING			
A. ACTIVITIES:			
Cash received from users	276,315	-	276,315
Cash received from quasi-external			
operating transactions with other funds	1,200,000	200,000	1,400,000
Cash paid to vendors for services			
and supplies	(1,418,275)	(190,000)	(1,608,275)
Net cash provided by operating activities	58,040	10,000	68,040
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash advanced to other funds	-	-	-
Cash received from other funds	(30,000)	-	(30,000)
Cash received from operating transfers	-	-	-
Operating transfers out	-	-	-
Net cash used by noncapital financing			
activities	(30,000)	-	(30,000)
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Cash advanced to other funds	-	-	-
Cash received from other funds	-	-	-
Cash received from operating transfers	-	-	-
Operating transfers out	-	-	-
Net cash used by noncapital financing			
activities	-	-	-
D. CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on Investments	-	-	-
Net cash provided by investing activities	-	-	-
Net increase (decrease) in cash and			
investments	28,040	10,000	38,040
Cash and investments July 1,	155,153	14,489	169,642
Cash and investments June 30,	183,193	24,489	207,682

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 SCHEDULE F-2 STATEMENT OF CASH FLOWS
 FUND 20 - INTERNAL SERVICE (SELF INSURANCE) FUND



TRANSIENT LODGING TAX RULES AND REGULATIONS

Presentation by
Finance Division



THE RENO-SPARKS CONVENTION & VISITORS AUTHORITY

The Reno-Sparks Convention & Visitors Authority ("RSCVA") was established in 1959 as the Washoe County Fair and Recreation Board. The RSCVA acts as a marketing organization for the county to promote conventions, tourism, and outdoor recreation.

Unlike many other convention and visitor bureaus across the country, the RSCVA owns and operates several facilities designed to draw out-of-town visitors, as well as administers the collection and enforcement of Transient Lodging Taxes and various related Surcharges in Washoe County.

NRS 244A.645, 244.335 (7) and 268.095 (7) permit the county and cities to delegate authority to collect, enforce and administer the Transient Lodging Tax and certain Surcharges to the county fair and recreation board if it so desires.

Washoe County, City of Reno, and City of Sparks delegated this authority to the RSCVA to collect the Transient Lodging Tax and certain Surcharges on their behalf. They also authorized and empowered the RSCVA to prescribe, adopt and enforce rules and Regulations relating to the administration and enforcement of the Transient Lodging Tax codes [WCC Section 25, RMC Title III, Section 2, and SMC Chapter 3.04]. Additionally, SB 312 ("SB 312") enacted by the 2015 Nevada Legislature (and not yet codified as of the date of these Regulations) imposes a tourism Surcharge in parts of Washoe County and mandates that such Surcharge be administered and collected by the county fair and recreation board. SB 312 likewise empowers the RSCVA to prescribe, adopt and enforce rules and Regulations relating to the administration and enforcement of the tourism Surcharge. It is the intention of the RSCVA that the various mandated Surcharges be collected and administered along with and in the same manner as the Transient Lodging Tax.



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Mail: RSCVA
Room Tax Department
P.O. Box 837
Reno, NV 89504-0837

In Person: Reno Town Mall
4001 S. Virginia Street, Suite G
Reno, NV 89502

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
TRANSIENT LODGING TAX AND SURCHARGE REGULATIONS**

I N D E X

1. DEFINITIONS

- 1.1. Short Title.
- 1.2. Definitions.
- 1.3. "Adjudicator" Defined.
- 1.4. "Agency" Defined.
- 1.5. "Average Room Rate" Defined.
- 1.6. "Complimentary Rooms" Defined.
- 1.7. "Consideration" Defined.
- 1.8. "Contested Cause" Defined.
- 1.9. "Exchange Company" Defined.
- 1.10. "Exchange Fees" Defined.
- 1.11. "Gross Receipts" Defined.
- 1.12. "Group Rebate" Defined.
- 1.13. "License" Defined.
- 1.14. "Occupant" Defined.
- 1.15. "Operator" Defined.
- 1.16. "Package" Defined.
- 1.17. "Party" Defined.
- 1.18. "Person" Defined.
- 1.19. "Player Points" Defined.
- 1.20. "Player Points – Cash Value" Defined.
- 1.21. "Player Points – Non-Cash Value" Defined.
- 1.22. "Regulation" Defined.
- 1.23. "Retail Value Of A Room" Defined.
- 1.24. "RSCVA" Defined.
- 1.25. "RSCVA Subsidy" Defined.
- 1.26. "Shall" Defined.
- 1.27. "Surcharge" Defined.
- 1.28. "Tax Administrator" Defined.
- 1.29. "Time-Share Exchange Program" Defined.
- 1.30. "Time-Share Project" Defined.
- 1.31. "Trade or Barter" Defined.
- 1.32. "Transient Guest" Defined.
- 1.33. "Transient Lodging" Defined.
- 1.34. "Transient Lodging Tax" Defined.

2. TRANSIENT LODGING TAX LICENSES

- 2.1. Operation Of Transient Lodging Business Without A License Is Unlawful.
- 2.2. Transient Lodging Tax License Required.
- 2.3. Obtaining A Transient Lodging Tax License.
- 2.4. Required Information.
- 2.5. Transient Lodging Tax Licensing Period.
- 2.6. Transient Lodging Tax License Not Transferable.

3. TRANSIENT LODGING TAXES

- 3.1. Tax Districts and Rates.

- 3.1.1. Surcharges
- 3.2. Notice To Guest.
- 3.3. Taxes Are Applicable To All Rental Charges.
- 3.3.1. Player Points.
- 3.3.2. Advance Deposits, Forfeited Deposits, No Show Charges.
- 3.3.3. Other Deposits And Charges.
- 3.3.4. Cancellation Fees, Attrition Fees.
- 3.3.5. Meeting Rooms.
- 3.3.6. Promotional Award Programs.
- 3.3.7. Complimentary Rooms
- 3.4. Separation Of Tax And Surcharge From Room Charge.
- 3.5. The Operator Owes The Tax and Surcharge.
- 3.6. Collection From Transient Guest.
- 3.7. Taxpayer Assistance.
- 3.8. Collection Allowances.

4. TRANSIENT LODGING TAX RETURNS

- 4.1. Due Date.
- 4.1.1. Electronic Filing.
- 4.2. Who Must File A Return.
- 4.3. Transient Lodging Tax Returns.
- 4.4. Occupancy Section Of The Transient Lodging Tax Return.
- 4.5. Revenue Section Of The Transient Lodging Tax Return.
- 4.5.1. Adjustments.
- 4.5.2. Refunds.
- 4.5.3. Complimentaries.
- 4.5.4. Over 28-Day.
- 4.5.5. Government Exemptions.
- 4.6. Unsigned Transient Lodging Tax Returns.
- 4.7. Sample Operator's Transient Lodging Tax Return And Instructions.

5. PENALTIES AND ASSESSMENTS FOR INCORRECT TRANSIENT LODGING TAX RETURNS AND/OR DELINQUENT OR MISSED PAYMENTS

- 5.1. Penalties And Interest.
- 5.2. Errors.
- 5.3. Lien(s) Placed Upon Property Of Delinquent Operators.
- 5.4. Habitual Delinquencies.
- 5.5. Appeal Of Penalty On Late Or Missing Returns.
- 5.6. Assessment Of Deficiency.
- 5.6.1. Failure To File.
- 5.6.2. Multiple Deficiencies.
- 5.6.3. Determination Amount.
- 5.7. Notice Of Determination.
- 5.8. Limitation On Deficiency Period; Time For Provision Of Notice Of Determination.
- 5.9. Due Dates For Deficiency Assessments.

6. EXEMPTIONS FROM TRANSIENT LODGING TAX

- 6.1. Payment In Advance.
- 6.2. Contract/Lease Agreement.
- 6.3. 10-Day Affidavit.
- 6.4. Governmental Exemptions.
- 6.4.1. State Of Nevada And Local Exemptions.

- 6.4.2. Federal Government Exemptions.
- 6.4.3. Payment By Government Credit Card (SmartPay Card).
- 6.4.4. Diplomatic Exemptions.
- 6.4.5. Federal Credit Union Exemptions.
- 6.5. Other Not-For-Profit Organizations.
- 6.6. Apartment Rentals (Monthly).
- 6.7. All Exemptions Must Have Adequate Documentation.
- 6.8. Uncollected Rental Fees.
- 6.8.1. Bad Debt Adjustments.
- 6.9. Limitations On Claims For Refund Or Credit.

7. PACKAGE PROGRAMS

- 7.1. Transient Lodging Tax On Rooms Included In Packages.
- 7.2. Illustrative Examples.
- 7.3. Package Record Retention.
- 7.4. Definition of Nonprofit Costs.
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Appendix A. Transient Lodging Tax Rates by District

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
TRANSIENT LODGING TAX AND SURCHARGE REGULATIONS**

1.0. DEFINITIONS

- 1.1. Short Title.** These Regulations are known and may be cited as the RSCVA Transient Lodging Tax And Surcharge Regulations.
- 1.2. Definitions.** Except where the context otherwise requires, the definitions given in 1.3. to 1.34. inclusive, govern the construction of these Regulations.
- 1.3. "Adjudicator" defined.** "Adjudicator" means the Finance Committee of the Board of Directors of the RSCVA.
- 1.4. "Agency" defined.** "Agency" means the RSCVA.
- 1.5. "Average Room Rate" defined.** The "Average Room Rate" shall be determined from the amounts claimed on the previous year's Transient Lodging Tax returns calculated by dividing the total taxable room revenue by the number of taxable room nights as reported in the occupancy section of the Transient Lodging Tax return.
- 1.6. "Complimentary Rooms" defined.** "Complimentary Rooms" are those rooms which have been given to the guest completely free of charge.
- 1.7. "Consideration" defined.** "Consideration" means value received by an Operator including but not limited to the following: money, credits, cash-value Player Points, Trade or Barter, property, or forfeited deposits. "Consideration" does not include occupancy rights through a time-share exchange program or a time-share instrument.
- 1.8. "Contested Cause" defined.** "Contested Cause" means a proceeding to revoke a Transient Lodging Tax and/or business license.
- 1.9. "Exchange Company" defined.** "Exchange Company" means a company which operates a time share exchange program.
- 1.10. "Exchange Fees" defined.** "Exchange Fees" means any fees paid to an Exchange Company associated with the exchange of occupancy rights among timeshare owners participating in a time-share exchange program.
- 1.11. "Gross Receipts" defined.** "Gross Receipts" means the total actual charges for Transient Lodging received by Operators for the reporting period. This includes, but is not limited to, actual rent payments or Consideration received by an Operator in money, cash-value Player Points, Trade or Barter, property or other Consideration valued in money for lodgings, any forfeited deposits, cancellation fees and no-show charges received by Operators from Transient Guests, the prorated lodging portion of Package programs, commissions, and all other revenues and fees received by Operators and associated with the rental of Transient Lodging as provided in the Regulations promulgated by the Recreation Board. Gross receipts do not include the amount of the Transient Lodging Tax or Surcharge imposed pursuant to statute or ordinance, whether billed to the Transient Guest as Transient Lodging Tax and Surcharge or not.
- 1.12. "Group Rebate" defined.** "Group Rebate" means that portion of rent collected by Operators from Occupants of a Transient Lodging establishment that is paid or credited directly to a group.

- 1.13. **"License" defined.** "License" means the permit issued by the Agency to any person or entity required by law to collect and remit Transient Lodging Tax and Surcharge.
- 1.14. **"Occupant" defined.** "Occupant" means any natural person who, for rent or Consideration, uses, possesses or has the right to use or possess any sleeping room/unit in a Transient Lodging facility under any lease, concession, permit, right of access, License, contract or agreement.
- 1.15. **"Operator" defined.** "Operator" means the person who is the proprietor of transient lodging, whether in the capacity of owner, lessee, sub-lessee, mortgagee, Licensee, realtor, real estate Agency renting transient lodging, on-line discount booking Agency, Exchange Company or any other capacity. Where the Operator performs his or her functions through a managing agent of any type or character other than an employee, the managing Agency shall also be deemed an Operator for the purposes of this chapter and shall have the same duties and liabilities as his or her principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall, however, be considered to be compliance by both.
- 1.16. **"Package" defined.** "Package" means any combination of room, food, beverage, merchandise, entertainment, gaming tournament, charter air program or any other promotion offered to the public for a single price.
- 1.17. **"Party" defined.** "Party" means each person or Agency (defined as RSCVA) named or admitted as a party, or properly seeking and entitled to be admitted as a party in any contested case.
- 1.18. **"Person" defined.** "Person" means any individual or private entity of any character.
- 1.19. **"Player Points" defined.** "Player Points" means any value that may be redeemed for goods or services earned through gaming play that are tracked through automated or manual player tracking systems.
- 1.20. **"Player Points - Cash Value" defined.** Player points that can be redeemed for cash have a cash value assigned. If those points are redeemed for coupons, vouchers, "bucks" or any form of Consideration other than cash, including electronic transfer, that are then used to pay for Transient Lodging and related charges, fees and rooms included in Package programs, such payments are subject to Transient Lodging Tax and Surcharge.
- 1.21. **"Player Points - Non-Cash Value" defined.** Non-cash value Player Points issued in the form of complimentary coupons, vouchers or electronic transfer, and used as full or partial payment on a hotel folio are considered comps and are not subject to Transient Lodging Tax. However, if used as partial payment, the remaining portion of the payment is subject to Transient Lodging Tax and Surcharge.
- 1.22. **"Regulation" defined.** "Regulation" means an Agency rule, standard, directive or statement of general applicability describing procedure or practice requirements of the Agency.
- 1.23. **"Retail Value Of A Room" defined.** The "Retail Value Of A Room" shall be the rate for which a room could be rented without discounts (excluding applicable taxes and Surcharges). If the retail value cannot be determined, or if the rate used in the calculation is determined to be unreasonable, an Average Room Rate may be used as defined in Section 1.5.
- 1.24. **"RSCVA" defined.** "RSCVA" means the Reno-Sparks Convention & Visitors Authority, also known as the "Authority", or the "Recreation Board".

- 1.25. **"RSCVA Subsidy" defined.** "RSCVA Subsidy" means the amount of that portion of rent collected by Operators from Occupants of a Transient Lodging establishment that is paid directly to the RSCVA.
- 1.26. **"Shall" defined.** "Shall" means must, mandatory, or required.
- 1.27. **"Surcharge" defined.** As used herein, the term "Surcharge" shall mean, collectively: (i) that certain facilities Surcharge in the amount of \$2.00 per night (the "Facilities Surcharge") imposed pursuant to Nevada Revised Statutes 268.798 on certain properties holding a non-restricted gaming License located in that certain downtown Reno district created pursuant to Reno Municipal Code Section 2.10.410 (the "Downtown District"); and (ii) that certain tourism Surcharge imposed by SB 312 imposing an additional \$1.00 Surcharge on the properties currently paying the Facilities Surcharge, as well as a \$2.00 Surcharge applicable to all Hotels (as defined in SB 312) located in the Downtown District and within a 20-mile radius of the Downtown District, which are not otherwise subject to the Facilities Surcharge. The Surcharge is not a tax and is not considered part of Gross Receipts.
- 1.28. **"Tax Administrator" defined.** "Tax Administrator" means the financial officer of the RSCVA or such other person designated by the RSCVA to administer the enforcement and collection of Transient Lodging Tax and Surcharge.
- 1.29. **"Time-Share Exchange Program" defined.** "Time-share exchange program" means a program for the exchange of occupancy rights among owners of time shares in a time share plan or with the owners of time shares in other time share plans, or both.
- 1.30. **"Time-Share Project" defined.** "Time-share project" shall have the meaning set forth in NRS 119A.080 for the term "project".
- 1.31. **"Trade or Barter" defined.** "Trade or Barter" means transactions which are defined as negotiated trades of goods and/or services by an Occupant in exchange for the rental of a room or any fees associated with the rental of the room at a Transient Lodging facility. "Trade or Barter" does not include occupancy rights through a time-share exchange program.
- 1.32. **"Transient Guest" defined.** "Transient Guest" means any individual Occupant who has or shall have the right of occupancy to any room for dwelling, lodging or sleeping purposes in a Transient Lodging facility for less than twenty-eight consecutive days.
- 1.33. **"Transient Lodging" defined.** "Transient Lodging" means any facility, structure, or portion thereof occupied or intended or designed for occupancy by Transient Guests who pay rent or other Consideration for dwelling, lodging, or sleeping purposes, and includes any hotel, resort hotel, motel, motor court, motor lodge, bed and breakfast, lodging house, rooming house, resident hotel and motel, guest house, tourist camp, resort and "dude" ranch, cabin, condominium, timeshare properties, vacation home, apartment house, recreational vehicle park/campground, guest ranch, or other similar structure or facility. The term "transient lodging" does not include any of the following: any hospital, sanitarium, medical clinic, convalescent home, nursing home, home for aged people, foster home, or other similar facility operated for the care or treatment of human beings; any asylum, jail, prison, orphanage or other facility in which human beings are being detained and housed under legal restraint; and housing owned or controlled by an educational institution and used exclusively to house students, faculty or other employees, and any fraternity or sorority house or similar facility occupied exclusively by students and employees of such educational institution, and officially recognized by it; any housing operated or used exclusively for

religious, charitable or educational purposes by any organization having qualifications for exemption from property taxes under the laws of the state; any housing owned by a governmental Agency and used to house its employees for governmental purposes; any room within a private dwelling house or other single-family dwelling unit if the permanent or principal owner also resides in and occupies the dwelling; any unit within a time-share project occupied by an owner, or the nonpaying guests of an owner, of a time-share in the time-share project, or in the timeshare plan of which the time-share project is a part, who has the right to use or occupy a unit, pursuant to (a) a time-share instrument or (b) a time-share exchange program. The burden of establishing that the housing or facility is not Transient Lodging as defined herein shall be on the owner thereof, who shall file with the Tax Administrator such information as the Tax Administrator may require to establish and maintain such status.

- 1.34. "Transient Lodging Tax" defined.** "Transient Lodging Tax" means the License tax or taxes levied pursuant to NRS 244.3351 to NRS 244.3359 of the County Tax Act and NRS 268.096 to NRS 268.0968 of the City Tax Act and heretofore, hereby or hereafter any other License tax or taxes appropriated or assigned by the county or city levying, fixing or imposing the same for administration by the recreation board.

2.0. TRANSIENT LODGING TAX LICENSES

- 2.1. Operation Of Transient Lodging Business Without A License Is Unlawful.** It is unlawful for any person or other entity to engage in a Transient Lodging business located within the boundaries of Washoe County without first obtaining a License from the Tax Administrator. In the event that a Transient Lodging business is carried on without a License, it may be deemed a separate violation for each day the business is so operated. The RSCVA, under its sole discretion, may assess a penalty of \$250.00 each day the business is operated without a License.

- 2.2. Transient Lodging Tax License Required.** All Operators engaged in the business of Transient Lodging within the boundaries of Washoe County, shall obtain and maintain a Transient Lodging Tax License from the Tax Administrator. This requirement applies to all Operators having one or more rooms/units in the City of Reno, City of Sparks, or Washoe County.

- 2.3. Obtaining A Transient Lodging Tax License.** Transient lodging tax Licenses may be obtained without charge from the Room Tax Department of the RSCVA. The Room Tax Department is located at 4001 South Virginia St., Suite G, Reno, NV 89502. Applications may be requested in person, by mail, or telephone at (775) 827-7743. E-mail inquiries to taxdepartment@rscva.com or visit [the "Impact" section of our website at www.visitrenotahoe.com/about-us/finance-accounting](http://www.visitrenotahoe.com/about-us/finance-accounting) www.rscva.com.

- 2.4. Required Information.** Each License applicant is required to furnish the following information:
- a. The trade or business name, physical address, mailing address, and telephone number of the Transient Lodging business.
 - b. The organizational structure of the Operator, i.e. sole proprietorship, partnership, corporation, etc. Additionally, for each type of ownership, the following information is required:
 - (1) If the Operator is an individual, the name, home address, and telephone number shall be provided.
 - (2) If the Operator is a partnership, the name, home address and telephone number of each partner shall be provided.

- (3) If the Operator is a corporation, the name, address and telephone number of each corporate officer. Additionally, the Operator shall provide file-stamped copies of Articles (and Amendments) of Incorporation and, if a foreign entity, a copy of its State of Nevada business license.
 - (4) If the Operator is a limited liability company (LLC), or a limited liability partnership (LLP), the name, address and telephone number of each manager and member or general partner or limited partner. Additionally, the Operator shall provide file-stamped copies of the Articles (and Amendments) of Organization and, if a foreign entity, a copy of its State of Nevada business license.
 - (5) If the Operator is a trust, name, home address and telephone number of each trustee, and the real name, address and telephone number of each person who owns an interest in the business shall be provided.
 - (6) If the Operator is using a fictitious name (dba/aka), a file-stamped copy of the fictitious name certificate filed with Washoe County shall be provided.
 - (7) If the Operator is a lessee, the identity and a current address of the lessor shall be provided.
- c. The applicant's name, address and telephone number.
 - d. The type of facility operated (see section 11) and the number of rental units.
 - e. The name and address of the professional bookkeeping or accounting firm retained by the organization to maintain accounting records and/or prepare Federal Income Tax Returns, if applicable.

2.5. Transient Lodging Tax Licensing Period. Transient Lodging Tax Licenses are valid for up to a four (4) year period depending on when the initial License was issued. All Operators will be required to renew their Licenses in January of every fourth year commencing in 2018 (i.e. 2018, 2022, 2026, etc.) such that all Licenses existing as of the date of these Regulations shall be required to renew in 2018 and every four years thereafter. All Operators receiving new Licenses **after the date of these Regulations after January 2018** shall be required to renew such licenses according to the foregoing schedule (i.e., if the initial License is issued in **2017 2019**, it will be required to be renewed **in 2018-2022**, and then every four years thereafter). Renewal forms will be provided by the RSCVA. An updated License application shall be filed whenever required information in section 2.4. changes during the License period. Operators who fail to timely submit properly completed renewal applications will be deemed to be operating without a License and will subject to the provisions stated in Section 2.1.

2.6. Transient Lodging Tax License Not Transferable. A Transient Lodging Tax License is not transferable. Should a Transient Lodging facility change Owner and/or Operator for any reason whatsoever, the outgoing Owner and/or Operator shall notify the RSCVA Room Tax Department in writing prior to any changes. A new Transient Lodging Tax License shall be obtained by the incoming Owner and/or Operator with a new Transient Lodging Tax account number. If this is not done prior to the change in Owner and/or Operator, the new Owner and/or Operator shall be deemed to be operating without a Transient Lodging Tax License in accordance with Section 2.1 and will become liable for any outstanding taxes remaining on the property. [*Any License tax levied under the provisions of this section constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. . . . NRS 244.335 (6) and 268.095 (6)*].

2.7. Notification and Procedures for Bankruptcy and Receivership.

- a. If the Operator has declared bankruptcy, file-stamped copies of an Order Appointing a Trustee, if applicable, shall be provided and the RSCVA shall be placed on the list for all mailings of pleadings filed with the Bankruptcy Court.
- b. If the Operator is in Receivership, file-stamped copies of an Order Appointing Receiver shall be provided.

3.0. TRANSIENT LODGING TAXES AND SURCHARGE

Local governments and the State of Nevada, not the RSCVA, impose the Transient Lodging Tax and Surcharge. The RSCVA acts as the collection agent and administrator and has no taxing authority of its own. The RSCVA makes every effort to advise Operators of proposed and actual changes in Transient Lodging Tax and Surcharge rates, however **OPERATORS ARE SOLELY RESPONSIBLE FOR REMAINING INFORMED OF TRANSIENT LODGING TAX RATE AND SURCHARGE CHANGES AS THEY OCCUR.**

3.1. Tax Districts and Rates. As of October 2015, the following Transient Lodging Tax districts and rates are in effect:

<u>Tax District</u>	<u>Location</u>
Reno B	Suburban Reno
Reno D	Downtown Reno
Reno E	1 Mile Radius from Downtown
Sparks	City of Sparks
Washoe A	Washoe County except Incline Village / Crystal Bay
Washoe B	Incline Village / Crystal Bay

<u>Tax District</u>	<u>Tax Rate</u>
City of Reno – District B	13.0%
City of Reno – District D	13.5%
City of Reno – District E	13.5%
City of Sparks	13.5%
Washoe County – District A	13.0%
Washoe County – District B	13.0%

It shall be the Operators' responsibility to verify with the RSCVA their applicable Transient Lodging Tax rate.

Distribution of tax funds can be found in Appendix A

3.1.1. Surcharges

Operators located in the Downtown Surcharge District holding a non-restricted gaming license shall impose a \$3.00 per night Surcharge on the per nightly charge for the rental of a room. All other Operators located in the Downtown Surcharge District that do not hold a non-restricted gaming license and that are classified as a "hotel" as defined SB 312, shall impose a \$2.00 per night Surcharge on the per nightly charge for the rental of a room. All Operators classified as a "hotel" pursuant to SB 312 which are located in the County Surcharge District shall impose a \$2.00 per night Surcharge on the per nightly charge for the rental of a room.

The Surcharge must not be applied for any time during which the room is provided to a guest free of charge and applies only to the per night charge for occupied rooms, except as otherwise set forth in Section 9.3. However, if a guest pays any **mandatory taxable revenue fee associated with the room (i.e. resort fee, upgrade, extra cleaning, etc.)**, that guest is now subject to the per day Surcharge and the room is no longer considered complimentary. **Hotels will report these rooms on Line H of the tax return.** Additionally, the Surcharge would apply any time the Operator receives funds for the rental of the room (i.e. guaranteed no-shows, rewards redemption compensation, etc.). **The surcharge also applies to any Timeshare (classified as a hotel as stated above) where the guest pays any type of taxable revenue as outlined in 3.3 below (i.e. extra cleaning, additional nights, etc., and as stated in Section 8.1.1).**

The Surcharge is not a tax; therefore, the Surcharge applies to government exempt and 28-day exempt guests.

- 3.2. Notice To Guest.** Each Operator shall prominently display in each room or suite, or in a lobby at or near the immediate vicinity of the registration desk for the Transient Lodging facility, a sign that discloses the existence and rate of the applicable Transient Lodging Tax and Surcharge.
- 3.3. Taxes Are Applicable To All Rental Charges.** The Transient Lodging Tax applies to Gross Receipts associated with the rental of transient lodging. Operators shall not separate Gross Receipts into separate components. Examples of non-taxable items include, and, unless expanded by the RSCVA Finance Committee through prospective amendment of this Regulation, taxable Gross Receipts shall be limited the following:

<u>Taxable</u>	Room rate
	Advance deposits, forfeited deposits, no show charges
	Air conditioners
	Booking/Processing fees
	Cable hook-up, connection fees
	Cancellation fees (charged to individuals)
	Charges for extra linens, towels, etc.
	Cribs
	Extra person fee
	Firewood
	Group rebates
	In-room vaults/safes
	Iron/ironing board
	Late/extended check-out fees
	Maid/cleaning fees (including extra cleaning fees)
	Mandatory baggage handling fees retained by the property
	Mandatory housekeeping fees retained by the property
	Mandatory charges/fees directly related to occupancy of transient lodging
	Mandatory daily local phone fees
	Mandatory room gratuity
	Microwave
	Other deposits (see Section 3.3.3)
	Penalties
	Pet charges (excluding service animals)
	Refrigerator
	Resort fees
	Rollaway/extra beds
	RV dump fees, if not included in rate

RV utilities, if not included in rate
RSCVA subsidies
Television/VCR fees
Tents and tent space rental fees
Upgrade/Upsell fees/charges
Utility Surcharges

Non-Taxable Health club or spa
In-room facsimile ("fax")
Cancellation, attrition fees (from contract groups)
In-room internet access
In-room movies
Laundry/dry cleaning
Local phone fees (when charged per call)
Long distance phone fees
Mini bar
Parking (valet or self)
Room service (food, beverage, gratuities, etc.)
Mandatory baggage handling fees paid to employees
Mandatory housekeeping fees paid to employees
Surcharge

- 3.3.1. Player Points.** Player points that can be redeemed for cash have a cash value assigned. If those points are redeemed for coupons, vouchers, "bucks" or any form of Consideration other than cash, including electronic transfer, that are then used to pay for all or any portion of Transient Lodging and related charges, fees and rooms included in Package programs, such payments are subject to Transient Lodging Tax and Surcharge. Non-cash value Player Points issued in the form of complimentary coupons, vouchers or electronic transfer, and used as full or partial payment on a hotel folio are considered comps and are not subject to Transient Lodging Tax.
- 3.3.2. Advance Deposits, Forfeited Deposits, No Show Charges.** In the event the Transient Guest does not occupy the room and the deposit is returned, no taxable event has occurred. However, if the deposit is non-refundable, and the Transient Guest does not occupy the room, the deposit becomes taxable revenue subject to the appropriate tax rate and Surcharge at the time the Operator records the deposit as revenue.
- 3.3.3. Other Deposits And Charges.** For those Operators who collect security, damage, pet cleaning, or key deposits from guests, those deposits which are not returned shall be subject to Transient Lodging Tax, unless those deposits are retained for specific exceptional damages to a rental room/unit during a guest's particular stay. The Operator must retain detailed documentation specific for those rooms in the form of third party invoices or other internal documentation for work performed, purchases of materials, proving that the unreturned deposit has been used for specific repairs to bring the room/unit back to its same condition at the time of rental. Records should indicate unavailability status of those rooms specific to the damages as stated above. This will not affect guests who have met the 28-day and 10-day exemption requirements as outlined in Sections 6.1. through 6.3.
- 3.3.4. Cancellation Fees, Attrition Fees.** Contracted sales group cancellation and attrition fees paid to the Transient Lodging facility for hotel rooms are not taxable. All fees charged to individual guests for cancellation of a room reservation shall be considered as gross revenue and subject to Transient Lodging Tax and Surcharge.

- 3.3.5. Meeting Rooms.** Meeting rooms used as sleeping rooms/units are subject to Transient Lodging Tax and Surcharge.
- 3.3.6. Promotional Award Programs.** In the case of reward, incentive, and redemption programs whereby the Operator is reimbursed from its corporate office and/or a third party source by a reduction of their monthly franchise fee or other means of compensation, such rooms are paid for in some way. Therefore, the value received for redeemed rooms is subject to Transient Lodging Tax and Surcharge.
- 3.3.7. Complimentary Rooms.** No Transient Lodging Tax or Surcharge shall be imposed upon Complimentary Rooms.
- 3.4. Separation Of Tax and Surcharge From Room Charge.** The amount of the Transient Lodging Tax and Surcharge shall be displayed separately from the price of the accommodation of room/unit on the guest registration card and the folio or receipt, unless included in a Package (see Section 7). Otherwise, tax will be computed on all amounts collected and the Surcharge will be applied.
- 3.5. The Operator Owes The Tax and Surcharge.** The Transient Lodging Tax and Surcharge imposed may be collected from the paying guest and may be shown as an addition to the charge for the rental of transient lodging. The Operator providing the Transient Lodging is liable to the county/city for the tax whether or not it is actually collected from the guest. (NRS 244.3352(3) and NRS 268.096(3))
- 3.6. Collection From Transient Guest.** Current laws and Regulations allow the Licensee to collect the required percentage of Transient Lodging Tax and Surcharge from the Transient Guest. However, Nevada Revised Statutes (NRS) 244A.647 specifically state:
- "All taxes levied by a city, town or county for use in connection with NRS 244A.597 to 244A.655 inclusive and collected by any motel, hotel or gaming establishment are public moneys from the moment of their collection and shall be held in trust by the establishment collecting such taxes for the use and benefit of the city, town or county levying such taxes or for the use of the county fair and recreation board where such revenues have been assigned or appropriated to the county fair and recreation board."
- The RSCVA operates as the fair and recreation board within Washoe County. Failure to remit taxes and Surcharges collected and held in trust can be a criminal act.
- In the event the Operator should fail to collect sufficient Transient Lodging Taxes and Surcharges from the Transient Guest, the balance due to the RSCVA is the responsibility of the Operator. Should an excess of Transient Lodging Tax and Surcharge be collected and not returned to the guest, such tax and Surcharge must be remitted to the RSCVA.
- 3.7. Taxpayer Assistance.** The RSCVA Room Tax Department may answer general questions regarding policies, procedures, rules and Regulations relating to Transient Lodging Taxes and Surcharges. Operators seeking specific advice as to their Transient lodging tax return or whether specific transactions are exempt from Transient Lodging Tax should consult their own legal and/or accounting professional. RSCVA personnel are prohibited from preparing Operator Transient Lodging Tax Returns. Operators or other individuals requiring assistance may contact the RSCVA Room Tax Department at (775) 827-7743. RSCVA will respond in writing to all inquiries received in writing on an individual basis. RSCVA staff will also make every effort when applicable to notify Operators of major rulings on topics of interest.

3.8. Collection Allowances. Nevada legislation prohibits a collection allowance on a 1% county-wide room tax that became effective July 1, 1991. Except for that 1%, a Transient Lodging facility shall be eligible to retain a collection allowance equal to 2% of the tax owed if the following criteria are met:

- a. The Transient Lodging facility has 100 or less rooms/units or has gross revenue not exceeding \$500,000 per fiscal year (July 1 – June 30). This will be determined by prior year information submitted on Transient lodging tax returns to the RSCVA.
- b. The Transient Lodging facility does not have on-premises gaming either as an integral part of the operation or supplied through a lease agreement or other second party. Gaming shall be defined as any table games, slot machines, video poker, video keno, or similar gaming devices.
- c. The Transient Lodging facility cannot be a Transient Lodging facility or recreational vehicle park that is an integral part of a hotel/casino or other predominantly gaming oriented business, i.e. the facility must be a stand-alone operation and not part of one operated by another business that is predominantly gaming oriented such as a hotel/casino.
- d. The Transient Lodging facility cannot be operated in such a manner as to be, from all appearances, a part of a hotel/casino. If the property advertises itself and/or operates as a part of the casino operation or is used exclusively by a single casino, the Transient Lodging facility shall not be eligible to take a collection allowance, regardless of separate ownership.
- e. The return on which the collection allowance is claimed must be filed on or before the due date. No collection allowance will be permitted on delinquent tax returns, incomplete tax returns, estimated tax returns, tax returns with any discrepancies, or delinquent audit assessments.
- f. Any Transient Lodging facility claiming a collection allowance must be in good standing with the RSCVA.
 - (1) No collection allowance may be claimed by any property that has outstanding Transient Lodging Tax delinquencies, including any unpaid penalties or interest from prior delinquencies, assessments, or audits.
 - (2) Permanent loss of the collection allowance will result from any delinquent filings of returns.
- g. Properties Licensed and/or constructed after July 1, 2005 are not eligible for the 2% collection allowance. Any property sold where the controlling interest or 51% of ownership has transferred to a new owner, unless the owner(s) is/are of direct family relations, will no longer be eligible for the 2% collection allowance.

No collection allowances are permitted for the collection of the Surcharge.

4.0. TRANSIENT LODGING TAX RETURNS

4.1. Due Date. All taxes and Surcharges are due and payable on the first day of the month following the reporting period. Taxes and Surcharges are delinquent after the 15th day of the month following the reporting period. Delinquent returns are subject to the penalties discussed in Section 5. Returns will be considered delinquent after the next regular business day if the 15th falls on a Saturday, Sunday or federal holiday.

Transient lodging tax returns for properties classified as "Homeowner Rental" (see [Section 11.1](#)), will be due and payable quarterly for reporting periods ending March, June, September, and December.

For returns filed by mail, the postmark affixed by the U.S. Postal Service will be used in determining

timeliness. This means that, unless the 15th is on a Saturday, Sunday or federal holiday, all returns bearing a U.S. Postal Service postmark of the 16th or later are delinquent. Dates affixed to envelopes by private postage meters will not take precedence over U.S. Postal Service postmarks. OPERATORS MUST OBTAIN A TIME-STAMPED RECEIPT FOR ALL TRANSIENT LODGING TAX FILINGS AND/OR PAYMENTS MADE IN PERSON AT THE RSCVA ROOM TAX OFFICE OR OBTAIN PROOF OF MAILING FROM THE U.S. POSTAL SERVICE FOR MAILED RETURNS TO PROVE TIMELY FILING SHOULD QUESTIONS ARISE.

It is the responsibility of the Licensee to ensure timely hand-delivery or mailing of a correctly filed and signed copy of the return (even if no amount is due) in order to avoid any penalties.

4.1.1. Electronic Filing.

Please refer to [the "Impact" section of our](#) website at www.visitrenotahoe.com/about-us/finance-accounting www.rscva.com for instructions on registering for on-line electronic filing.

Due dates for electronic filings are the same as outlined above.

ACH Payments. For electronic filings with ACH payments (automated payment request through your bank) – you must print your accepted payment request with your receipt reference number and keep for your records in order to prove timely filing should questions arise.

The Operator is responsible for making sure that the return is timely and properly submitted as follows:

1. After entering the data for the return, the "Review Fees" button must be selected.
2. At the bottom of the next page the green arrow must be clicked and the "I want to pay the tax due now" option should be selected.
3. The "Select this submittal option" needs to be clicked.
4. The "Continue" button needs to be clicked.
5. The "Process Payment Request" needs to be clicked.
6. A "Receipt Reference Number" will be provided – the user should print the receipt for proof of timely filing.
7. The return status will turn to "ACH Payment Request Pending" when submission process is completed properly.
8. The next [business](#) day the return status should update to "Completed" status.
9. ACH submittals not honored by the bank will be subject to penalties as outlined in RSCVA Regulation 5.1.

Electronic Filing And Payment By Check. For returns filed electronically and payment is hand-delivered or mailed in: include a copy of the electronically-generated receipt with the payment. [Payment must be postmarked by the due date.](#) The timeliness of the filing is the same as outlined above.

4.2. Who Must File A Return. All Operators shall file a Transient lodging tax return even if no tax is owed. No exceptions or waivers exist to this filing requirement. Operators not filing a return will be subject to penalties discussed in Section 5.


4.3. Transient Lodging Tax Returns. Transient lodging tax returns are provided by the RSCVA. The returns are generally mailed by the last day of each reporting period to the mailing address provided on the Transient Lodging Tax License application. Emails are generally sent by the last day of the reporting period to all electronic filers at the email address provided to the RSCVA upon registration notifying them that their returns are now available on-line. Failure to receive a Transient lodging

tax return does not excuse responsibility for timely filing or payment of Transient Lodging Taxes. Blank returns are available from the RSCVA Room Tax Department or [the "Impact" section of our website at www.visitrenotahoe.com/about-us/finance-accounting www.rscva.com.](#)

- 4.4. Occupancy Section Of The Transient Lodging Tax Return.** The occupancy section of the Transient lodging tax return shall be completed with as much care as the remainder of the return. Statistics on occupancy are a major factor in decisions made by businesses as well as by the RSCVA. If the occupancy section of the return is not completed, the return will be considered improperly filed and will be returned to the Operator for correction, and may be subject to penalties and assessments as defined in Section 5.
- 4.5. Revenue Section Of The Transient Lodging Tax Return.** The revenue section of the Transient lodging tax return shall be completed with as much care as the remainder of the return. If the revenue section of the return is not completed, the return will be considered improperly filed and will be returned to the Operator for correction, and may be subject to penalties and assessments as defined in Section 5.
- 4.5.1. Adjustments.** Adjustments entered on line 2 of the Transient lodging tax return shall have adequate documentation retained for audit purposes (see Section 10). [An explanation shall also be provided with the Transient Lodging Tax Return.](#)
- 4.5.2. Refunds.** Refunds entered on line 4 of the Transient lodging tax return shall have adequate documentation retained for audit purposes (see Section 10).
- 4.5.3. Complimentaries.** Complimentaries entered on line 5 of the Transient lodging tax return must conform to "Complimentary Rooms" as defined in Section 1.6.
- a. Complimentaries specifically relating to contract sales groups must be clearly detailed in the contract.
 - b. Complimentary adjustments to group master accounts for room revenue must not exceed actual room charges posted to the master account.
- 4.5.4. Over 28-Day.** Over 28-day rentals entered on line 6 of the Transient lodging tax return must conform to the exemptions as defined in Sections 6.1. through 6.3.
- 4.5.5. Government Exemptions.** Government exempt rentals entered on line 7 of the Transient lodging tax return must conform to governmental exemptions as defined in section 6.4.
- 4.6. Unsigned Transient Lodging Tax Returns.** If the Transient lodging tax return is not signed, the return will be considered improperly filed and will be returned to the Operator for signature, and may be subject to penalties and assessments as defined in Section 5.



4.7. Sample Operator's Transient Lodging Tax Return (manual filing of tax return)

			
OPERATOR'S MONTHLY TRANSIENT LODGING TAX RETURN			
A PENALTY OF \$100.00 OR 10% OF GROSS TAX, WHICHEVER IS GREATER, WILL BE APPLIED TO ALL DELINQUENT RETURNS.			
INTEREST IN THE AMOUNT OF 11/2% PER PERIOD OR FRACTION OF A PERIOD IS CHARGED ON ALL DELINQUENT BALANCES.			
A RETURN MUST BE FILED FOR EACH REPORTING PERIOD REGARDLESS OF TAX LIABILITY.			
		This Report is for	
		the Period of:	
		Due:	
		Delinquent After:	
OCCUPANCY			
A.	Number of room nights available this period (# of rooms times days in the period).		
B.	Number of taxable room nights occupied this period.		
C.	Number of room nights occupied by conventions / meeting guests this period.		
D.	Receipts from rooms occupied by conventions / meeting guests this period.		
E.	Number of room nights occupied by complimentary guests this period.		
F.	Number of room nights occupied by over 28-day guests this period.		
G.	Number of room nights occupied by government exempt guests this period.		
H.	Number of room nights occupied by complimentary guests subject to the tourism surcharge this period.		
TRANSIENT LODGING TAX			
1.	Enter gross receipts, including over 28-day and complimentary rooms for this period.		
2.	Enter any adjustments from prior period(s). Attach a detailed explanation. (+) or (-)		
3.	Add lines 1 and 2.		TOTAL RECEIPTS
4.	Enter refunds included in line 1 for this period.		\$ -
5.	Enter complimentary included in line 1 for this period.		
6.	Enter over 28-day rentals included in line 1 for this period.		\$ -
7.	Enter government exempt rentals included in line 1 for this period.		
8.	Enter total of lines 4, 5, 6, and 7.		TOTAL EXEMPTIONS \$ -
9A	Enter taxable "other" room revenue (resort fee, upgrade, pet fee, etc.).		
9B	Enter taxable revenue. Deduct lines 8 and 9a from line 3.		
9.	Taxable Amount. Add 9a and 9b for total taxable room rental revenue		TAXABLE AMOUNT \$ -
10.	Enter 1% of line 9.		\$ -
11.	Enter 12.0% of line 9.		\$ -
12.	Your property <input type="checkbox"/> is <input type="checkbox"/> is not eligible for 2.00% collection allowance. If eligible, enter 2.00% of line 11.		
13.	Deduct line 12 from line 11.		\$ -
14.	\$2.00 times total of lines B + F + G + H		\$ -
15.	Add line 10 and line 13. Line 13 + Line 10		TOTAL TAX \$ -
16.	Other penalty or credit advice you have received from the Authority (balance due).		
17.	Add lines 14 and 15.		REMITTANCE AMOUNT \$ -
Make your check payable to: RENO-SPARKS CONVENTION & VISITORS AUTHORITY (RSCVA)			
Mail to: Reno-Sparks Convention & Visitors Authority, Attn: Room Tax, P.O. Box 837, Reno, Nevada 89504			
For rules, regulations or instructions to complete this return, contact the Room Tax Department at (775) 827-7743, fax (775) 827-7745, or E-mail taxdepartment@rscva.com.			
The owners of the above-named facility certify that the above and foregoing report is a true and correct statement of gross receipts and tax collected under and pursuant to applicable ordinances by the above-named establishment for the period covered by this return and in the absence of my signature, the undersigned has the authority to sign on my behalf.			
(Print Name)		(Signature)	
(Title)		(Date)	



INSTRUCTIONS FOR COMPLETING THE OPERATOR'S TRANSIENT LODGING TAX RETURN:

Line A: Enter the number of room nights available for the reporting period (# of rooms per day multiplied by days in the month).

Line B: Enter the number of taxable room nights occupied for the reporting period.

Line C: Enter the number of room nights occupied by convention and/or meeting guests for the reporting period.

Line D: Enter the amount of revenue generated from convention and/or meeting guests listed on Line C above.

Line E: Enter the number of room nights occupied by complimentary guests for the reporting period. **This number is inclusive of Line H outlined below.**

Line F: Enter the number of room nights occupied by over 28-day guests for the reporting period (see Sections 6.1. through 6.3.).

Line G: Enter the number of room nights occupied by government exempt guests for the reporting period (see Section 6.4.).

Line H: Enter the number of room nights occupied by complimentary guests subject to the tourism surcharge. The number entered here is only to be used for the calculation of the surcharge.

Line 1: Enter Gross Receipts as defined in Section 1.11, including complimentary room revenue, over 28-day room revenue, and government exempt room revenue for the reporting period.

Line 2: Enter any room revenue adjustments (+ or -) for prior reporting period(s), and attach a detailed explanation.

Line 3: Enter the total of Lines 1 and 2.

Line 4: Enter room revenue refunds if the receipts are included in Line 1 for the reporting period.

Line 5: Enter complimentary room revenue included in Line 1 for the reporting period.

Line 6: Enter over 28-day room revenue included in Line 1 for the reporting period.

Line 7: Enter government exempt room revenue included in Line 1 for the reporting period.

Line 8: Enter the total of Lines 4, 5, 6, and 7 (total exemptions).

Line 9A: Enter taxable "other" room revenue (resort fee, upgrade, pet fee, etc.).

Line 9B: Enter taxable room revenue. Deduct lines 8 and 9a from line 3.

Line 9: **Deduct (subtract) Line 8 from Line 3 (taxable amount).—Total Amount. Add lines 9a and 9 for total taxable room revenue.**



Line 10: Enter 1.00% of Line 9 (Line 9 multiplied by .01).

Line 11: Enter % of Line 9 (Line 9 multiplied by percentage pre-printed on the tax return).

Line 12: If the box is checked allowing your property a 2% collection allowance, enter 2.00% of Line 11 (Line 11 multiplied by .02).

Line 13: Deduct (subtract) Line 12 from Line 11.

Line 14: If the box is checked as applicable, enter \$2.00 or \$3.00 (as is applicable for the filing Operator) times total of Lines B+F+G **+H**.

Line 15: Enter the total of Lines 10 and Line 13 (total tax).

Line 16: Amount listed is a penalty or credit advice you have received from the RSCVA (balance due)

Line 17: Enter the total of Lines 15 and 16 (remittance amount).

Signature Line: Print and sign your name, print your title, and enter the date the return is signed.

5.0. PENALTIES AND ASSESSMENTS FOR INCORRECT TRANSIENT LODGING TAX RETURNS AND/OR DELINQUENT OR MISSED PAYMENTS

5.1. Penalties And Interest. All returns received after the due date (see Section 4.1.) shall be considered delinquent and assessed a penalty of the greater of \$100.00 or 10% of the taxes and/or Surcharges due. Delinquent tax, Surcharge, and penalties not paid with the following reporting period's return will be subject to interest at 1-1/2% per month. For a return to be considered timely, the return shall be paid in full when filed and checks or ACH funds must be honored by the bank when presented for payment.

5.2. Errors. Transient lodging tax returns submitted with errors shall be assessed a penalty of the greater of \$100.00 or 10% of the underpayment of taxes and Surcharges due. Error assessments shall not be subject to appeal.

5.3. Lien(s) Placed Upon Property Of Delinquent Operators. A lien may be placed on the business property of any Operator who is delinquent. The lien shall not be removed until the account is brought current and the Operator has paid all administrative and other costs associated with the lien.

5.4. Habitual Delinquencies. Any Operator who is delinquent in payment of Transient Lodging Taxes and/or Surcharges for more than sixty (60) days, or who has been delinquent on two (2) or more occasions in a twelve (12) consecutive month period, may be declared a habitual delinquent and be subject to the following penalties:

- a. **Posting A Bond:** The RSCVA may require an Operator to post a bond as guarantee for future payments. The amount of the bond shall be based upon six (6) months actual or estimated Transient Lodging Tax and Surcharge; however, the Tax Administrator may adjust this amount if it is determined a greater or lesser amount is appropriate to the circumstances. A cash bond will normally be required in all cases involving amounts of less than \$10,000. In amounts of \$10,000 or greater, the Tax Administrator may allow the Operator to substitute an insurance bond provided it is through an Agency Licensed to do business in Nevada, the

Agency has an office in Washoe County and there is no cost to the RSCVA. All bonds, regardless of type, shall be delivered to the Tax Administrator within ten (10) days of the requirement being imposed. Any bond imposed under this provision shall remain in effect until the Operator has completed one full year (12 consecutive months) without a Transient Lodging Tax delinquency.

- b. **License Revocation And Closures:** Failure to file Transient lodging tax returns and remit payment of any taxes and Surcharges owed within sixty (60) days of the time required for payment shall subject the Operator's Transient Lodging Tax License and or business license to revocation and/or suspension by the RSCVA, and suspension of the city or county business license by the appropriate county or municipal Agency pursuant to SB 315, NRS 244.335 or NRS 268.095, and closure of the Operator's business pursuant to NRS 244A.645.1(a). If such an event occurs, the RSCVA shall conduct a public Show Cause Hearing in accordance with the rules contained in Section 12 of these Regulations.

5.5. Appeal Of Penalty On Late Or Missing Returns. The RSCVA does not permit appeal of penalties and interest for delinquent or missing Transient lodging tax returns. The only exception to this policy is when the U.S. Postal Service will accept specific responsibility for the delinquency of non-electronically filed Transient lodging tax returns. In these cases, it is the responsibility of the Operator to provide written documentation from the Postal Service to the RSCVA Room Tax Department within thirty (30) days of the date on the notification of the delinquency. The Postal Service documentation must be on U.S. Postal Service letterhead and signed by the Postmaster; the documentation must clearly state that the U.S. Postal Service accepts specific responsibility for the untimely delivery of the return in question. U.S. Postal Service letters vaguely explaining possible ways mail may be mishandled will not be accepted for penalty abatement. Failure of a national or local courier to timely deliver a Transient lodging tax return will not be accepted for penalty abatement.

5.6. Assessment Of Deficiency.

5.6.1. Failure To File. If an Operator fails to file a Transient lodging tax return or the Tax Administrator is not satisfied with the Transient lodging tax return(s), the Tax Administrator may compute and determine the amount of Transient Lodging Tax and Surcharge required to be filed and paid by the Operator upon the basis of:

- a. The facts contained in the return;
- b. Any information within its possession or that may come into its possession;
- c. Reasonable estimates of the amount.

5.6.2. Multiple Deficiencies. The Tax Administrator may compute one or more deficiency determinations with respect to the amount due for one or more periods.

5.6.3. Determination Amount. In making its determination of the amount required to be paid, the RSCVA shall impose penalties and interest on the amount of taxes and Surcharges determined to be due at the rate and in the manner set forth in these Regulations, unless a different rate is specifically provided by statute.

5.7. Notice Of Determination. The RSCVA shall give an Operator written notice of its determination when a determination has been made. The notice may be served personally or by certified mail. If served by certified mail, the notice shall be addressed to the Operator's address as it appears in the records of the RSCVA. If notice is served by certified mail, service is complete at the time of deposit with the United States Postal Service. If notice is served in person, service is complete at

the time signed for by an adult person employed at the place of business of the Operator.

5.8. Limitation On Deficiency Period; Time For Provision Of Notice Of Determination.

- a. Every notice of the determination of a deficiency assessment issued by the RSCVA shall be personally served or mailed within five (5) years from the close of the accounting year to which the Transient lodging tax returns relate or within four (4) years after the return is filed, whichever period expires later.
- b. In the case of fraud, intentional evasion, or failure to make a return, or a claim for an additional amount, every notice of determination shall be mailed or personally served within nine (9) years from the end of calendar year following the period for which the amount is proposed to be determined.
- c. Every Operator shall keep all records, receipts, invoices, and other pertinent documents as listed and described in Required Records (Section 10.3) for a period of not less than four (4) years from the close of the accounting year to which the Transient lodging tax returns relate.

5.9. Due Dates For Deficiency Assessments. All Transient Lodging Taxes and Surcharges due and payable, as specified in a deficiency determination by the Tax Administrator, shall be paid within thirty (30) days after the service of the notice of the determination unless a petition for re-determination is filed within that period. If the amount of the deficiency determination is not paid within the thirty (30) days after receipt of notice and an appeal is not filed, the deficiency determination becomes final and any penalty for delinquency and interest provided for in these Regulations or otherwise permitted by law attaches to the amount of the determination.

6.0. EXEMPTIONS FROM TRANSIENT LODGING TAX

- 6.1.** There is hereby exempted from the Transient Lodging Tax fixed and imposed each rental by any Operator of a room or rooms for a period of 28 consecutive days or more. Except as otherwise provided herein, no rental shall be deemed to have been made for a period of 28 days or more unless the room or rooms rented to the Occupant are paid for at least such a period in advance, and continuously occupied by the Occupant for the entire period of 28 days without any termination of the tenancy or any portion of the advance rental refunded to the Occupant.
- 6.2.** An Operator is entitled to an exemption for any Occupant who is a natural person, that signs a contract, lease, or other written rental agreement to stay at that Transient Lodging facility for a period of at least 28 days. This exemption may be used at the Operator's discretion. If the Occupant does not honor the contract, lease or other written rental agreement and leaves before staying at least 28 days, the Operator will owe the Transient Lodging Tax for the period the room was occupied.
- 6.3.** An Operator classified by the recreation board as a 28-day rental (property that derives at least one-third of its annual gross income from 28-day rentals exempt under this section), is entitled to an exemption for any Occupant who is a natural person and a Nevada resident, that signs an affidavit of permanent residency in a form prescribed by Regulation by the recreation board documenting that the room is the Occupant's permanent residence and that the Occupant intends to reside at the Transient Lodging facility for a period of at least 10 days. Photo proof of residency must be provided by the Occupant that shows such Occupant is a Nevada resident (Nevada Driver's License or Nevada Identification Card). No rental shall be deemed to have been made for a period of 10 days or more unless the room or rooms rented to the Occupant are continuously occupied by the Occupant for the entire period of 10 days without any termination of the tenancy. This exemption may be used at the Operator's discretion. If the Occupant leaves before staying at least

10 days, the Operator will owe the Transient Lodging Tax for the period the room was occupied.

- 6.4. Unless otherwise expressly exempted by these Regulations or other applicable law, the foregoing exceptions are from the Transient Lodging Tax only, and the applicable Surcharge would apply to all Operators that meet the definition of Hotel as defined in SB 312.



10 Day Affidavit for Exemption of Transient Lodging Tax

Property Name: _____

Tenant Name(s) _____

Proof of Nevada Residency: _____
(Copy below) Nevada ID or Drivers License # _____

Room # _____ Date to start occupying unit: _____

By signing this affidavit, I agree to occupy the above room for a period of ten (10) or more consecutive days. Should I continue to reside at above property for ten (10) or more consecutive days with no breaks in stay transient lodging tax will not be imposed.

DATED this _____ day of _____, 20_____

By: (Guest) _____
Printed Signed

By: (Property) _____
Printed Signed

This affidavit must be retained for RSCVA transient lodging tax audit purposes. Should the guest not complete a ten (10) consecutive day stay transient lodging tax will be imposed per RSCVA regulations. If a guest transfers to or from another transient lodging facility, a new affidavit is required, according to the RSCVA Rules and Regulations.

Copy of ID:



PLEASE BE ADVISED THAT ANY OF THE FOLLOWING ITEMS MAY BE SUBJECT TO CHANGE WITHOUT NOTICE. RSCVA WILL MAKE REASONABLE ATTEMPTS TO NOTIFY OPERATORS OF ANY CHANGES; HOWEVER, IT IS THE RESPONSIBILITY OF THE OPERATOR TO KEEP INFORMED OF ANY CHANGES TO THESE REGULATIONS AS THEY OCCUR. UNLESS OTHERWISE EXPRESSLY EXEMPTED BY THESE REGULATIONS OR OTHER APPLICABLE LAW, THE FOLLOWING EXCEPTIONS ARE FROM THE TRANSIENT LODGING TAX ONLY, AND THE APPLICABLE SURCHARGE WOULD APPLY TO ALL OPERATORS THAT MEET THE DEFINITION OF HOTEL AS DEFINED IN SB 312.

6.4.1. State Of Nevada And Local Exemptions. The State of Nevada, local school districts, and local governments are exempt from Transient Lodging Tax. Exemption is granted only when the rental is made directly by the State of Nevada, local school districts, or local governments, with the Transient Lodging facility. Purchasing cards normally used by local governments, local school districts, or the State of Nevada, that begin with 5405 or 5567 are acceptable methods of payment. Documentation to support the tax exemption must be maintained by the Operator. Exemption does not apply to individual employees contracting for rentals in connection with travel on behalf of the state or local government.

6.4.2. Federal Government Exemptions. The federal government exemption applies only when the rental is made directly with the federal governmental Agency. The direct rental should be evidenced by a contract, purchase order or similar document signed by the renting Agency, and payment must be made by such governmental Agency in the form of a check or wire transfer drawn on the U.S. Treasury or that governmental Agency or centrally-billed government credit card. Individual rentals to federal employees, regardless of the purpose, are not tax exempt, even if paid for with a government credit card.

6.4.3. Payment By Government Credit Card (SmartPay Card). The RSCVA recognizes Transient Lodging Tax exemptions on those credit card purchases that are billed directly to the United States government from the approved list from General Services Administration (see gsa.com website). Lodging purchases made with the following United States government travel credit cards are exempt:

Start with 4486 and the sixth digit is 0, 6, 7, 8 or 9 (example: 4486 X6XX XXXX XXXX)
Start with 4614 and the sixth digit is 0, 6, 7, 8 or 9 (example: 4614 X6XX XXXX XXXX)
Start with 4716 and the sixth digit is 0, 6, 7, 8 or 9 (example: 4716 X6XX XXXX XXXX)
Start with 5564 and the sixth digit is 0, 6, 7, 8 or 9 (example: 5564 X6XX XXXX XXXX)
Start with 5565 and the sixth digit is 0, 6, 7, 8 or 9 (example: 5565 X6XX XXXX XXXX)
Start with 5568 and the sixth digit is 0, 6, 7, 8 or 9 (example: 5568 X6XX XXXX XXXX)

Centrally Billed: Centrally billed credit card purchases, which are billed directly to and paid by the federal government, are exempt from Transient Lodging Tax. Centrally billed credit cards utilize the account numbers listed above.

Individually Billed: Individually billed credit card purchases, which are billed directly to and paid by the federal employee, are not exempt from Transient Lodging Tax as stated from the General Services Administration (see gsa.com website). The credit card account numbers begin with 4486, 4614, 4716, 5564, 5565 or 5568 and the sixth digit in the account number is 1, 2, 3 or 4. Purchases made with individually billed credit cards are not exempt regardless of whether the employee has a federal exemption certificate, travel orders, or is subsequently reimbursed by the United States government.

Purchases made with any type of credit card other than centrally billed, are not exempt from Transient Lodging Tax.

- 6.4.4. Diplomatic Exemptions.** A tax on Transient Lodging must not be imposed upon rent paid by foreign diplomats properly registered with the U.S. Department of State and who present a tax exemption card specifically stating the diplomat is exempt from Transient Lodging Tax.
- 6.4.5. Federal Credit Union Exemptions.** No tax will apply if a federal employee or official is traveling on federal credit union business and payment for lodging is made directly by the federal credit union by direct billing or use of a credit card in the name of the federal credit union. Individual rentals to federal credit union employees, regardless of the purpose, are not tax exempt, even if paid for with a federal credit union credit card.
- 6.5. Other Not-For-Profit Organizations.** Charitable and not-for-profit organizations are not exempt from Transient Lodging Tax.
- 6.6. Apartment Rentals (Monthly).** Apartment Rentals rented and paid for on a monthly basis are exempt from Transient Lodging Tax. However, revenue received for apartments rented less than one full month shall be subject to Transient Lodging Tax. "Apartment Rentals" shall be determined by the Tax Administrator.
- 6.7. All Exemptions and Adjustments Must Have Adequate Documentation.** All documents that support exempt revenues (including complimentary, government, 28-day, or any other reduction of revenue) and room adjustments shall must be retained. Failure to provide adequate documentation supporting revenues claimed as exempt and/or adjustments will result in disallowance of the claimed exemption and/or adjustment.
- 6.8. Uncollected Rental Fees.** Adjustment to Gross Receipts shall be permitted as a prior period adjustment on the Transient lodging tax return if an Operator is unable to collect all or part of the rental fee charged for a transient room rental. Documentation shall must be maintained to justify the deduction from room revenue. No deduction from room revenue will be allowed for amounts written off without proof of collection efforts. If all or part of the amount adjusted is later collected, that amount shall be added to Gross Receipts in the reporting period collected.
- 6.8.1. Bad Debt Adjustments.** Due diligence must be made in attempting to collect any receivable prior to bad debt write-off. All documents verifying collection efforts must be retained as proof for audit purposes (see Section 10). If the Operator is able to collect all or part of any bad debt previously adjusted, that amount must be added to gross revenue in the reporting period collected. Bad debt adjustments must be aged at least 180 days prior to being adjusted. Bad debt shall not include any portion of Transient Lodging Tax or Surcharge. An explanation must be attached to the Transient lodging tax return where adjustments are made on Line 2.
- 6.9. Limitations On Claims For Refund Or Credit.** A refund or credit shall not be allowed unless a claim therefor is filed with the board within 2 years from the last date that the overpayment was made. Every claim shall be in writing and shall state the specific grounds upon which the claim is founded. (NRS 244A.649(2))

7.0. PACKAGE PROGRAMS

- 7.1. Transient Lodging Tax and Surcharge on Rooms Included in Packages.** Where a room is sold as a component of a Package, the Gross Receipts allocated to the room and subject to Transient Lodging Tax shall be computed according to the following formula:

$$\text{Taxable Gross Receipts From Room Component} = [(S-C)/(R-C)] * L$$

For purposes of this formula:

- S = Package sales price;
- C = Nonprofit costs (see Sec. 7.4.);
- R = Retail value of all items in the Package;
- L = Net retail sales price of the room.

The retail value of the room must be prorated against the retail value of all the components of the Package in accordance with the formula. Any value advertised to the public as the retail value of a component of a Package is rebuttably presumed to constitute the actual retail value of that component. If no average retail value can be established for a component of a Package, the cost of the component to the taxpayer must be used. Nothing in this subsection prohibits a taxpayer from paying Transient Lodging Tax on the full retail value of the room sold as a component of the Package. All rooms sold as a component of a Package that are subject to the payment of Transient Lodging Tax are subject to the collection of the Surcharge.

- 7.2 Illustrative Examples.** The following examples are provided for illustrative purposes:

A. Gaming Tournament Package.

Assumed Facts: 500 patrons paid \$300 each to enter. Total prizes awarded equal \$100,000, which equals an actual average prize payout of \$200 per entrant. The Package includes one room night (retail value of \$150) and food (retail value of \$100).

Package Components	Retail Value		
Room	\$	150.00	(L)
Food and Beverage		100.00	
Nonprofit costs (Actual Avg. Prize Payout)		<u>200.00</u>	(C)
Total Retail Value of Package	\$	<u>450.00</u>	(R)
Actual Price Paid	\$	300.00	(S)
Taxable Value of Room	\$	60.00	$[(S-C)/(R-C)] * L$

B. Golf Package.

Assumed Facts: Patrons paid \$300 for Package. The Package includes room (retail value of \$150), green fees (retail value of \$250), and food (retail value of \$75). Operator pays golf course \$250 for green fees.

Package Components	Retail Value		
Room	\$	150.00	(L)

Food and Beverage	75.00	
Nonprofit costs (Green Fees)	<u>250.00</u>	(C)
Total Retail Value of Package	<u>\$ 475.00</u>	(R)
Actual Price Paid	\$ 300.00	(S)
Taxable Value of Room	\$ 33.33	$[(S-C)/(R-C)] * L$

C. In House Entertainment Package.

Assumed Facts: Patrons paid \$300 for Package. Package includes room (retail value of \$200), show tickets (retail value of \$200), and food (retail value of \$200). Operator paid no third party costs.

Package Components	Retail Value	
Room	\$ 200.00	(L)
Food and Beverage	200.00	
Show Tickets	200.00	
Nonprofit Costs	<u>0.00</u>	(C)
Total Retail Value of Package	<u>\$ 600.00</u>	(R)
Actual Price Paid	\$ 300.00	(S)
Taxable Value of Room	\$ 100.00	$[(S-C)/(R-C)] * L$

7.3. Package Record Retention. Details, including but not limited to Package cost, retail value of Package components (excluding applicable taxes), copies of brochures, advertising, invitations, etc., shall be retained to support returns on which Package revenue is reported.

7.4. Definition of Nonprofit Costs. For purposes of Section 7 (Package Programs), "Nonprofit Costs" shall mean actual amounts paid to third parties for goods or services unrelated to the occupancy of a room (see Sec. 3.3.), and shall include without limitation the following expenses paid by an Operator to a third party:

- Golf green fees
- Ski lift tickets
- Entertainment tickets – third party producer or off-property
- Transportation expenses – outsourced
- Actual average prize payout per entrant on gaming tournaments
- And such other expenses approved by the Tax Administrator in writing.

Deductions for third party costs must be supported by documentation proving payment to the vendor such as contracts, invoices, etc., proof must be retained and made available for audit purposes. Third party deductions from the value of the Package must not exceed the amount paid to the vendor. For example: if green fees of \$75.00 are paid to the golf course, the Operator may not deduct green fees of \$150.00 from the value of the Package.

7.5. Transient Lodging Tax On Packages Not Including Rooms. Packages which do not include Transient Lodging are not subject to Transient Lodging Tax or Surcharge. Where rooms are offered separately from Packages, the provisions of Section 7 shall not apply and normal methods for calculating applicable Transient Lodging Tax and Surcharge shall control.

8.0 TIMESHARES

8.1. Transient Lodging Tax On Rentals Of Timeshares To Transient Guests.

8.1.1. Transient Lodging Tax shall apply to all Gross Receipts received by an Operator from the occupancy of a timeshare unit by Transient Guests who are not owners of time-shares, the non-paying guests of such owners or exchange users. Examples of methods by which such transient rental occupancy may be booked and taxed, include, but are not limited to the following:

- a. Walk-Ins – rentals to the general public.
- b. Reservations for rentals made through third party internet companies (Hotels.com, Expedia.com, Orbitz.com, Priceline.com, etc.), including any fees associated with such rentals.
- c. Reservations for rentals made through exchange companies (Interval International, RCI, etc.).
- d. Reservations for rentals made directly with the time-share project.
- e. Promotional rentals to prospective time-share purchasers, commonly known as “mini-vacs”.

8.2. Transient Lodging Tax On Occupancy Of Time-Share Units By Owners Or Exchange Users.

8.2.1. Transient lodging tax shall not apply to the occupancy of any unit within a time-share project by (a) persons occupying pursuant to a timeshare exchange program or (b) an owner of a time-share, or the non-paying guests of such owner, who has the right to use or occupy a unit pursuant to a time-share instrument, except as set forth in Section 8.2.4 below. For the purposes of this Section 8.2.1., the phrase “non-paying guests of such owner” and for the purposes of Section 25.1501 of the Washoe County Code, Section 2.10.200 (C) (7) of the Reno Municipal Code and Section 3.04.020 P of the Sparks Municipal Code, the phrase “the non-paying guests of an owner” shall include persons occupying a unit within a time-share project pursuant to a time-share exchange program.

8.2.2. Exchange fees paid to an Exchange Company associated with the exchange of occupancy rights among time-share owners participating in a time-share exchange program are not subject to Transient Lodging Tax.

8.2.3. Exchange fees are not subject to Transient Lodging Tax except in instances where the Operator, other than an Exchange Company, receives said fees or any portion thereof.

8.2.4. Transient lodging tax shall apply to all Gross Receipts received by an Operator in connection with the use of a time-share unit by a time-share owner or exchange user, including but not limited to, Gross Receipts received by an Operator for the following:

- a. Bonus Time – rent charged to use the time-share unit separate and distinct from the use of the unit pursuant to a time-share instrument or time-share exchange program.
- b. Housekeeping/Cleaning Fees – fees charged for housekeeping and cleaning services above and beyond the regular fees associated with the occupancy during the regular interval use period.
- c. Extra Guest Fees - fees charged for guests above and beyond the regular fees

- associated with the occupancy.
- d. Upgrade Fees – fees charged to upgrade to a unit or season which is more valuable than the timeshare owned.
- e. Split Week Fees - additional fees charged to occupy a unit for periods of time other than the established interval use period.
- f. Maintenance Fees – fees assessed pursuant to a time-share instrument, except those which are an obligation of each time-share owner payable whether or not the timeshare owner uses or exchanges his time-share during the use year.

8.3. Transient Lodging Tax On Occupancy Of Developer's Un-Sold Or Un-Used Timeshare Intervals.

8.3.1. Transient lodging tax shall not apply to the occupancy of a developer's un-sold or un-used timeshare interval when the unit has been provided on a completely complimentary basis by the developer.

8.3.2. Transient lodging tax shall apply to the rental of a developer's un-sold or un-used unit and all other fees associated with the rental of the unit.

In the above examples, it does not matter that the establishment does or does not charge the guest at the time of check in. The Operator owes the tax whether or not it is actually collected from the guest.

9.0. CONTRACTS AND INTERNET

9.1. Contracted Room/Unit Rates. All Gross Receipts resulting from the rental of a room/unit through discounted internet/wholesale contracts are subject to Transient Lodging Tax. In addition, the per night charge for occupied rentals of a room/unit through discounted internet/wholesale contracts are subject to the collection of the Surcharge. Any Operator contracting rooms/units must pay Transient Lodging Tax charge on the room/unit amount as well as any charges related to the room/unit rental included in the contract.

9.2. Internet Room Rentals. Rooms/units sold by third party companies over the internet are subject to RSCVA Transient Lodging Tax Regulations. Transient lodging tax is due on the total paid by the guest, and the per night charge for occupied rentals sold over the internet is subject to the collection of the Surcharge. Internet companies are responsible for remitting Transient Lodging Tax on the difference between the selling price of the room rate paid by the guest and the contracted room rate paid to the Operator. In addition, handling fees, commissions, booking fees, etc., are taxable components of the total paid by the guest; therefore, tax is due to the RSCVA for these components.

9.3. Surcharge on Unoccupied Rooms. Notwithstanding anything contained herein to the contrary, Surcharge is due and payable on unoccupied rooms if: (i) a prepaid room is booked directly with the subject hotel and the subject reservation is a no-show or is otherwise cancelled beyond the refund deadline such that the hotel is entitled to and does retain the prepayment; or (ii) each of the three following requirements are satisfied: (a) the subject hotel accepts prepayment for the subject room through a third party provider; (b) the subject reservation is a no-show or is otherwise cancelled beyond the refund deadline such that the hotel is entitled to and does retain the prepayment; and (c) the Surcharge is a separate line item charge collected as part of the prepayment by the third party provider. In the instance of a prepaid room booked directly with a hotel for multiple nights, the hotel is only required to pre-collect and remit the Surcharge for the number of nights equal to the number of nights for which a no show or cancellation will be

penalized, per each property's internal policies. By way of example, if a hotel accepts a direct, prepaid reservation for seven (7) nights, and will impose a cancellation or no-show penalty equal to the cost of two (2) nights, the hotel is only required to pre-collect and remit two (2) nights of Surcharge in the event of a no-show or cancellation of the subject reservation beyond the refund deadline.

10.0. AUDIT OF OPERATOR'S TRANSIENT LODGING TAX RECORDS AND ASSESSMENT OF DEFICIENCY

10.1. Authority Of The RSCVA To Audit Records Of Operators. The Tax Administrator or his authorized representative is authorized to inspect and audit the Operator's books and records, and take such actions as considered necessary to investigate the accuracy of the Operator's payment of Transient Lodging Taxes and Surcharges, or if no return is filed by the Operator, to ascertain and determine the amount required to be paid. Property audits and frequency of audits will be determined at the discretion of the Tax Administrator.

10.2. Length Of Audits. Audits will cover a three (3) year period, except as follows: If the Operator fails to secure and maintain the proper Licenses, does not file tax returns as required, and/or the auditor has reason to believe that fraudulent or material misstatements, or other items as determined by the Tax Administrator have been made, the audit may cover a period of up to eight (8) years.

10.3. Required Records. Each Operator is required to maintain daily records which support amounts reported on the Operator's Transient lodging tax returns. Records shall include, but may not be limited to, the following minimum information:

- a. Total rooms available and occupied.
- b. Receipts, guest folios, registration detail, including the name of the property, name of the guest, number of guests occupying the room, room number, date paid, dates of occupancy, and a breakdown of what was paid for by the guest with Transient Lodging Tax stated separately.
- c. Total daily Gross Receipts.
- d. A detailed listing of claimed nontaxable/exempt room revenue that includes name of guest, room number, dates and amounts paid, and date(s) of occupancy.
- e. Total amount of Transient Lodging Tax and Surcharge collected.
- f. Number of non-revenue or Complimentary Rooms.
- g. Number of rooms included in Package or promotional offerings and the room rate charged for all Package/promotional details.
- h. Folio and other documentation for all exemptions and adjustments to revenue.
- i. Records supporting Complimentary Rooms revenue.
- j. All documentation used to complete the Operator's Transient lodging tax return and retained as backup to the return.

Acceptable methods of maintaining the above list include bound receipt books, guest folios, registration cards, daily transaction reports, general ledgers, ~~cash journals, register and/or computer tapes,~~ computerized records, and any other books and records deemed necessary to complete the Transient Lodging Tax audit. In addition, Operators shall provide documents that can be used to support revenues and exemptions. Failure to provide adequate documentation supporting Transient lodging tax returns may result in penalties and assessments as outlined in Section 5. All information provided during the course of an audit, including tax returns, audit records, etc., will be kept confidential by the RSCVA.

10.4. Retention Of Records. Every Operator shall keep all financial records, receipts, invoices, and other pertinent documents as listed and described in Required Records (see Section 10.3.) for a period of not less than four (4) years from the close of the accounting year to which the returns relate. Notwithstanding the foregoing, any Operator who fails to obtain a Transient Lodging Tax License from the RSCVA or fails to secure and maintain an appropriate business license issued by either the City of Reno, City of Sparks or Washoe County will be required to maintain and provide records for not less than eight (8) years.

10.5. Availability Of Records. Upon written notification of a Transient Lodging Tax audit, the Operator shall provide all records supporting Transient lodging tax returns filed with the RSCVA. These records shall be available to the RSCVA Room Tax Auditors at the property location or the offices of the RSCVA within ten (10) business days unless other arrangements are made with the Room Tax Department. On occasion, the RSCVA may require specific records be provided on demand.

If the Transient Lodging Tax audit is conducted at the property, the Operator shall provide reasonable accommodations for the RSCVA Room Tax Auditors.

Auditors will make copies or request that the property make copies, of original records to be retained as part of the audit work papers which substantiate the audit findings. Records may also be provided electronically either through e-mail, cd, or flash drive.

Failure to retain or refusal to furnish such records as described in this section shall not affect the Tax Administrator's authority to assess a deficiency for such periods. The Tax Administrator may utilize and apply available data to those periods in which records are unavailable.

10.6. Failure To Cooperate With A Transient Lodging Tax Audit. Section 12 provides procedures for the revocation of the License of any Operator who fails to cooperate in the conduct of a Transient Lodging Tax audit. The RSCVA conducts the Transient Lodging Tax audit at no expense to the Operator. However, the Operator may be subject to fees and additional costs in some cases.

10.7. Assessments Or Credits Resulting From A Transient Lodging Tax Audit.

10.7.1. Notice Of Audit Determination. Following the completion of a Transient Lodging Tax audit, the Operator will be advised in writing of the audit findings. The notice may be served personally, by certified mail, and/or e-mail. If served by certified mail, the notice shall be addressed to the Operator's address as it appears in the records of the RSCVA. If notice is served by certified mail, service is complete at the time of deposit with the United States Postal Service. If notice is served in person, service is complete at the time signed for by an adult person employed at the place of business of the Operator. If notice is served by e-mail, service is complete at the time the document is electronically sent provided the RSCVA is able to verify receipt of the e-mail by Operator.

10.7.2. Time Limitations. If an assessment for underpayment or nonpayment of Transient Lodging Tax or Surcharge is made, the Operator has thirty (30) days in which to make payment and/or file a written appeal of the findings. If payment and/or written appeal of the assessment is not received within thirty (30) days, the RSCVA shall place a lien against the property and a Show Cause Hearing requesting revocation of the Operator's Transient Lodging Tax License and/or business license will be scheduled.

Should a credit for overpayment be due, the credit will be refunded within thirty (30) days.

If reasonably possible, the RSCVA will provide an Operator with a written response to any written appeal within thirty (30) days after it receives the appeal. When lengthy research is required that

prohibits responding in thirty (30) days, the Operator will be advised.

10.7.3. Payment Of Assessment. Payment within thirty (30) days stops the accrual of interest, and does not affect the Operator's right to appeal. If not paid, interest will continue to accrue throughout the appeal process until paid.

10.8. Appeals.

10.8.1. Appeal: Time For Filing.

- a. Any Operator, against whom a deficiency determination is made and who believes the determination is incorrect, must file a written appeal for re-determination with Tax Administrator within thirty (30) days after the Operator is served with notice of determination.
- b. If an appeal is not filed within the thirty (30) day period, the Operator is deemed to have waived the right to contest the determination.
- c. At the discretion of the Tax Administrator, the time within which an appeal for re-determination must be filed may be extended.

10.8.2. Appeal Requirements And Accompanying Materials. A request for re-determination of a Transient Lodging Tax audit shall:

- a. Set forth in writing the amount of the determination being contested and the legal grounds for seeking a re-determination; and
- b. Be accompanied by the specific records and other evidence, which support the appeal.

10.8.3. Re-Determination: Change In Determined Amount. If a request is made by the Operator for re-determination of a Transient Lodging Tax audit assessment, the results of the re-determination may be more or less than the original determination. The RSCVA may change the amount of the determination at any time before it becomes final at the request of the Licensee or upon discovery of error(s) in the assessment.

10.8.4. Re-Determination: Final Opinion Of Tax Administrator; Appeal To Finance Committee; Final Decision Of Finance Committee.

- a. The opinion issued by the Tax Administrator upon an appeal for re-determination becomes final thirty (30) days after service upon the Operator, unless an appeal of the opinion is filed within that time with the Finance Committee of the RSCVA.
- b. On appeal, the Operator shall be notified as to the date of an appeal hearing before the RSCVA Finance Committee. The decision of the Finance Committee of an appeal becomes final after service upon the Operator of its written order. At the discretion of the RSCVA Finance Committee, the appeal may be determined by the full RSCVA Board of Directors. RSCVA staff will make every attempt to schedule appeal hearings within sixty (60) days depending on the calendar of the RSCVA Board of Directors.

10.8.5. Re-Determination: Credit Or Refund. If a determination imposed by the RSCVA is reduced on re-determination or appeal, the Tax Administrator shall credit or refund any amount of taxes or Surcharges, penalties and interest (RSCVA uses as a guideline, NRS 360.2937) that have been paid or collected which exceeds the amount owed.

10.9. Limitation On Deficiency Period; Time For Provision Of Notice Of Determination.

- a. Every notice of the determination of a deficiency assessment issued by the RSCVA shall be personally served or mailed within five (5) years from the close of the accounting year to which the Transient lodging tax returns relate or within four (4) years after the return is filed, whichever period expires later.
- b. In the case of fraud, intentional evasion, or failure to make a return, or a claim for an additional amount, every notice of determination shall be mailed or personally served within nine (9) years from the end of calendar year following the period for which the amount is proposed to be determined.
- c. Every Operator shall keep all records, receipts, invoices, and other pertinent documents as listed and described in Required Records (see Section 10.3.) for a period of not less than four (4) years from the close of the accounting year to which the Transient lodging tax returns relate.

11. PROPERTY TYPE CLASSIFICATIONS

11.1. Properties Are Grouped By Classification By The RSCVA. For reporting of Transient Lodging Tax collection and occupancy statistics, properties are classified as follows:

- a. Hotel: Property may offer a full range of services, including a restaurant and/or gaming. The building is occupied or intended to be occupied for compensation, as the temporary residence for Transient Guests, primarily persons who have residence elsewhere. A hotel has an interior hall and lobby with access to each room from the interior hall or lobby.
- b. Motel: Property rents predominantly on a daily basis typically having rooms adjacent to an outside parking, and which does not meet the definition of a Hotel.
- c. 28-Day Rentals: Property derives at least one-third of its annual gross income from 28-day rentals.
- d. RV Park: Property rents overnight parking for recreational vehicles and campers.
- e. Timeshare: Property rents timeshares, condominiums, or vacation homes.
- f. Vacation Rental: Private home, townhome, or condominium available for rent through a property management service.
- g. Homeowner Rental: Private home, townhome, condominium, or timeshare available for rent directly through the homeowner, an internet site, or other similar means.

12. RULES OF THE PROCEDURE OF THE RSCVA FOR PROCEEDINGS ON THE REVOCATION OF TRANSIENT LODGING TAX LICENSES AND/OR SUSPENSION OF BUSINESS LICENSE (SHOW CAUSE HEARINGS)

12.1. Statement Of Need And Reasonableness. The RSCVA, having found that delinquencies in, and failure to remit Transient Lodging Tax payments and/or Surcharges by Operators, failure of Operators to provide requested documents to support a Transient Lodging Tax audit, and failure to pay undisputed assessments resulting from such audits have resulted in reduced revenues, therefore establishes the following rules and procedures for the revocation of Transient Lodging Tax Licenses and/or suspension of business license.

12.2. Criteria For The Institution Of A Show Cause Hearing For The Revocation Of A Property's Transient Lodging Tax License and/or Suspension of Business License Are:

- a. The Operator is delinquent more than sixty (60) days, or

- b. The Operator has been delinquent on two or more occasions during the preceding twelve (12) calendar months and is delinquent for the current reporting period, or
- c. The Operator fails to provide requested documents to support a Transient Lodging Tax audit, or
- d. The Operator fails to pay an undisputed assessment resulting from an audit within thirty (30) days following the close of the audit, or
- e. Any other condition exists which, in the opinion of the Tax Administrator warrants such action.

12.2.1. Initial Notice Of Deficiency. Any Operator meeting one or more of the criteria set forth in Section 12.2. will be notified by the Tax Administrator of the deficiency and advised that a motion for a show cause hearing will be made requesting that the Operator show cause why its License should not be revoked, unless the deficiency is corrected within thirty (30) days of the service of such notice.

12.3. Adjudication Of Contested Cases.

12.3.1. Notice Of Hearing In Contested Case; Contents Of Record.

- a. In a contested case, all parties shall be afforded an opportunity for hearing before the Adjudicator after reasonable notice.
- b. The notice shall include:
 - (1) A statement of the time, place and nature of the hearing.
 - (2) A statement of the legal authority and jurisdiction under which the hearing is to be held.
 - (3) A reference to the particular sections of the statutes and Regulations involved.
 - (4) A short and plain statement of the matters asserted.
 - (5) "Notice" herein shall be deemed sufficient if given by certified mail at least twenty-one (21) working days or delivered in person at least five (5) working days prior to the date of the hearing. In special circumstances, other means of notification (i.e. fax, e-mail, telephone) may be used if agreed to by both parties.
- c. Any party is entitled to be represented by counsel.
- d. Opportunity shall be afforded all parties to respond and present evidence and argument on all issues involved.
- e. Unless precluded by law, informal disposition may be made of any contested case by stipulation, agree settlement, consent order or default. If an informal disposition is made, the parties may waive the requirement for findings of fact and conclusions of law.
- f. The record in a contested case shall include:
 - (1) All pleadings, motions and intermediate rulings.
 - (2) Evidence received or considered.
 - (3) A statement of matters officially noticed.
 - (4) Questions and offers of proof and objections, and rulings thereon.
 - (5) Proposed findings and exceptions.
 - (6) Any decision, opinion or report by the Adjudicator.
- g. Oral proceedings, or any part thereof, shall be transcribed on request of any party.

- h. Findings of fact shall be based exclusively on substantial evidence and on matters officially noticed, and shall, where applicable, include the amount of Transient Lodging Tax owing plus interest and penalties as authorized by law.

12.3.2. Certain Members Of Agency Prohibited From Taking Part In Adjudication.

- a. No Agency member who acts as an investigator or prosecutor in any contested case may take part in the adjudication of such case.
- b. In the event that an Agency member is disqualified as an Adjudicator under the provisions of Subsection 1, the Agency shall designate another Agency member to serve as one of the Adjudicators.

12.3.3. Evidence. In Contested Cases:

- a. Irrelevant, immaterial or unduly repetitious evidence shall be excluded. Evidence may be admitted, except where precluded by statute, if it is of a type commonly relied upon by reasonable and prudent individuals in the conduct of their affairs. The Agency shall give effect to the rules of privilege recognized by law. Objections to evidentiary offers may be made and shall be noted in the record.

Subject to these requirements, when a hearing will be expedited and the interests of the parties will not be prejudiced substantially, any part of the evidence may be received in written form.

- b. Documentary evidence may be received in the form of authenticated copies of excerpts, if the original is not readily available. Upon request, parties shall be given an opportunity to compare the copy with the original.
- c. Every witness shall declare, by oath or affirmation, that he will testify truthfully.
- d. Each party may call and examine witnesses, introduce exhibits, cross-examine opposing witnesses on any matter relevant to the issues even though such matter was not covered in the direct examination, impeach any witness regardless of which party first called him to testify, and rebut the evidence against him.
- e. Notice may be taken of judicially cognizable facts and of generally recognized technical facts within the Agency's specialized knowledge. Parties shall be notified either before or during the hearing, or by reference in preliminary reports or otherwise, of the material noticed, including any staff memoranda or data, and they shall be afforded an opportunity to contest the material so noticed. The Agency's experience, technical competence, and special knowledge may be utilized in the evaluation of the evidence.

12.3.4. Administration Of Oath Or Affirmation To Witness. Unless limited by a specific statute, any person authorized to preside over a hearing in a contested case may administer oaths or affirmations to witnesses appearing before him in the hearing.

12.3.5. Contests Of Adverse Written Decision Or Order; Notice; Copies. A decision or order adverse to a party in a contested case shall be in writing or stated in the record. Except as provided in Subsection 5 of Section 12.3.3., a final decision shall include findings of fact and conclusions of law, separately stated. Findings of fact and decisions shall be based upon substantial evidence. Findings of fact, if set forth in statutory language, shall be accompanied by a concise and explicit statement of the underlying facts supporting the findings. Parties must be notified either personally or by certified mail of any decision or order. Upon request, a copy of the decision or order shall be delivered or mailed forthwith to each party and to his attorney of record.

- 12.3.6. Revocation Of Summary Suspension Of License.** No revocation, suspension, annulment or withdrawal of any License shall be made, unless prior to the institution of Agency proceedings, notice shall have been given by certified mail to the Operator of facts or conduct which warrant the intended action, and the Operator was given an opportunity to show compliance with all lawful requirements for the retention of a License. If the Agency finds that the public welfare imperatively required emergency action, and incorporates a finding to the effect in its order, summary suspension of a License may be ordered pending proceedings for revocation or other action. Such proceedings shall be promptly instituted and determined.
- 12.4. Certification Of Revocation Of License And/Or Suspension Of Business License To Other Authorities.** Upon the revocation or other withdrawal of any Transient Lodging License, the Agency shall certify to the appropriate authorities of the County of Washoe, the City of Reno, the City of Sparks, or any one or more of them as shall be concerned therewith, in which the defendant holds a general business license, the name and address of the Operator whose License has been revoked and attach thereto a copy of the final revocation order of the Agency. ["[T]he governing body shall revoke or suspend the License of a business upon certification by the board that the License tax has become delinquent, and shall not reinstate the License until the tax is paid." NRS 268.095 (6)]
- 12.5. Right Of Agency To Record Claim Of Lien Upon Property For Deficiency Assessment Prior to the Hearing.** The statutory right of the Agency to file a claim of lien upon property for a deficiency assessment of Transient Lodging Tax, penalties and interest is not waived by the fact that a show cause hearing has not occurred or notice of such request for a hearing has not been given.
- 12.6. Posting Of Bond For Issuance Of New Transient Lodging Tax License Following Revocation Of Property's Transient Lodging Tax License By The Adjudicator.** A new Transient Lodging Tax License will not be issued to the same Owners or Operators following revocation of a property's Transient Lodging Tax License unless a bond, either cash or insurance, is posted in an amount equal to six (6) months estimated maximum Transient Lodging Tax. This requirement may, at the discretion of the Tax Administrator, be cancelled after three (3) years of timely filing, and satisfactory completion of Transient Lodging Tax audit.
- 12.7. Administrative Appeal Of Any Order Of Revocation Of Transient Lodging Tax License By The Adjudicator.** An aggrieved party may appeal any order of revocation of Transient Lodging Tax License to the full Board of Directors of the Agency. No oral arguments will be permitted, but such appeals will be based upon the submission of written briefs only.
- 12.8. Availability Of Regulations.** The Agency shall keep at least one copy of these rules, and amendments thereto, and any other resolutions or Regulations in connection with the procedures for revocation of Transient Lodging Tax License and/or business license available, in its office for inspection and copying by the public. One copy of these rules, and amendments thereto, and any other resolutions or Regulations in connection with the procedures for revocation of Transient Lodging Tax License, shall be filed with the Clerk of the County of Washoe.

Any Operator failing to comply with the RSCVA Rules and Regulations may be guilty of a misdemeanor, as set forth in local statutes, codes and ordinances and shall be punished accordingly.

Appendix A. Transient Lodging Tax Rates by District

State of Nevada Washoe County Reno-Sparks Convention and Visitors Authority Current Transient Lodging Tax Rates by District									
Description	Jurisdiction Receiving Funds	Washoe County Transient Lodging Tax Districts and Rates							
		Reno B	Reno D	Reno E	Sparks	Washoe A	Washoe B		
RSCVA General Fund	RSCVA	6.625%	6.625%	6.625%	6.625%	6.625%	6.625%		
Convention Center-Debt (SB 477)	RSCVA	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%		
Total to RSCVA		8.625%	8.625%	8.625%	8.625%	8.625%	8.625%		
National Bowling Stadium-Debt (SB 112)	City of Reno	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%		
City/Civic Center (SB 221)	City of Reno	-	1.500%	1.500%	-	-	-		
Reno Parks & Recreation	City of Reno	1.000%	1.000%	1.000%	-	-	-		
Reno-Railroad District	City of Reno	-	1.000%	-	-	-	-		
Total to City of Reno		2.000%	4.500%	3.500%	1.000%	1.000%	1.000%		
City/Civic Center (SB 477)	Cities of Reno/Sparks/RSCVA	1.000%	-	1.000%	1.000%	1.000%	1.000%		
Sparks AB 205 (07-01-03)	City of Sparks	-	-	-	2.500%	-	-		
Nevada Commission on Tourism (NCOT)	State of Nevada	0.375%	0.375%	0.375%	0.375%	0.375%	0.375%		
State General Fund & School Support Fund (IP-1)	State of Nevada	1.000%	-	-	-	1.000%	1.000%		
Washoe County	Washoe County	-	-	-	-	1.000%	1.000%		
Totals		13.000%	13.500%	13.500%	13.500%	13.000%	13.000%		



RSCVA 2018/19 INSURANCE COVERAGE

Presentation by
Finance Division



To: RSCVA Board of Directors

From: Robert Chisel, Director of Finance

CC: Phil DeLone, President/CEO
Bob Lucey, Board Chair

Date: June 28, 2018

Subject: **Review and Approve the FY 2018-19 Reno-Sparks Convention and Visitors Authority Property, General Liability, Automobile, Umbrella, Excess Workers' Compensation, Other States Workers' Compensation, Public Officials' Liability, Crime and Internet Liability Insurance Coverage**

Executive Summary

The Reno Sparks Convention and Visitors Authority's current insurance policies are purchased yearly and are scheduled to expire on July 1, 2018. The Authority's insurance broker, USI Insurance Services National, Inc., marketed the various policies with multiple insurers. Based upon the quotes received, staff is recommending the insurance policies as attached. The premiums for insurance program set to expire on July 1, 2018, is approximately \$306,671 and the recommended premiums for the attached insurance program is estimated at \$271,488, a reduction of \$35,183.

Background

Staff, working with USI, reviewed the insurance coverage programs for risk, cost, and best practices to verify the amounts and types of coverages to seek for the Authority. Based upon this analysis USI sought multiple quotes from insurers, for the various lines the following insurers were requested to quote: Property – 13 insurers, Liability – 7 insurers, and Workers Compensation – 15 insurers.

The primary changes that are occurring for the insurance coverage of the Authority are as follows:

- Property Insurance – Deductible increasing from \$5,000 to \$10,000;
- Workers Compensation – Going from self-insured to fully insured, saving \$10,096 per year; and
- Threat and Assault – Additional coverage for threat and assault incidents \$1,963



Attached is a summary of the coverages.

Fiscal Impact

Sufficient funds have been budgeted to cover the premium.

Recommendation

Staff recommends that the Board approve the proposed revisions and additions to the RSCVA Transient Lodging Tax Rules and Regulations as presented.



Reno Sparks Convention & Visitors Authority

Fiscal Year 2018 Property, Casualty and Workers' Compensation Insurance Renewal

Brandon Lewis, CPCU, ARM Sales Executive

Jennifer Fryer, CIC Account Executive

June 8, 2018

Products and services are offered through USI Insurance Services National, LLC.

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Reno-Sparks Convention & Visitors Authority Property, Casualty and Workers' Compensation Fiscal Year 201 Marketing Summary

Property Insurance	
Affiliated FM	Declined to quote
Alliant Property Insurance Program (APIP) – <i>Incumbent Carrier</i>	Quoted
AWAC	Declined to quote
C N A	Declined to quote
Generali Ins. Co.	Declined to quote
Hartford Ins. Co.	Declined to quote
Liberty Mutual	Declined to quote
Nevada Public Agency Insurance Pool (NPAIP)	Quoted
SOMPO International	Declined to quote
Swiss RE	Declined to quote
Travelers Insurance Company	Quoted
XL Catlin	Declined to quote
Zurich Insurance	Declined to quote

Liability Insurance	
American Specialty (Arch Insurance Company)	Quoted
CNA Insurance Companies	Declined to quote
Liberty Mutual	Declined to quote
Nevada Public Agency Insurance Pool (NPAIP)	Quoted
OneBeacon	No Response
Philadelphia Insurance Company	Declined to quote
Travelers Insurance Companies <i>Incumbent Carrier</i>	Quoted

Reno-Sparks Convention & Visitors Authority
Property, Casualty and Workers' Compensation
Fiscal Year 201 Marketing Summary

Workers Compensation	
AM Trust	Declined to quote
Atlas General Insurance	Declined to quote
Berkley Net Ins. CO.	Declined to quote
Berkshire Hathaway Ins. Co.	Declined to quote
Employers Ins. Co.	Declined to quote
Everest National	Declined to quote
Hartford	Declined to quote
Hartford Insurance Co.	Declined to quote
ICW	Declined to quote
Liberty Mutual	Declined to quote
Markel Ins. Co.	Declined to quote
Public Agency Compensation Trust	Quoted
New York Marine & General Insurance Company - Excess Work Comp program Incumbent Carrier	Quoted
Travelers Insurance	Quoted

Reno-Sparks Convention & Visitors Authority
Property, Casualty and Workers' Compensation
Fiscal Year 2018 Marketing Summary

Coverage	<u>FY2018</u> Insurance Carrier	<u>FY2018</u> Limits/ Deductibles	<u>FY2017</u> Expiring Premium	<u>FY2018</u> Renewal Premium	\$ Change
Property	APIP	Blanket Policy Limit \$250,000,000 <i>Ded. \$5,000</i> Earthquake \$10,000,000 <i>Ded \$50,000</i> Flood \$10,000,000 (excludes high hazard) <i>Ded \$100,000</i>	\$117,434	\$141,053	\$23,619
Network Security/Privacy	APIP	\$1,000,000 / \$10,000	\$4,117	\$4,526	\$409
General Liability	Travelers	\$1,000,000 / \$2,000,000	\$60,486	\$40,049	(\$20,437)
Automobile	Travelers	\$1,000,000	\$16,870	\$21,127	\$4,257
Umbrella	Travelers	\$10,000,000	\$46,303	\$27,873	(\$18,430)
Workers Compensation Guaranteed Cost – All States	Travelers	Statutory/ \$1,000,000 No SIR	\$32,871	\$19,915	(\$12,866)
Other States Workers' Comp.	Travelers	Statutory, \$1,000,000 EL	\$1,421	Not needed	
Public Officials' Liability	Travelers	\$1,000,000 / \$25,000	\$19,741	\$12,759	(\$6,995)
Crime	Travelers	\$500,000 / \$2,500	\$2,665	\$2,223	(\$442)
Subtotal			\$301,831	\$269,525	(\$30,885)
Assault / Threat Coverage	Great American	Assault Expense \$500,000 Threat Response - \$100,000 insured	n/a	\$1,963	
Total Estimated Premium			\$306,671	\$271,488	



DECKER/ROYAL AGENCY PUBLIC RELATIONS AGENCY AGREEMENT

Presentation by
Sales and Marketing Division



To: RSCVA Board of Directors

From: Esther Isaac, Director of Marketing

Cc: Phil DeLone, President & CEO
Jennifer Cunningham, Executive Vice President

Date: June 28, 2018

Subject: Review, Discuss and Possible Action regarding a contract extension for The Decker/Royal Agency, the RSCVA's Public Relations Agency of Record.

Executive Summary

Acting in accordance with the Five-Year Strategic Plan, the RSCVA Board of Directors, in March 2017, awarded New York City-based firm The Decker/Royal Agency with a one-year contract to act as the RSCVA's national public relations agency of record. Since that time, The Decker/Royal Agency has organized media trips for 20 travel writers, including two FAMs, and is currently securing media for the first Media FAM of the 2018-2019 fiscal year, this September. The Decker/Royal Agency has secured dozens of placements for Reno Tahoe events, attractions, and amenities related to tourism in national print and online media, as part of its ongoing efforts to pitch travel editors and writers across the country. These efforts also include a series of deskside visits with media based in New York City, scheduled by The Decker/Royal Agency and executed by the RSCVA Communication Manager in April 2018. The current contract terminates on June 30, 2018.

Background/Analysis

The RSCVA Marketing Department issued an RFQ for a national public relations agency on January 17th, 2017. At that time, the RSCVA had not retained the services of a national public relations agency in more than eight years. Of the five proposals received and evaluated, The Decker/Royal agency was selected by RSCVA staff to be the most appropriate candidate based on the following criteria:

- Experience of the firm and the team in developing media strategies and placing relevant media stories
- Innovative approaches mentioned in the response
- Displays understanding of the strategic vision of the project and the RSCVA
- Agency resources available to service the RSCVA account
- Competitive rates and fees
- Understanding of the changing nature of media
- Effective measurement practices



- Relevant case studies
- Account management and accessibility

During its March 2017 meeting, the RSCVA Board of Directors awarded the contract. The Board action did not include renewal language, so this contract now requires additional Board approval.

Fiscal Impact

These funds have been allocated for national public relations services in the Fiscal Year 2018-2019 budget. The cost to the RSCVA will be \$66,000 annually for two years, through June 30, 2020.

Recommendation

Staff is recommending the RSCVA Board of Directors authorize the President/CEO to extend the agreement with The Decker/Royal Agency for two years (July 1, 2018 – June 30, 2020), at a cost of \$66,000 per year, with an option to extend for an additional two years.

AMENDMENT TO AGREEMENT

This Amendment to the Agreement (this "Amendment") is dated effective as of July 1, 2018 (the "Effective Date"), and is by and between the Reno-Sparks Convention and Visitors Authority ("Authority"), and The Decker/Royal Agency LLC ("Agency").

R E C I T A L S

A. Authority and Agency are parties to an Agreement dated effective as of the 1st day of April 2017 (the "Agreement"). Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

B. Authority and Agency desire to enter into this Amendment to amend the term under the Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Authority and Agency agree as follows:

1. Term. The term of this Agreement will be extended from July 1, 2018 through June 30, 2020 with an option to extend for an additional two (2) years at the Authority's option.

2. Compensation. The Agency will be paid a \$66,000 annual retainer by the Authority, billed monthly.

3. Ratification. As hereby amended and modified, the Agreement remains in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the Effective Date.

AUTHORITY

Reno-Sparks Convention and
Visitors Authority

By: _____

Phil DeLone

Its: President/CEO

Agency

The Decker/Royal Agency LLC

By: _____

Its: _____