

**RENO-SPARKS CONVENTION AND VISITORS AUTHORITY
NOTICE OF PUBLIC MEETING
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, December 3, 2020, at 9:00 a.m.**

**MEETING VIA TELECONFERENCE/VIDEOCONFERENCE
ONLY PURSUANT TO NRS 241.023**

**BOARD OF DIRECTORS:
Mayor Hillary Schieve, Chair**

Mr. Andy Chapman
Councilwoman Charlene Bybee
Ms. Shannon Keel
Mr. Don Kornstein

Mr. Daniel Farahi
Commissioner Bob Lucey
Ms. Ann Silver
Mr. Mark Sterbens

THIS MEETING IS IN COMPLIANCE WITH THE NEVADA OPEN MEETING LAW AND HAS BEEN
PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:
RSCVA Website: www.rscva.com/public-meetings Online at <http://notice.nv.gov/>

Public Notice

Pursuant to Section 3 of the Declaration of Emergency Directive 006 ("Directive 006"), the requirement contained in NRS 241.023(1)(b) that there be a physical location designated for meetings of public bodies held via teleconference or videoconference where members of the public are permitted to attend and participate has been suspended. Moreover, pursuant to Section 3 of Directive 006, the requirements contained in NRS 241.020(4)(a) that public notice agendas be posted at physical locations within the State of Nevada has likewise been suspended. This agenda has been electronically posted in compliance with Directive 006, NRS 241.020(3) at www.visitrenotahoe.com/about-us/public-meetings and NRS 232.2175 at <https://notice.nv.gov/>.

Please see the section below regarding public comment. Members of the public may view the meeting live at <https://www.youtube.com/channel/UCaqIm2OShuhzc5Lw1w6HkcA>.

Supporting Materials

Pursuant to Section 5 of Directive 006, the requirement contained in NRS 241.020(3)(c) that physical locations be available for the public to receive supporting material for public meetings has been suspended. Supporting materials for the meeting are available on the RSCVA's website at www.visitrenotahoe.com/about-us/public-meetings.

Pursuant to NRS 241.020(6), supporting material is made available to the general public at the same time it is provided to the Board. The designated contact to obtain support materials is Corie Carlsen, 4001 South Virginia Street, Suite G, Reno, NV (775) 827-7618.

Public Comment

Pursuant to Section 2 of Directive 006, if a public body holds a meeting by means of teleconference or videoconference and a physical location where members of the public can attend is not provided, the public body must provide a means for the public to provide public comment, and post that means on the public notice agenda. Pursuant to Section 2 of Directive 006, the public may provide public comment by emailing comments to boardclerk@renotahoeusa.com or by leaving a voicemail (limited to three minutes) at (775) 827-7602 (note this is not a live call-in line). Comments received before 4:00 p.m. on Wednesday, December 2, 2020, will be transcribed and given to the Board for review and will be included with the minutes of the meeting.

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 of Directors 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.

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. 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.

C. APPROVAL OF THE AGENDA OF THE DECEMBER 3, 2020 BOARD OF DIRECTORS' MEETING

For possible action.

D. APPROVAL OF THE MINUTES OF THE SEPTEMBER 24, 2020 BOARD OF DIRECTORS' MEETING

For possible action.

E. PRESENTATIONS

E1. RSCVA Board Appointment of Nevada Resort Association Board of Director's seat pursuant to NRS 244A.601(1)(d)(4)

The elected public official members of the Board of Directors will consider the appointment of a representative to the RSCVA Board nominated by the Nevada Resort Association for the seat currently held by Don Kornstein. The Nevada Resort Association has nominated Don Kornstein for reappointment.

For possible action.

E2. Destination Marketing Organization (DMO) – Best Practices

Bill Hanbury, SearchWide Global, and Erica Olsen, OnStrategy will present DMO Best Practices and Key Priorities.

This is an information item. Not an action item.

E3. Team Reno Tahoe/Big Business

Chair Hillary Schieve will present Team Reno Tahoe/Big Business. Topics discussed under this agenda item will include recent successes, new and exciting business opportunities, and the introduction of a team member that is making a difference in the organization.

This is an information item. Not an action item.

E4. Reno-Sparks Convention and Visitors Authority Staff Update

Charles Harris, President/CEO, and RSCVA staff, will deliver updates on Executive Office, Marketing, Sales, Facilities, and Finance.

This is an information item. Not an action item.

- E5. Legal Counsel Update.**
RSCVA Legal counsel will deliver updates on any pending legal matters.

This is an information item. Not an action item.

F. FINANCE DIVISION

- F1. Review, discussion, and possible approval of the Opinion and Findings of the comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020, containing the Auditor's Required Communications Letter**

Staff will present the opinion and findings of the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020, containing the Auditor's Required Communications Letter. The Board will be asked to review and possibly approve the opinion and findings of the CAFR.

For possible action.

- F2. Review, discussion, and possible action to approve a resolution pertaining to the issuance of the "Washoe County, Nevada, Taxable/Tax-Exempt General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority Refunding Bonds**

Staff is seeking approval pertaining to the issuance of general obligation bonds by the Reno-Sparks Convention & Visitors Authority in the name of and on behalf of Washoe County, in the amount of approximately \$85,984,000 plus costs of insurance estimated to be an additional \$1,624,781.40 (both amounts subject to finalization at the time of issuance), to refund certain outstanding bonds previously issued by the RSCVA in the name of and on behalf of the County.

For possible action.

- F3. Public Hearing Regarding the Approval of Resolution 589 Adopting the Budget Augmentation for the Reno-Sparks Convention and Visitors Authority for Fiscal Year 2020-21**

There will be a public hearing seeking the approval of Resolution 589, adopting a budget augmentation for the Reno-Sparks Convention and Visitors Authority for the Fiscal Year 2020-21 in the amount of \$8,390,868.

For possible action.

- F4. Reno City Plaza Space Whale**

Staff is requesting the Board of Directors review and approve funding by the RSCVA in an amount not to exceed \$200,000 to assist the Economic Development Authority of Western Nevada in purchasing the Space Whale, a 50-foot sculpture in the Reno City Plaza. The Space Whale would become a permanent art display for use by the City of Reno.

For possible action.

G. 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. 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.

H. ADJOURNMENT

For possible action.

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
t: 775.827.7600
VisitRenoTahoe.com

**Reno-Sparks Convention & Visitors Authority
Regular Meeting of the Board of Directors
Meeting Minutes
September 24, 2020**

The Special Meeting of the Board of Directors of the Reno-Sparks Convention & Visitors Authority met at 9:00 am, September 24, 2020, **via teleconference/videoconference only pursuant to NRS 241.023.** The meeting was properly noticed and posted in compliance with the Nevada Open Meeting Law.

A. OPENING CEREMONIES

Call to Order

Board Members Present:

Andy Chapman
Daniel Farahi
Shannon Keel
Don Kornstein
Mayor Ed Lawson
Commissioner Bob Lucey
Mayor Hillary Schieve
Ann Silver
Mark Sterbens

Board Members Absent:

RSCVA Executive Staff Present:

Jennifer Cunningham, Interim CEO/President
Robert Chisel, Vice President of Finance and Operations
Michael Larragueta, Vice President of Sales
Art Jimenez, Executive Director of Tourism Sales
Christina Erny, Director of Marketing
Ben McDonald, Director of Communications
Julie Williams, Human Resources Manager
Ben Kennedy, Legal Counsel
Molly Rezac, Legal Counsel

RSCVA Executive Staff Absent:

B. COMMENTS FROM THE FLOOR BY THE PUBLIC

Pursuant to Section 2 of Directive 006, the public may provide public comment by emailing comments to boardclerk@renotahoeusa.com or by leaving a voicemail (limited to three minutes) at (775) 827-7602 (note this, not a live call-in line).

Mr. Jeff Church submitted a public comment that has been included with the minutes of the meeting.

C. APPROVAL OF THE AGENDA OF SEPTEMBER 24, 2020 REGULAR MEETING OF THE BOARD OF DIRECTORS

MOTION: Member Bob Lucey made a motion to adjust the September 24, 2020 agenda meeting to move Items I1, G3, F2 and H1 to immediately follow Item D. It was seconded by Mayor Ed Lawson. **Motion carried unanimously.**

D. APPROVAL OF MINUTES OF AUGUST 27, 2020 REGULAR MEETING OF THE BOARD OF DIRECTORS

MOTION: Member Bob Lucey made a motion to approve the August 27, 2020, meeting minutes. It was seconded by member Shannon Keel. **Motion carried unanimously.**

E. PRESENTATIONS

E1. Team Reno-Tahoe

Robert Chisel, Vice President of Finance and Facilities, introduced Chris Brisco, IT Manager, at the RSCVA. Mr. Chisel stated that Chris works tirelessly to keep the RSCVA connected, particularly as we navigated the COVID-19 pandemic.

Chris Briscoe stated that he has been with the RSCVA for three years and oversees everything IT, including the network, servers, PCs, etc. In his time at the RSCVA, he has replaced 90% of the servers, installed a disaster recovery site at Switch data to provide quick recovery in the event of a disaster, and tightened controls for added security. Chris said that COVID-19 drastically changed the way we work. Still, he was able to adjust the authority's system and provided the staff with the ability to work remotely during this challenging time.

E2. Reno-Sparks Convention and Visitors Authority Staff Update

Jennifer Cunningham, Interim President/CEO, stated in the interest of time that Items G1, FY 2020/2021 Group Sales Room Night Goals, and G2, Group Cancellations due to COVID-19 be moved ahead to Item E2, Staff Updates.

Jennifer Cunningham drew the Board's attention to the updated scorecard located in the board packet. She said that overall occupancy for July was approximately 62% and added that this is encouraging news as the RSCVA forecasted occupancy at 35%. She noted that taxable revenue and ADR came in much more substantial than expected. Ms. Cunningham reminded the Board that the RSCVA office move was fast approaching, saying the authority realized that there would be excess office space due to the dramatic staff reduction. As such, the RSCVA is pleased to announce that the Chamber of Commerce will be moving into the building.

Robert Chisel, Vice President of Finance and Facilities, provided a summary of financials ending June 20, 2020. He said that financials are in the process of being audited, but he does not expect any change in the numbers. Mr. Chisel noted that overall revenue was down 22% for FY 2019/20; however, revenue for June was above projections from Scenario F. He went on to say that expenditures were down a total of 11%, although expenses were up in two areas. He stated that facility expenses were up 7.5% or \$900,000 for a total annual loss of \$6.6M. Mr. Chisel added that Capital improvement projects were up 42%. He briefly covered the interim financials provided in the board packet.

Michael Larraqueta, Vice President of Sales, stated that the sales team saw 18 leads, representing 53,886 room nights for July. He added that 4,362 rooms were contracted, and cancellations totaled -12,127 for a net number of -7,765 in August. Mr. Larraqueta said that the team sourced 12 leads representing 10,520 room nights. He went on to say that the team is seeing an increase in the number of requests for in-person and virtual site inspections, and twelve sites, representing just over 12,300 room nights, are scheduled in the next 30 days. Mr. Larraqueta said that he, Jennifer Cunningham, and Michael Day flew to Las Vegas to participate in a tour provided by sales and convention services executives at the Venetian, Sand Exposition Hall, and Wynn Las Vegas. All three venues set tradeshow floors, ballrooms, and individual meeting rooms to demonstrate appropriate social distancing in a safe and controlled environment while increasing the capacity beyond 50 people per room. The plans were sent to Clark County Commissioner Kirkpatrick and Governor's office for review.

Art Jimenez, Executive Director of Tourism, presented a tourism update. He referred to the scorecard in the board packet and said that OTA and Travel Agent production represented just over 96% of tourism sales bookings in July. Consequently, we are focusing our efforts on these travel partners concentrating on the drive and key air markets. These efforts include a joint marketing campaign with Expedia & American Airlines, Priceline, and SABRE GDS. Mr. Jimenez closed by telling the Board that this summer Reno Tahoe was ranked as one of the top 5 Quickie Getaway U.S. Cities by Hotwire for the 2nd year in a row.

Ben McDonald, Director of Communications, brought the Board up to date on current proactive and reactive media outreach to promote safe travel to the region. He said that the RSCVA is working with local travel partners to promote the Paint Nevada Pink campaign to bring awareness to Breast Cancer Awareness month. He finished by saying that the Governor's COVID Taskforce has reached out to the RSCVA to join with them in promoting the COVID Trace app. More information on that to come.

Christina Erny, Director of Marketing, began by recognizing the marketing team's efforts to promote the region amidst the global pandemic. She said that Reno Tahoe had become one of the top seven most searched locations in the world. Ms. Erny added that two of the top travel influencers commented that followers are consuming Reno Tahoe content in numbers well above other destinations on their websites. She said that the Reno Tahoe website is seeing double-digit growth month over month, and the team is working tirelessly to get the right message out to consumers. Ms. Erny added that Southwest Airlines continues to reach out to promote the region as a safe destination. She closed by bringing the Board up to date on advertising initiatives.

Andy Chapman recognized Jennifer Cunningham and the entire marketing team for working with Tahoe to promote safe travel and helped slow down the typical summer traffic to the area during the pandemic.

E3. Legal Counsel Update.

Ben Kennedy, Legal Counsel, will deliver updates on any pending legal matters.

F. FINANCE DIVISION

F1. Review, discussion, and possible approval of the Fiscal Year 2019-2020 Room Tax Department Performance

Ann Silver asked the Board for a block vote to approve Items F1, the Fiscal Year 2019-2020 Room Tax Department Performance, and Item F2.

MOTION: Member Bob Lucey made a motion for a block vote for Item F1 to approve the Fiscal Year 2019-2020 Room Tax Department Performance and Item F2 to approve the contract to purchase and install touchless lavatory faucets for the RSCC. It was seconded by member Don Kornstein. **Motion carried unanimously.**

F2. Discussion and possible approval to purchase and install touchless lavatory faucets for the Reno-Sparks Convention Center from Michael's Plumbing Heating & Air, Inc in the amount of \$56,812

RSCVA staff recommended a block vote for the purchase of fixtures from Michael's Plumbing Heating & Air, Inc, as the lowest cost, for a price of \$54,107, with a contingency of 5% equal to \$2,705, for a total contract amount not to exceed \$56,812.

Block Vote motion carried unanimously.

G. SALES AND MARKETING DIVISION

G1. FY 2020/2021 Group Sales Room Night Goals

Michael Larragueta, Vice President of Sales, presented the proposed FY 2020/2021 Group Room Night Goal. He began by saying that the FY 2019/2020, the group room night goal was 290,000. Mr. Larragueta proposed a group room night goal of 241,139 contracted room nights for the FY 2020/2021. He said that this room night goal is a 20% decrease from the prior year, and there are several contributing factors to this recommended decrease.

- Reduced staff from 27 to 16. Of the 16 staff members, ten are in a 100% sales roll and make up the 241,000-room night goal
- No regional or national tradeshow for the first four months of the FY
- In-person site inspections have started to pick up, but they are still not at a level necessary to achieve numbers from previous years
- Reduction in Sales budget of approximately 70%
- No in-market familiarization trips

Mr. Larragueta stated that the RSCVA does not anticipate production will increase in the second half of the FY (January through June of 2021) without a COVID-19 vaccine. Mr. Larragueta opened the floor for questions.

Mayor Ed Lawson suggested the Board table Items G1 and G2 until the new CEO begins.

Mark Sterbens stated that he believes that this is a fair adjustment based on the current environment; however, he requested that the motion have a caveat that the new CEO can make changes to the 2020/2021 Group Sales Room Night Goals once Mr. Harris starts with the authority.

MOTION: Member Mark Sterbens made a motion to approve Item G1 with the caveat that the new CEO can make changes to the 2020/2021 Group Sales Room Night Goals as Mr. Harris sees fit. It was seconded by Mayor Ed Lawson. **Motion carried unanimously.**

G2. Group Cancellations due to COVID-19

Michael Larragueta, Vice President of Sales, presented Group Sales cancellations due to the COVID-19 pandemic. He requested that group cancellations in FY 2020/2021 directly related to COVID-19 not to be subtracted from the group room night numbers. Mr. Larragueta mentioned July and August produced 17,546 and 4,362, respectively but also had -7,027 and -12,127 in cancellations directly related to COVID - 19. He added that the sales leaders for all the major hotels confirmed that they are also in line with not penalizing individual staff or the team for group cancellations directly related to COVID-19. Mr. Larragueta noted that should a group be contracted, then canceled and rebooked all in the same FY, the team would only get credit for a single booking. He added that the Convention Sales team has one annual team goal versus individual goals for FY 2020/2021 to push the team to continue to strive to hit the annual room night goal. Mr. Larragueta closed by saying that the annual room night goal is tied to their annual bonus plans; however, all bonus plans are subjective, and the CEO has complete discretion on all incentive payouts.

MOTION: Member Don Kornstein made a motion to approve Item G2 with the caveat that the new CEO meets with the Finance Department within the first sixty days of employment to discuss changes to the Group Cancellations due to COVID-19. It was seconded by member Mark Sterbens. **Motion carried unanimously.**

G3. Financial Support for New Air Service – Alaska Airlines/Reno-Palm Springs Service

Vice-Chair Ann Silver asked for board approval for risk mitigation funding for Alaska Airlines in the amount of up to \$100,000. She stated that the funds would be used to mitigate any revenue shortfalls in the Alaska Airlines operations between Reno/Palm Springs during the period of December 2020 through April 2021.

MOTION: Member Andy Chapman made a motion to approve the financial support for the new air service with Alaska Airlines. It was seconded by member Daniel Farahi. **Motion carried unanimously.**

H. HUMAN RESOURCES

H1. Employee Benefits

Robert Chisel, Vice president of Finance and Operations, asked the Board to approve the RSCVA Employee and Retiree Benefits Plan for the calendar year 2021 on the terms presented, to include retiree benefits and an optional retiree buyout provision.

MOTION: Mayor Ed Lawson made a motion to approve the renewal of the RSCVA Employee and Retiree Benefits Plan. It was seconded by member Mark Sterbens. **Motion carried unanimously.**

I. BOARD MATTERS

11. Approval of President/CEO Employment Agreement

Ben Kennedy, Legal Counsel, reviewed the Employment Agreement for Mr. Charles Harris. He stated that the contract, included in the board materials, is the standard CEO employment contract, including business terms proposed by SearchWide Global. Mr. Kennedy added that the terms had not been negotiated; however, they are included for board review. Those terms are as follows:

- \$290,000 base salary
- A potential bonus of up to 35% of the salary
- Bonus eligible for the balance of the current fiscal year based on short term goals with long term goals to be developed and implemented starting the fiscal year 2021/22
- Automobile allowance of \$750 per month
- Moving expenses and temporary housing not to exceed \$29,000
- Four weeks paid vacation
- Twelve-month severance
- Three-year contract term

Mr. Kennedy opened the meeting for discussion.

Shannon Keel stated that the 10% moving allowance was rather high.

Vice-Chair Ann Silver recommended setting moving expenses at a cap at 10%.

Motion: Member Bob Lucey made a motion to approve the contract as presented and asked that Don Kornstein, as a member of the Finance Committee, be authorized to work with RSCAV Legal to present Mr. Harris with the proposed contract and negotiate any final revisions consistent with the approved business terms. It was seconded by member Ed Lawson. **Motion carried unanimously.**

Daniel Farahi asked if Mr. Harris is aware of the RSCVA staff pay cuts.

Vice-Chair Ann Silver asked if Mr. Lucey would amend his motion to include that Mr. Harris meets with the Finance Committee within 60 days of his start date to review the authority's financial state and discuss the reinstatement of staff salaries and bring his recommendation back to the full Board for approval.

AMENDED Motion: Member Bob Lucey amended his motion to include that Mr. Harris meets with the Finance Committee within 60 days of his start date to review the authority's financial state and discuss staff salaries' reinstatement and bring his recommendation back to the full Board for approval. The AMENDED Motion was seconded by member Ed Lawson. **Motion carried unanimously.**

Commissioner Bob Lucey left the Board Meeting Zoom call at 8:23 am.

Member Shannon Keel left the Board Meeting Zoom call at 9:47 am.

J. BOARD MEMBERS COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

None

K. COMMENTS FROM THE FLOOR BY THE PUBLIC

Mr. Jeff Church submitted a public comment that has been included with the minutes of the meeting.

L. ADJOURNMENT

Meeting adjourned at 9:59 am.



10000 W. CHARLESTON BLVD., SUITE 165
LAS VEGAS, NV 89135
PH: (702) 735-4888 FAX: (702) 735-4620

November 23, 2020

Charles Harris
President & CEO
Reno Sparks Convention & Visitors Bureau
4001 S. Virginia Street, Suite G
Reno, NV 89502

Dear Mr. Harris,

In response to Ms. Carlsen's email request on November 18, 2020, regarding the completion of Don Kornstein's two-year term as a member of the RSCVA Board of Directors expiring, the Nevada Resort Association nominates Don Kornstein of Caesars/Eldorado for reappointment for a two-year term beginning in December 2020 ending December 2022.

You may reach Mr. Kornstein by email at DRKornstein@gmail.com or by contacting his office at (775) 432-2288.

If you have any further questions, please do not hesitate to contact our office at 702-735-4888.

Sincerely,

Virginia Valentine
President
Nevada Resort Association

cc: Don Kornstein

RSCVA Monthly Snapshot: August 2020

Strategic Plan Priority #1: Visitor Growth & Awareness			
MARKET PERFORMANCE/CASH OCCUPIED ROOMS		August'20	*Forecasted
Marketing	Washoe County Total		
	Room Inventory	647,210	681,836
	Cash Room Nights	232,080	129,787
	Comp Room Nights	63,533	-
	Overall Occupancy	62.0%	40.1%
	Taxable Revenue	\$28,260,963	\$13,000,873
	A.D.R.	\$121.77	\$100.17
	Gaming Win	\$76,271,726	-
	AIRLIFT		
	Air Passengers	183,343	-
	OVERALL VISITOR GROWTH	August'20	
	Visitor Volume	277,640	165,961.00
	# of Web Sessions - National Overall	204,300	-
	Number of Partner Referrals	7,350	-
	SF: Web Sessions	40,917	-
	Sacramento: Web Sessions	30,342	-
LA Basin: Web Sessions	44,115	-	

Strategic Plan Priority #2: Direct Room Night Growth			
Tourism	TOURISM SALES	August'20	July '20
	Wholesaler/ Receptive Operators	405	230
	Online Travel Agent	37,346	34,553
	Travel Agent	8,656	6,672
	Group Tour/Motorcoach	461	355
	Ski and Golf Production	804	1,013
	Total	47,672	42,823
Sales	TENTATIVE SALES PIPELINE	August'20	Forecasted
	# of Leads Issued	12	29
	# of Room Nights for Leads Issued	10,520	-
	# of Outstanding Leads in Sales Pipeline	267	-
	# of Room Nights in Sales Pipeline	529,983	434,348
	PRODUCED ROOM NIGHTS		
	Gross Produced Room Nights	4,362	13,409
	Net Produced Room Nights	-7,765	13,409
	Convention Produced Room Nights	-265	8,947
Sports Produced Room Nights	-7,500	4,462	

Legend:
*Per approved annual forecast and capital budget

RSCVA Monthly Snapshot: September 2020

Strategic Plan Priority #1: Visitor Growth & Awareness			
MARKET PERFORMANCE/CASH OCCUPIED ROOMS		September'20	*Forecasted
Marketing	Washoe County Total		
	Room Inventory	660,951	699,910
	Cash Room Nights	224,000	117,800
	Comp Room Nights	67,634	-
	Overall Occupancy	60.5%	36.5%
	Taxable Revenue	\$27,845,889	\$11,164,225
	A.D.R.	\$124.31	\$94.77
	Gaming Win	\$78,822,688	-
	AIRLIFT		
	Air Passengers	164,103	-
OVERALL VISITOR GROWTH		September'20	*Forecasted
Marketing	Visitor Volume	279,117	147,698
	# of Web Sessions - National Overall	214,584	-
	Number of Partner Referrals	8,733	-
	SF: Web Sessions	42,281	-
	Sacramento: Web Sessions	35,086	-
	LA Basin: Web Sessions	40,458	-
Strategic Plan Priority #2: Direct Room Night Growth			
TOURISM SALES		September'20	August '20
Tourism	Wholesaler/ Receptive Operators	514	405
	Online Travel Agent	31,223	37,346
	Travel Agent	8,369	8,656
	Group Tour/Motorcoach	287	461
	Ski and Golf Production	557	804
	Total	40,950	47,672
TENTATIVE SALES PIPELINE		September'20	*Forecasted
Sales	# of Leads Issued	15	29
	# of Room Nights for Leads Issued	25,593	-
	# of Outstanding Leads in Sales Pipeline	261	-
	# of Room Nights in Sales Pipeline	511,282	434,348
	PRODUCED ROOM NIGHTS		
	Gross Produced Room Nights	11,289	27,640
	Net Produced Room Nights	11,289	27,640
	Convention Produced Room Nights	3,952	8,947
	Sports Produced Room Nights	7,337	4,462
Legend: *Per approved annual forecast and capital budget			

RSCVA Monthly Snapshot: Year-to-Date September 2020

Strategic Priority #1: Visitor Growth & Awareness

MARKET PERFORMANCE/CASH OCCUPIED ROOMS		FY 20-21	YTD Target	*Annual Forecasted
Washoe County Total				
Room Inventory		1,923,587	2,063,582	8,153,274
Cash Room Nights		676,048	353,422	2,215,508
Comp Room Nights		186,253	-	-
Overall Occupancy		61.4%	37.2%	51.8%
Taxable Revenue		\$82,722,941	\$33,611,529	\$192,152,505
A.D.R.		\$122.36	\$95.10	\$86.73
Gaming Win		\$227,352,682	-	-
AIRLIFT				
Air Passengers		488,432	-	-
OVERALL VISITOR GROWTH		FY 20-21	YTD Target	*Annual Forecasted
Marketing Goals	Visitor Volume	815,017	448,674	2,831,875
	# of Web Sessions - National Overall	506,982	-	-
	Number of Partner Referrals	21,777	-	-
	SF: Web Sessions	100,432	-	-
	Sacramento: Web Sessions	81,521	-	-
	LA Basin: Web Sessions	95,480	-	-

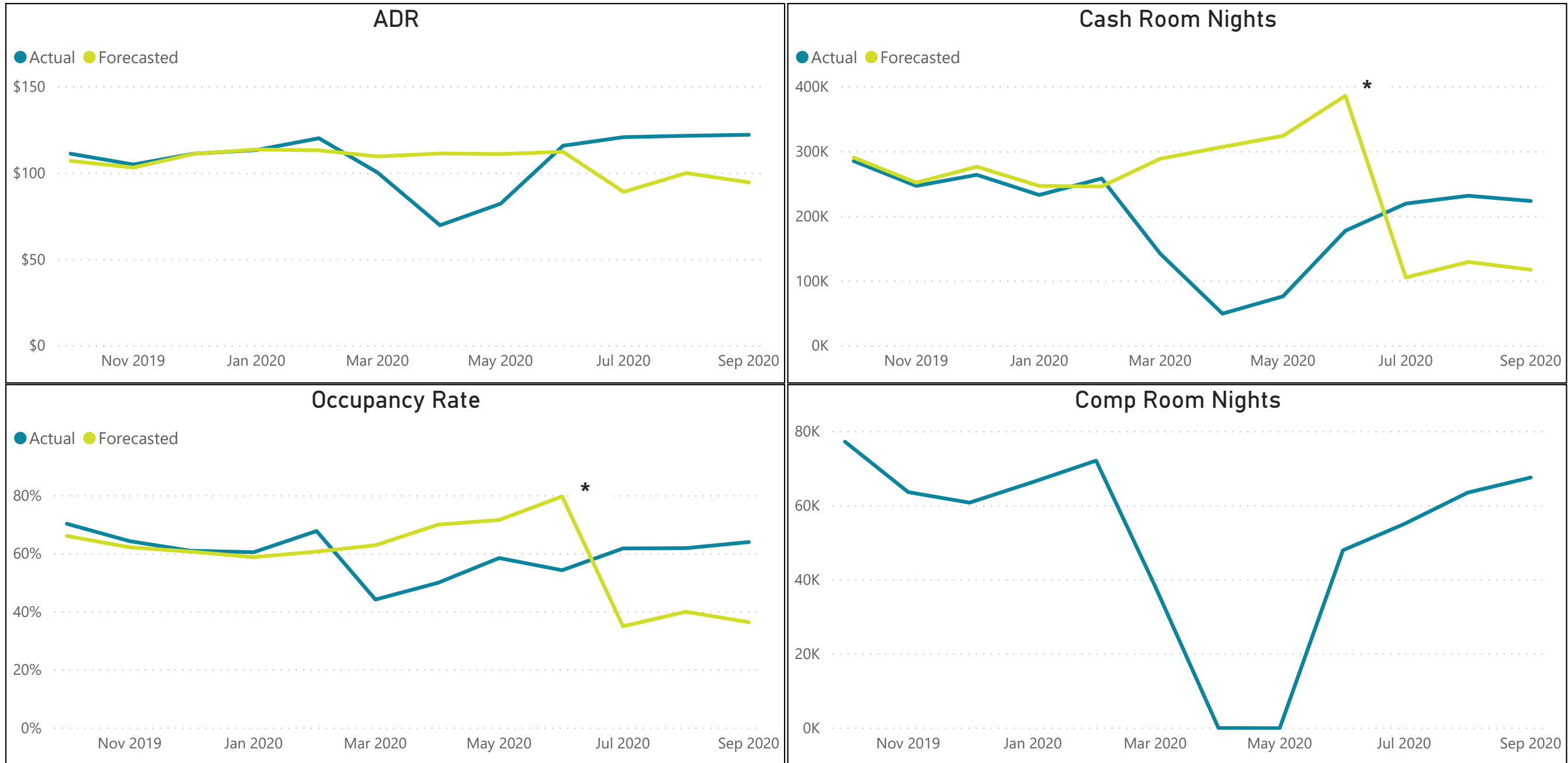
Strategic Priority #2: Direct Room Night Growth

TOURISM SALES		FY 20-21		
Marketing	Wholesaler/ Receptive Operators	1,149	-	-
	Online Travel Agent	103,122	-	-
	Travel Agent	23,697	-	-
	Group Tour/Motorcoach	1,103	-	-
	Ski and Golf Production	2,374	-	-
	Total	131,445	-	-
TENTATIVE SALES PIPELINE		FY 20-21	YTD Target	*Annual Forecasted
Sales Goals	# of Leads Issued	45	85	408
	# of Room Nights for Leads Issued	89,999	-	-
	# of Outstanding Leads in Sales Pipeline	261	-	-
	# of Room Nights in Sales Pipeline	511,282	434,348	434,348
	PRODUCED ROOM NIGHTS			
	Gross Produced Room Nights	33,197	55,419	241,139
	Net Produced Room Nights	14,043	55,419	241,139
	Convention Produced Room Nights	13,302	28,291	122,879
	Sports Produced Room Nights	741	27,128	118,260

Legend:

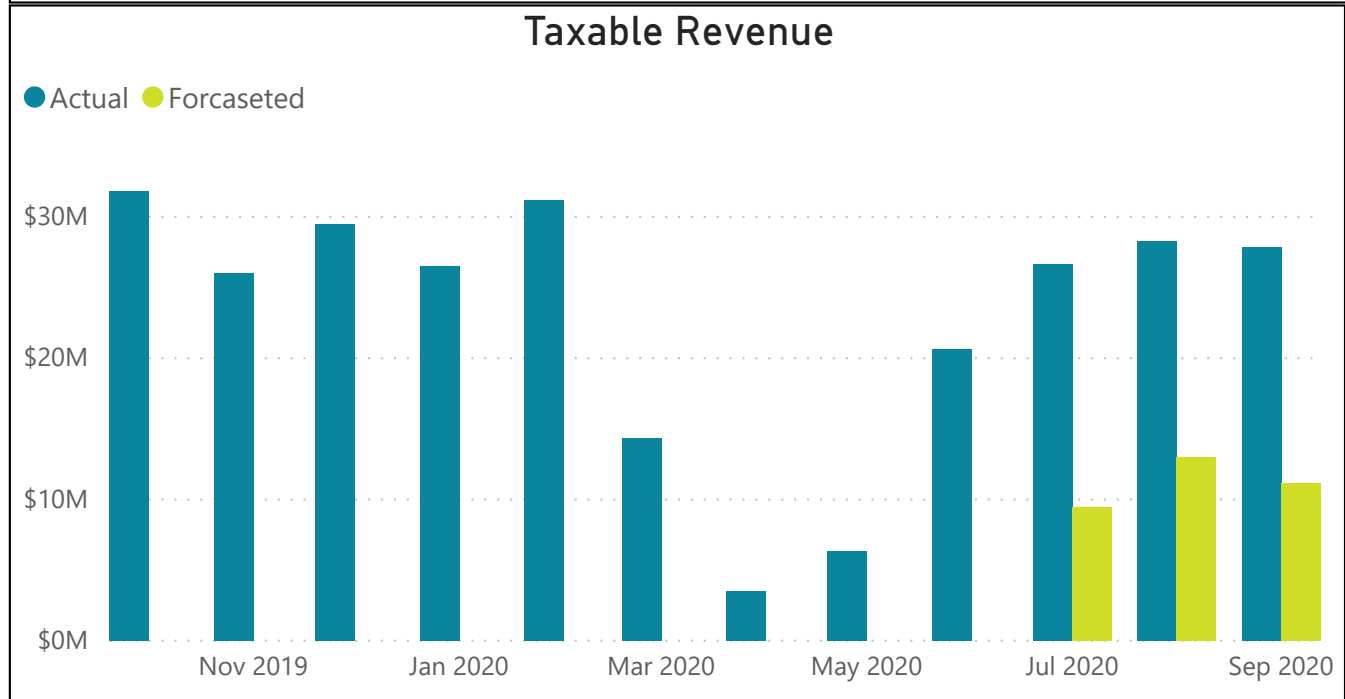
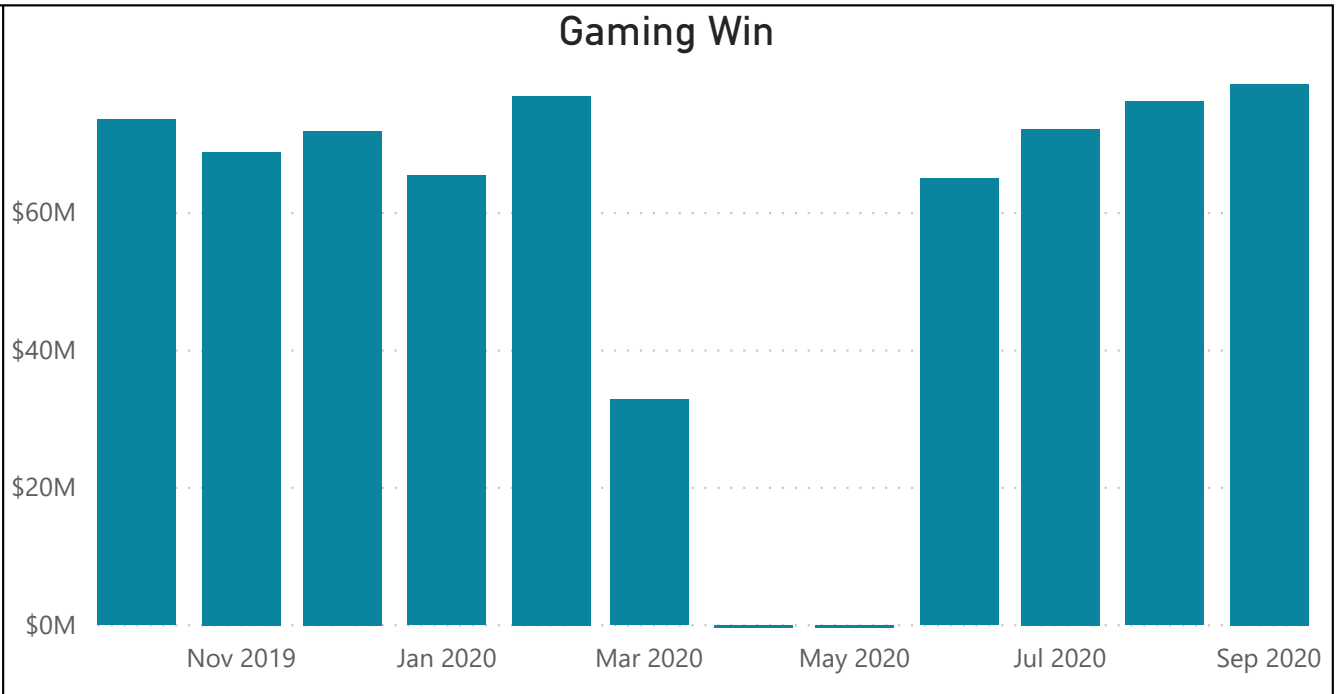
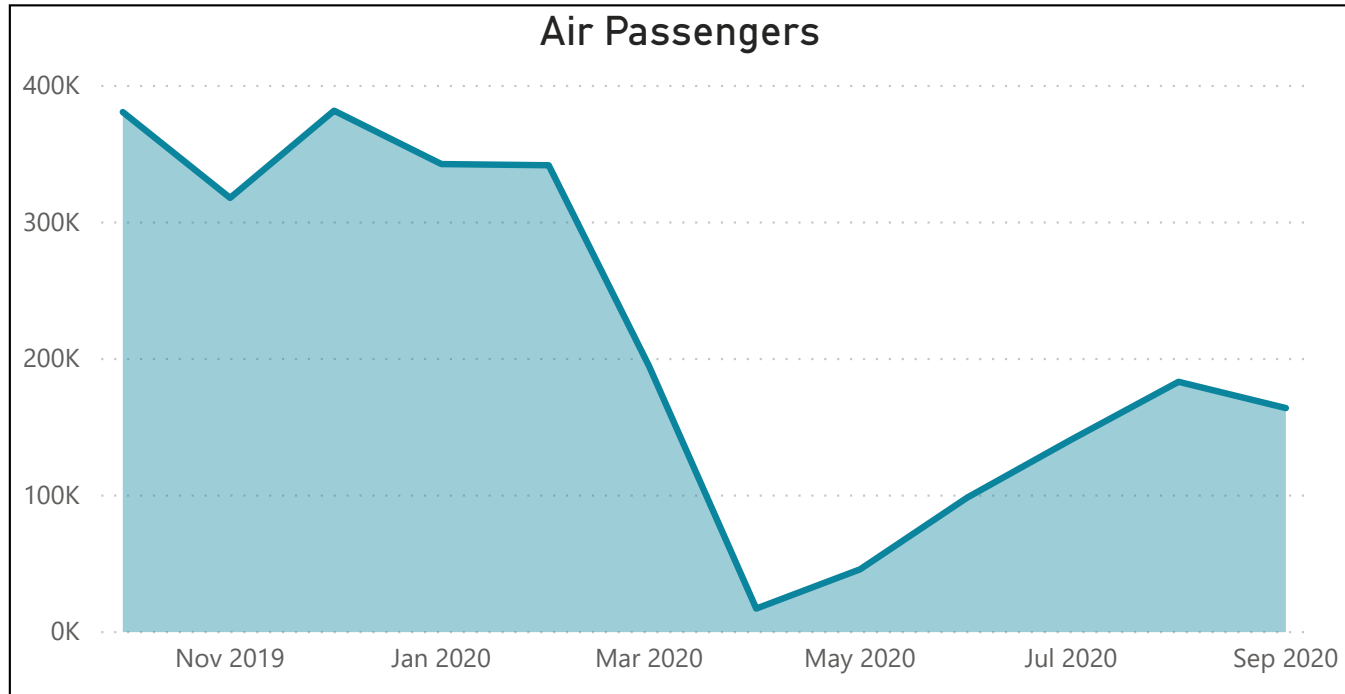
*Per approved annual forecast and capital budget

FY 20/21 Market Performance



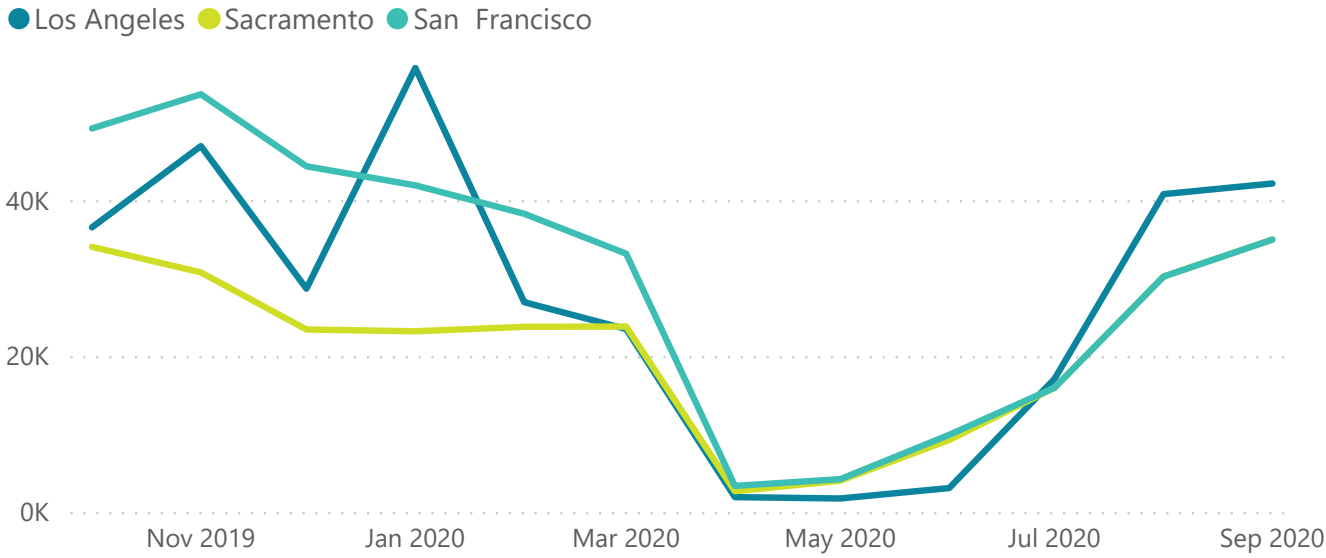
*Note: The capital budget and forecasted numbers for FY 19/20, which ended June '20, were not augmented for COVID-19. The FY 20/21 capital budget and forecasted numbers, which started July '20, were augmented for COVID-19 and approved.

FY 20/21 Market Performance

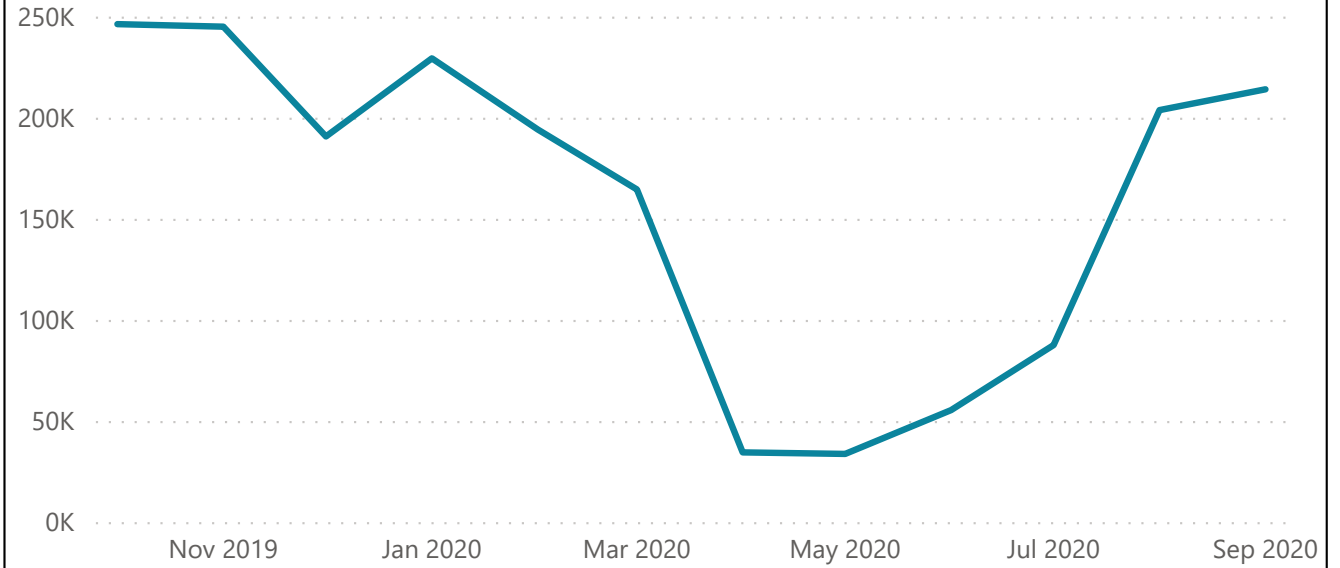


FY 20/21 Marketing and Communications

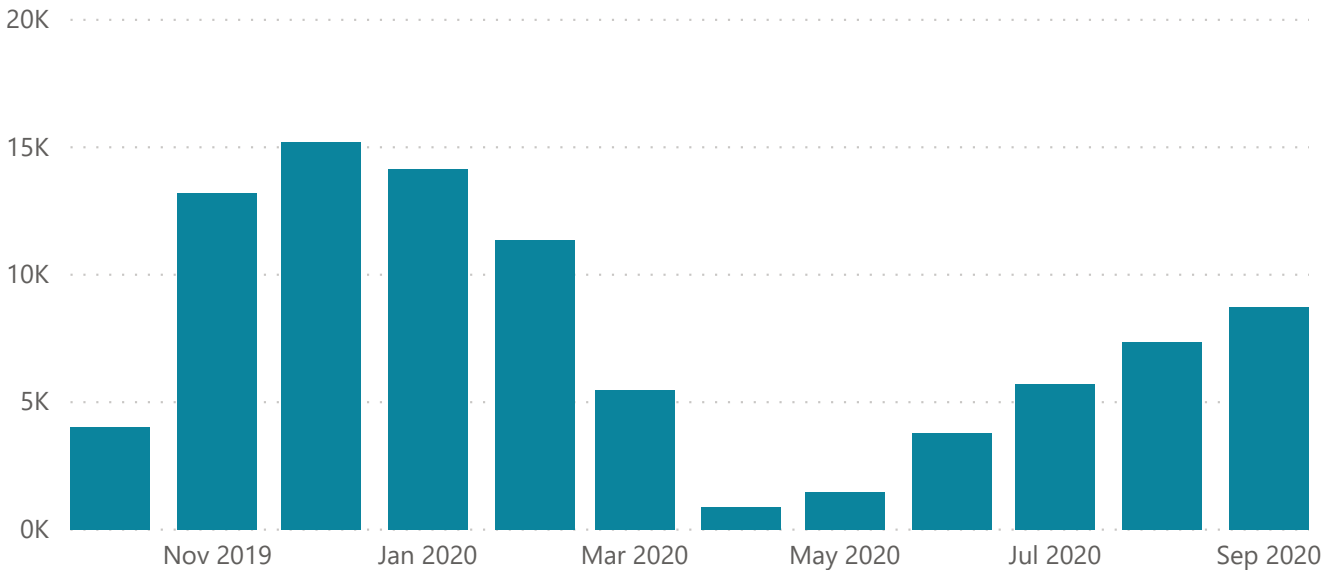
Regional Web Visits



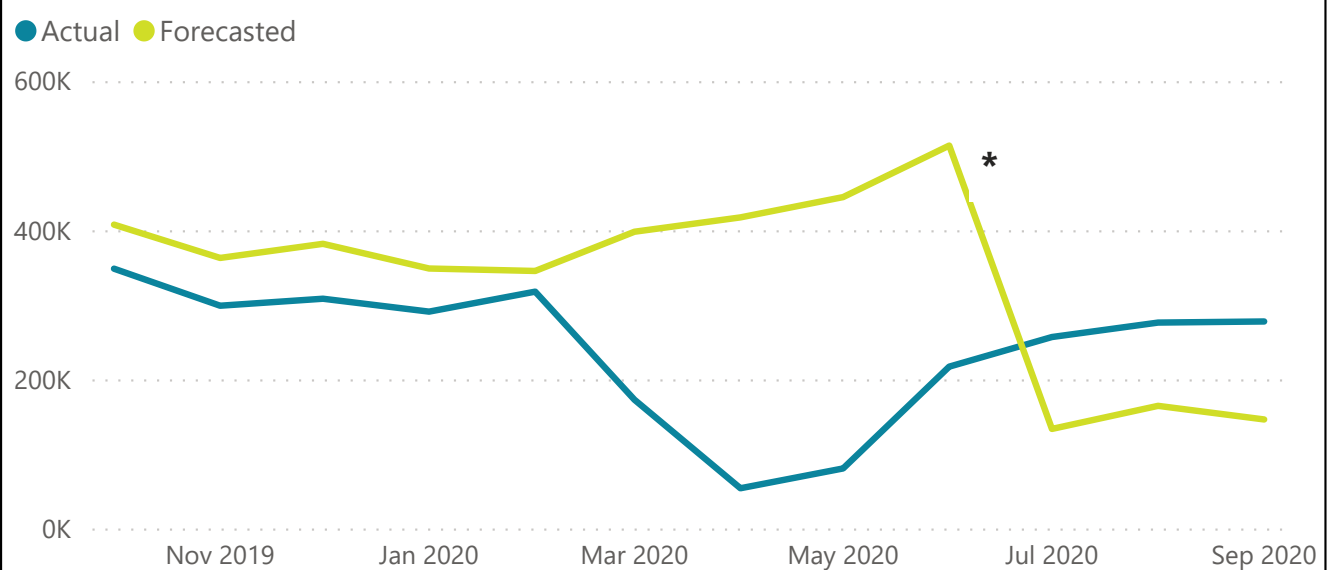
National Web Visits



Partner Referrals



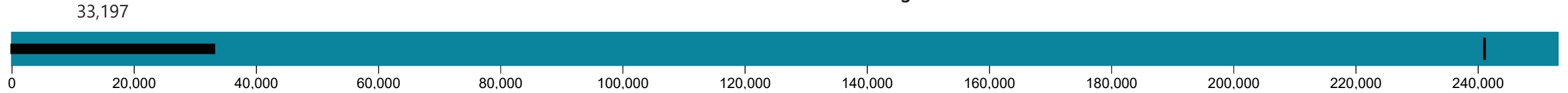
Visitor Volume



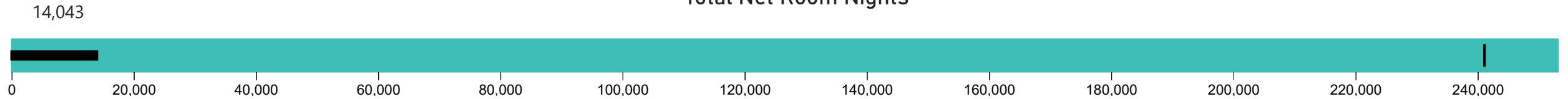
*Note: The capital budget and forecasted numbers for FY 19/20, which ended June '20, were not augmented for COVID-19. The FY 20/21 capital budget and forecasted numbers, which started July '20, were augmented for COVID-19 and approved.

FY 20/21 Convention Sales and Sports

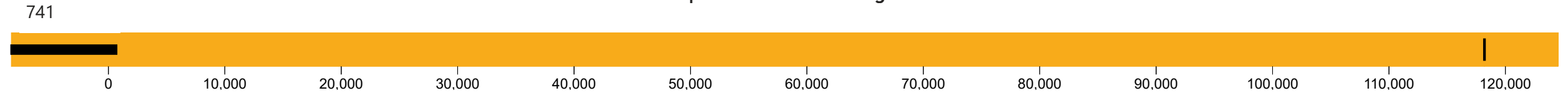
Gross Produced Room Nights



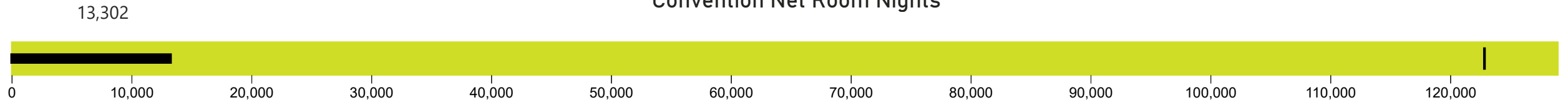
Total Net Room Nights



Sports Net Room Nights



Convention Net Room Nights





**Reno-Sparks Convention and
Visitors Authority**

**Fiscal Year 2020-21
Interim Financials**

September 2020



Reno-Sparks Convention and Visitors Authority
Fiscal Year 2020-21 Interim Financials
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**Consolidated Summary
Report of Operations
For the Month of September 2020
RENO-SPARKS CONVENTION AND VISITORS AUTHORITY**

	September 2020				September 2019		
	Actual	Budget	Increase (Decrease)		Actual	Increase (Decrease)	
			Amount	%		Amount	%
Revenues							
Room Tax Collections	\$ 2,392,648	\$ 962,915	\$ 1,429,733	148.5%	\$ 3,395,607	\$ (1,002,959)	-29.5%
Tourism Surcharge	347,421	144,097	203,324	141.1%	456,141	(108,720)	-23.8%
Facility Revenues							
Reno-Sparks Convention Center	16,900	100,704	(83,804)	-83.2%	240,491	(223,591)	-93.0%
National Bowling Stadium	11,701	136,381	(124,680)	-91.4%	20,007	(8,306)	-41.5%
Reno Events Center	-	16,876	(16,876)	-100.0%	350,570	(350,570)	-100.0%
Reno-Sparks Livestock Events Ctr	88,824	68,589	20,235	29.5%	159,975	(71,151)	-44.5%
Total Facility Revenues	117,425	322,549	(205,124)	-63.6%	771,043	(653,618)	-84.8%
Other Income	131,991	78,616	53,375	67.9%	187,390	(55,398)	-29.6%
Total Revenues	\$ 2,989,485	\$ 1,508,177	\$ 1,481,308	98.2%	\$ 4,810,180	\$ (1,820,695)	-37.9%
Operating Expenses							
Payroll & Related	\$ 376,163	\$ 299,380	\$ 76,783	25.6%	\$ 548,719	\$ (172,556)	-31.4%
Supplies & Services	657,416	820,217	(162,801)	-19.8%	1,302,504	(645,088)	-49.5%
Travel & Entertainment	4,742	34,880	(30,138)	-86.4%	59,477	(54,736)	-92.0%
Promotion & Advertising	659,378	353,042	306,336	86.8%	1,058,312	(398,935)	-37.7%
Special Projects	49,500	37,200	12,300	33.1%	92,717	(43,217)	-46.6%
Capital Outlay	-	1,525	(1,525)	-100.0%	2,503	(2,503)	-100.0%
Total Operating Expenses	\$ 1,747,199	\$ 1,546,244	\$ 200,954	13.0%	\$ 3,064,232	\$ (1,317,033)	-43.0%
Non Operating Expenses							
Debt Service	\$ 12,000	\$ 500	11,500	2300.0%	\$ 1,000	\$ 11,000	1100.0%
Incline Village/Crystal Bay Room Tax	221,869	66,686	155,183	232.7%	245,218	(23,350)	-9.5%
Capital Improvements	7,849	20,000	(12,151)	-60.8%	449,967	(442,118)	-98.3%
Insurance	61,311	60,397	914	1.5%	87,193	(25,883)	-29.7%
Contingency	-	-	-	0.0%	-	-	0.0%
Total Non Operating Expenses	\$ 303,028	\$ 147,583	\$ 155,445	105.3%	\$ 783,378	\$ (480,350)	-61.3%
Total Expenses	\$ 2,050,227	\$ 1,693,827	\$ 356,401	21.0%	\$ 3,847,610	\$ (1,797,383)	-46.7%
Profit/(Loss)	\$ 939,258	\$ (185,650)	\$ 1,124,908	605.9%	\$ 962,570	\$ (23,312)	2.4%

**Consolidated Summary
Report of Operations
Three Months Ending September 30, 2020
RENO-SPARKS CONVENTION AND VISITORS AUTHORITY**

	Period Ending September 30, 2020				Period Ending September 30, 2019			Annual FY 2021	
	Actual	Budget	Increase (Decrease)		Actual	Increase (Decrease)		Budget	% of Actual
			Amount	%		Amount	%		
Revenues									
Room Tax Collections	\$ 7,191,776	\$ 2,898,995	\$ 4,292,781	148.1%	\$ 11,053,808	\$ (3,862,032)	-34.9%	16,573,153	43.4%
Tourism Surcharge	1,015,455	435,257	580,198	133.3%	1,435,415	(419,960)	-29.3%	3,099,476	32.8%
Facility Revenues									
Reno-Sparks Convention Center	24,995	370,121	(345,126)	-93.2%	757,203	(732,208)	-96.7%	2,795,021	0.9%
National Bowling Stadium	50,538	188,612	(138,074)	-73.2%	37,435	13,103	35.0%	564,999	8.9%
Reno Events Center	3	86,945	(86,942)	-100.0%	641,511	(641,508)	-100.0%	1,153,807	0.0%
Reno-Sparks Livestock Events	219,720	281,854	(62,134)	-22.0%	402,421	(182,701)	-45.4%	855,337	25.7%
Total Facility Revenues	295,256	927,532	(632,276)	-68.2%	1,838,570	(1,543,314)	-83.9%	5,369,164	5.5%
Other Income	284,429	466,820	(182,391)	-39.1%	588,227	(303,799)	-51.6%	1,665,743	17.1%
Total Revenues	\$ 8,786,916	\$ 4,728,604	\$ 4,058,312	85.8%	\$ 14,916,020	\$ (6,129,105)	-41.1%	\$ 26,707,536	32.9%
Operating Expenses									
Payroll & Related	\$ 975,887	\$ 898,137	\$ 77,750	8.7%	\$ 1,828,175	\$ (852,287)	-46.6%	4,171,148	23.4%
Supplies & Services	2,052,018	2,843,528	(791,509)	-27.8%	3,739,697	(1,687,679)	-45.1%	10,295,799	19.9%
Travel & Entertainment	19,537	83,730	(64,193)	-76.7%	174,435	(154,899)	-88.8%	369,785	5.3%
Promotion & Advertising	1,166,356	1,320,742	(154,386)	-11.7%	2,787,007	(1,620,650)	-58.2%	3,456,250	33.7%
Special Projects	105,000	367,200	(262,200)	-71.4%	216,915	(111,915)	-51.6%	718,622	14.6%
Capital Outlay	21,008	4,575	16,433	359.2%	3,298	17,711	537.1%	18,300	114.8%
Total Operating Expenses	\$ 4,339,807	\$ 5,517,912	\$ (1,178,105)	-21.4%	\$ 8,749,527	\$ (4,409,720)	-50.4%	\$ 19,029,905	22.8%
Non Operating Expenses									
Debt Service	\$ 7,261,605	\$ 7,249,345	12,260	0.2%	\$ 5,896,000	\$ 1,365,605	23.2%	8,824,346	82.3%
Incline Village/Cystal Bay Room	635,019	205,519	429,500	209.0%	692,336	(57,316)	-8.3%	732,618	86.7%
Capital Improvements	26,347	60,000	(33,653)	-56.1%	628,127	(601,781)	-95.8%	240,000	11.0%
Insurance	201,372	181,191	20,181	11.1%	224,231	(22,859)	-10.2%	863,085	23.3%
Total Non Operating Expenses	\$ 8,124,343	\$ 7,696,055	\$ 428,288	5.6%	\$ 7,440,694	\$ 683,649	9.2%	\$ 10,660,049	76.2%
Total Expenses	\$ 12,464,150	\$ 13,213,967	\$ (749,817)	-5.7%	\$ 16,190,221	\$ (3,726,071)	-23.0%	\$ 29,689,953	99.0%
Profit/(Loss)	\$ (3,677,235)	\$ (8,485,363)	\$ 4,808,129	-56.7%	\$ (1,274,200)	\$ (2,403,034)	188.6%	\$ (2,982,418)	123.3%

Consolidated Summary
Transient Lodging Tax Collections and Statistics
For the Month of September 30, 2020
RENO-SPARKS CONVENTION AND VISITORS AUTHORITY

	September 2020				September 2019		
	Actual	Budget	Increase (Decrease)		Actual	Increase (Decrease)	
			Amount	%		Amount	%
Room Tax Collections							
Lodging (6 5/8%)	\$ 1,837,831	\$ 739,630	\$ 1,098,201	148.5%	\$ 2,608,220	\$ (770,389)	-29.5%
Convention Center (2%)	554,817	223,285	331,532	148.5%	787,387	(232,570)	-29.5%
Tourism Surcharge	347,421	144,097	203,324	141.1%	456,141	(108,720)	-23.8%
Total Tax Collections	\$ 2,740,069	\$ 1,107,012	\$ 1,633,057	147.5%	\$ 3,851,748	\$ (1,111,679)	-28.9%
Room Statistics							
Taxable Room Revenues	\$ 27,740,846	\$ 11,164,225	\$ 16,576,621	148.5%	\$ 39,382,497	\$ (11,641,651)	-29.6%
Occupied Rooms-Cash	223,547	117,800	105,747	89.8%	302,345	(78,798)	-26.1%
Average Rate - Cash	\$124.09	\$94.77	\$29.32	30.9%	\$130.26	(\$6.17)	-4.7%
Occupied Rooms							
Cash	223,547	117,800	105,747	89.8%	302,345	(78,798)	-26.1%
Comp	67,634	38,216	29,418	77.0%	85,849	(18,215)	-21.2%
28 Day	107,539	99,176	8,363	8.4%	111,795	(4,256)	-3.8%
Total Occupied Rooms	398,720	255,192	143,528	56.2%	499,989	(101,269)	-20.3%
Percentage of Occupancy							
Cash	33.9%	16.8%	17.0	101.3%	43.8%	(9.9)	-22.6%
Comp	10.3%	5.5%	4.8	87.7%	12.4%	(2.1)	-17.3%
28 Day	16.3%	14.2%	2.1	15.0%	16.2%	0.1	0.6%
Total Percentage of Occupancy	60.4%	36.5%	24.0	65.7%	72.4%	(12.0)	-16.5%

Consolidated Summary
Transient Lodging Tax Collections and Statistics
Three Months Ending September 30, 2020
RENO-SPARKS CONVENTION AND VISITORS AUTHORITY

	Period Ending September 30, 2020				Period Ending September 30, 2019		
	Actual	Budget	Increase (Decrease)		Actual	Increase (Decrease)	
			Amount	%		Amount	%
Room Tax Collections							
Lodging (6 5/8%)	\$ 5,524,118	\$ 2,226,764	\$ 3,297,354	148.1%	\$ 8,490,606	\$ (2,966,488)	-34.9%
Convention Center (2%)	1,667,658	672,231	995,427	148.1%	2,563,202	(895,544)	-34.9%
Tourism Surcharge	1,015,455	435,257	580,198	133.3%	1,435,415	(419,960)	-29.3%
City Center Tax	-	-	-	0.0%	-	-	0.0%
Total Tax Collections	\$ 8,207,231	\$ 3,334,252	\$ 4,872,979	146.1%	\$ 12,489,223	\$ (4,281,992)	-34.3%
Room Statistics							
Taxable Room Revenues	\$ 82,617,433	\$ 33,611,529	\$ 49,005,904	145.8%	\$ 127,479,003	\$ (44,861,570)	-35.2%
Occupied Rooms-Cash	675,581	353,422	322,159	91.2%	967,866	(292,285)	-30.2%
Average Rate - Cash	\$ 366.87	\$ 94.73	\$ 272.14	287.3%	\$131.71	\$235.16	178.5%
Occupied Rooms							
Cash	675,581	353,422	322,159	91.2%	967,866	(292,285)	-30.2%
Comp	186,253	108,182	78,071	72.2%	263,745	(77,492)	-29.4%
28 Day	318,232	306,567	11,665	3.8%	338,855	(20,623)	-6.1%
Total Occupied Rooms	1,180,066	768,171	411,895	53.6%	1,570,466	(390,400)	-24.9%
Percentage of Occupancy							
Cash	35.5%	17.1%	18.3	107.1%	46.1%	(10.6)	-23.0%
Comp	9.8%	5.2%	4.5	86.1%	12.6%	(2.8)	-22.6%
28 Day	16.7%	14.9%	1.9	12.5%	16.2%	0.5	3.2%
Total Percentage of Occupancy	61.9%	37.2%	24.7	66.4%	74.9%	(13.0)	-17.3%

**Consolidated Summary
Departmental Margins
For the Month of September 2020
RENO-SPARKS CONVENTION AND VISITORS AUTHORITY**

	September 2020				September 2019		
	Actual	Budget	Increase (Decrease)		Actual	Increase (Decrease)	
			Amount	%		Amount	%
Facilities							
Reno-Sparks Convention Center	\$ (164,227)	(172,410)	\$ 8,183	4.7%	\$ (291,657)	\$ 127,430	43.7%
National Bowling Stadium	(133,152)	(89,022)	(44,130)	-49.6%	(155,002)	21,850	14.1%
Reno Events Center	(133,646)	(76,020)	(57,626)	-75.8%	75,917	(209,563)	-276.0%
Reno-Sparks Livestock Events Ctr	(52,803)	(65,623)	12,820	19.5%	(12,951)	(39,852)	-307.7%
Total Facilities	\$ (483,828)	\$ (403,074)	\$ (80,754)	-20.0%	\$ (383,693)	\$ (100,135)	-26.1%
Sales and Marketing							
Convention Sales	\$ (214,793)	(231,088)	\$ 16,295	\$ 0	\$ (313,371)	\$ 98,577	31.5%
Tourism Sales	(45,584)	(34,864)	(10,720)	-30.7%	(97,435)	51,850	53.2%
Marketing	(716,726)	(353,935)	(362,791)	-102.5%	(1,153,720)	436,994	37.9%
Total Sales and Marketing	(977,103)	(619,888)	(357,215)	-57.6%	(1,564,525)	587,422	37.5%
General and Administrative	(101,104)	(192,693)	91,589	47.5%	(231,353)	130,249	56.3%
Room Tax Revenues	2,392,648	962,915	1,429,733	148.5%	3,395,607	(1,002,959)	-29.5%
Tourism Surcharge	347,421	144,097	203,324	141.1%	456,141	(108,720)	-23.8%
Total Operating Margins	1,178,034	(108,643)	1,286,677	1184.3%	1,672,176	(494,142)	-29.6%
Capital and Debt Service	19,849	(20,500)	40,349	196.8%	(709,606)	729,455	102.8%
Total Departmental Margins	1,197,883	(129,143)	1,327,026	1027.6%	962,570	235,313	24.4%

Consolidated Summary
Departmental Margins
Three Months Ending September 30, 2020
RENO-SPARKS CONVENTION AND VISITORS AUTHORITY

	Period Ending September 30, 2020				Period Ending September 30, 2019			Annual FY 2021	
	Actual	Budget	Increase (Decrease)		Actual	Increase (Decrease)		Budget	% of Actual
			Amount	%		Amount	%		
Facilities									
Reno-Sparks Convention Center	(534,386)	(529,268)	(5,118)	-1.0%	(752,240)	217,854	29.0%	(1,010,935)	52.9%
National Bowling Stadium	(342,720)	(342,202)	(518)	-0.2%	(517,396)	174,676	33.8%	(1,369,904)	25.0%
Reno Events Center	(300,941)	(211,919)	(89,022)	-42.0%	(72,746)	(228,195)	-313.7%	(354,517)	84.9%
Reno-Sparks Livestock Events Center	(90,810)	(175,922)	85,112	48.4%	(193,367)	102,557	53.0%	(805,033)	11.3%
Total Facilities	(1,268,857)	(1,259,310)	(9,547)	-0.8%	(1,535,749)	266,892	17.4%	(3,540,389)	35.8%
Sales and Marketing									
Convention Sales	(494,518)	(699,746)	205,229	29.3%	(1,202,402)	707,884	58.9%	(2,659,226)	18.6%
Tourism Sales	(107,295)	(109,853)	2,558	2.3%	(312,870)	205,575	65.7%	(460,186)	23.3%
Marketing	(1,357,595)	(786,338)	(571,257)	-72.6%	(2,819,644)	1,462,049	51.9%	(3,806,693)	35.7%
Total Sales and Marketing	(1,959,408)	(1,595,937)	(363,471)	-22.8%	(4,334,916)	2,375,509	54.8%	(6,926,105)	28.3%
General and Administrative	(679,905)	(894,004)	214,098	23.9%	(670,010)	(9,895)	-1.5%	(2,653,446)	25.6%
Room Tax Revenues	7,191,776	2,898,995	4,292,781	148.1%	11,053,808	(3,862,032)	-34.9%	16,573,153	43.4%
Tourism Surcharge	1,015,455	435,257	580,198	133.3%	1,435,415	(419,960)	-29.3%	3,099,476	32.8%
Total Operating Margins	4,299,061	(414,999)	4,714,060	1135.9%	5,948,548	(1,649,487)	-27.7%	6,552,689	65.6%
Capital and Debt Service	(7,287,952)	(7,309,345)	21,393	0.3%	(7,222,748)	(65,203)	-0.9%	(9,064,346)	80.4%
Total Departmental Margins	(2,988,891)	(7,724,344)	4,735,453	61.3%	(1,274,200)	(1,714,691)	-134.6%	(2,511,657)	119.0%



To: RSCVA Board of Directors

From: Courtney Jaeger, Director of Finance
Robert Chisel, Vice President of Finance and Operations

CC: Charles Harris, President/CEO
Mayor Hillary Schieve, Board Chair

Date: December 3, 2020

Subject: **Presentation of the Opinion and Findings of the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020, containing the Auditor's Required Communications Letter**

Executive Summary

The Comprehensive Annual Financial Report (CAFR) for the fiscal year (FY) ending June 30, 2020, has been completed, and the findings and opinion therein contained are now ready for presentation to the Board. Staff is also presenting for review a Popular Annual Financial Report (PAFR) that has been developed in accordance with guidelines from the Government Finance Officers Association. An annual audit of a Nevada local government's financial statements is required by law, and the results of such audit must be submitted to the Board within five months of the close of the fiscal year. NRS 354.624(6) requires that the audit opinion and findings be presented to the Council at a meeting within 30 days after the audit report is submitted.

Background

The Authority's FY 2019/20 CAFR has been completed and has received an unqualified (clean) opinion from the City's external auditors, Eide Bailly, LLP. An unqualified opinion by Eide Bailly concludes that the CAFR presents fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison information for the general fund for the year.

Fiscal Impact

None at this time.

Recommendation

Staff recommends Board accepts the report.



November 24, 2020

To the Board of Directors
Reno-Sparks Convention & Visitors Authority
Reno, Nevada

We have audited the financial statements of Reno-Sparks Convention & Visitors Authority as of and for the year ended June 30, 2020 and have issued our report thereon dated November 24, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated February 27, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Reno-Sparks Convention & Visitors Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding a material weakness during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards dated November 24, 2020.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices*Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Reno-Sparks Convention & Visitors Authority is included in Note A to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are related to other postemployment benefits and the net pension liability.

Management's estimate of the liability and costs for other postemployment benefits is based on actuarial assumptions and methods of measurement of the related postemployment benefits. Management's estimate of the net pension liability is based on the State of Nevada PERS audit and supporting schedules. We evaluated the key factors and assumptions used to develop the above estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

The financial disclosures presented for the year ended June 30, 2020, are not deemed particularly sensitive. The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management.

Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each opinion unit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Reno-Sparks Convention & Visitors Authority's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated November 24, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Reno-Sparks Convention & Visitors Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Reno-Sparks Convention & Visitors Authority's auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing Reno-Sparks Convention & Visitors Authority's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

- Applied certain limited procedures to Management's Discussion and Analysis, the Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios, the Schedule of Authority's Share of the Net Pension Liability, and the Schedule of Authority Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.
- We were engaged to report on the individual fund statement and schedules, which accompany the financial statements but are not RSI. Such information was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America.

- We were not engaged to report on the Introductory Section or the Statistical Section, which accompanies the financial statements but is not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Modification of the Auditor's Report

We made the following modification to our auditor's report:

As discussed in Note L to the financial statements, an error occurred in the recognition of the Total OPEB liability, resulting in an understatement of amounts previously reported for the Total OPEB liability for the year ended June 30, 2019, and was discovered by management during the current year. Accordingly, amounts related to the Total OPEB liability have resulted in a restatement of net position as of July 1, 2019. Our opinions are not modified with respect to this matter.

Other Matters

The financial statements include ASM Global – Reno Facilities, which we considered to be a significant component of the financial statements. The financial statements of ASM Global – Reno Facilities, were audited by other auditors. Eide Bailly assumed responsibility for the audit of the financial statements of ASM Global – Reno Facilities and no reference is made in the auditor's report to the other auditor. Consistent with the audit of the governmental activities, each major fund and the aggregate remaining fund information, our audit procedures included obtaining an understanding of ASM Global – Reno Facilities and their environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements of ASM Global – Reno Facilities and completion of further audit procedures. Additionally, our audit procedures included required correspondence with the other auditor of ASM Global – Reno Facilities, obtaining and reading their auditor's report and the related financial statements.

This report is intended solely for the information and use of the Board of Directors, and management of Reno-Sparks Convention & Visitors Authority and is not intended to be and should not be used by anyone other than these specified parties.



Reno, Nevada



Reno-Sparks Convention & Visitors Authority

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

STATE OF NEVADA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended
June 30, 2020

Mayor Hilary Schieve
Chair

Charles Harris
President and CEO

Robert Chisel
Vice President of
Finance and Operations

Courtney Jaeger
Director of Finance

Prepared by the Reno-Sparks Convention & Visitors Authority
Finance Department

Reno-Sparks Convention & Visitors Authority
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**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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INTRODUCTORY SECTION



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November 24, 2020

Board of Directors
Reno-Sparks Convention & Visitors Authority
and The Citizens of Washoe County, Nevada

Subject: Comprehensive Annual Financial Report for the Fiscal Year
July 1, 2019 to June 30, 2020

The Comprehensive Annual Financial Report of the Reno-Sparks Convention & Visitors Authority (referred to as RSCVA or Authority) with accompanying auditor's report for the fiscal year ended June 30, 2020, is submitted herewith. This annual report was prepared in conjunction with the outside auditing firm, Eide Bailly LLP. Responsibility for the accuracy, completeness and fairness of the presentation, including all disclosures, rests with the Authority. We believe that the data, as presented, is accurate and complete in all material aspects and fairly sets forth the net position, activities and cash flows of the Authority. We further believe that all disclosures necessary to enable the reader to gain the maximum understanding of the Authority's financial affairs have been included. This letter of transmittal is designed to complement the Management Discussion and Analysis (MD&A) and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

THE REPORTING ENTITY

The Reno-Sparks Convention & Visitors Authority, an independent governmental entity, was established in February 1959 as the Washoe County Fair and Recreation Board. The Authority is the operating instrumentality in the Washoe County area for promoting conventions, tourism, and outdoor recreation. To provide revenue for such purposes, pursuant to the Fair and Recreation Board statutes and related provisions of the Nevada Revised Statutes, a tax on the income from room charges of transient rental facilities is imposed by the state, county, and the incorporated cities of Reno and Sparks. The tax rates as of July 1, 2009 are thirteen percent (13%) in non-downtown Reno and, thirteen and one-half percent (13.5%) in downtown Reno, thirteen and one-

Reno-Sparks Convention & Visitors Authority

half percent (13.5%) in Sparks, and thirteen percent (13%) in the unincorporated areas of Washoe County.

- The Authority collects these taxes and retains a total of 8 5/8%
- 1% is remitted to the City of Reno for the National Bowling Stadium
- 3/8% is remitted to the State of Nevada Department of Taxation
- 1% of the tax collected in Reno is returned to the City of Reno and 1% of the tax collected in the unincorporated areas of Washoe County is returned to Washoe County
- 1.5% collected in downtown Reno is returned to the City for the operation of a multi-use facility in downtown Reno
- 2.5% of the tax collected in Sparks is returned to the City of Sparks for Victorian Square capital improvements
- The remaining one percent is allocated between:
 1. The railroad tracks lowered in downtown Reno, which properties in downtown Reno pay towards, and
 2. Properties not within downtown Reno and unincorporated Washoe County is utilized for education (imposed in 2009 through Nevada Legislature Initiation Petition 1)
 3. The remaining tax collected is used by the City of Reno for a multi-use facility in downtown Reno

The Authority consists of a nine-member board comprised of (a) one member of the Board of County Commissioners of Washoe County Nevada; (b) one member of the City Council of the City of Reno, Nevada; (c) one member of the City Council of the City of Sparks, Nevada; and (d) six members appointed by the aforementioned elected officials. The six members set forth are selected from nominations made by gaming, industry associations, Incline Village/Crystal Bay Visitors Bureau, or the Greater Reno-Sparks Chamber of Commerce. Furthermore, these members must be actively engaged in the gaming industry (three members), airline industry (one member), the Incline Village/Crystal Bay Visitors Bureau Board (one member), and general business or commerce (one member). Private sector members serve two-year terms, and are limited to a maximum of two consecutive terms. Representatives of the various governmental entities serve until the expiration of their respective terms of office.

ECONOMIC CONDITIONS AND OUTLOOK

Fiscal Year 2019-2020: Throughout the period covered by this report, gaming and tourism continued to be the dominant local industries, making the economic vitality of Washoe County largely dependent on a constant influx of visitors.

Total cash occupied room nights decreased from 3,472,202 room nights in fiscal year 2018-19 to 2,711,189 room nights in fiscal year 2019-20. Overall occupancy percentages decreased from 67.7% in fiscal year 2018-19 to 64.2% in fiscal year 2019-20. Average cash rates increased from \$115.53 for fiscal year 2018-19 to \$117.28 for fiscal year 2019-20. Total taxable revenues decreased from \$401,157,234 in fiscal year 2018-19 to \$317,970,450 in fiscal year 2019-20.

Outlook For Fiscal Year 2021-21 and Future: *COVID 19* – The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, was declared a pandemic by the World Health Organization on March 11, 2020. The outbreak of the disease has affected travel, commerce, and financial markets globally and has widely impacted economic growth worldwide.

On March 17, 2020, the Governor of the State of Nevada (Governor) declared that all non-essential businesses would be closed to help mitigate the spread of COVID-19. During early May 2020, certain non-essential businesses began reopening within the State of Nevada.

On May 27, 2020, the Governor announced that casinos within the State of Nevada could reopen on June 4, 2020. On September 29, 2020, the Governor announced that group gatherings of up to 250 people would be allowable as of October 1, 2020 (group gatherings were previously capped at 50 people). The Governor also announced that trade shows, conferences, and conventions could proceed, with attendance capped at 1,000 people, after submitting a safety plan and receiving approval.

As a result of the worldwide need to reduce travel and adhere to social distancing, as well as the temporary closure of all non-essential businesses in the surrounding community, the Authority has been impacted significantly. The Authority's main revenue streams are room license taxes, facilities revenue, and convention and visitors service revenue. Continued closure or limited capacity of various areas will have a significant negative impact on tourism. Management cannot predict or determine the recovery period or the long-term financial effect that the pandemic will have on the Authority's finances. The Authority expects continued decreases in revenues during the upcoming months, compared to the same months in the prior fiscal year. The Authority has implemented proactive cost savings measures to mitigate these potential circumstances.

Strategic Plan – During the 2015-2016 fiscal year, the Board of Directors adopted a Strategic Plan for the Organization. The plan was outlined four main priorities:

- Visitation/Destination Awareness
- Direct Room Night Growth
- Facility Efficiency
- Organizational Sustainability

Continued emphasis on marketing the Reno, Sparks, and North Lake Tahoe Areas: Continued heavy emphasis will be placed on marketing the region as a whole, including the brand of "Reno Tahoe USA". Advertising will continue to focus on the area's many unique attractions, facilities, and amenities, irrespective of geopolitical subdivisions.

Financial Policies: The financial policies of the Authority address the various activities of the Authority. Policies have remained consistent for the year ended June 30, 2020 in relation to the continuing revenue sources and related expenditure/expense of such sources.

Facility Management: The operations of the Authority facilities have transitioned to management firms. The Board approved an agreement with ASM Global for the management and operation of the National Bowling Stadium, Reno Events Center, Reno-Sparks Convention Center and Reno-Sparks Livestock Events Center which began on June 17, 2018.

OTHER INFORMATION

Independent Audit: Nevada Revised Statutes 354.624 requires that an annual audit of all funds be performed by an independent certified public accountant. The Authority has complied with this requirement. A copy of the auditor's opinion has been included in this report.

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. This was the thirty-third consecutive year the Authority has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments: The preparation of this report could not have been accomplished without the efficient and dedicated service of the entire staff of the Finance Department and the certified public accounting firm of Eide Bailly LLP. We would like to recognize their efforts and express our appreciation for their assistance.

We would also like to thank the Board of Directors, without whose leadership and support this report would not have been possible.

Respectfully submitted,



Charles Harris
President and CEO



Robert Chisel
Vice President of
Finance and Operations



Courtney Jaeger, CPA
Director of Finance



**The Government Finance Officers Association of
the United States and Canada**

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department

Reno-Sparks Convention & Visitors Authority, Nevada

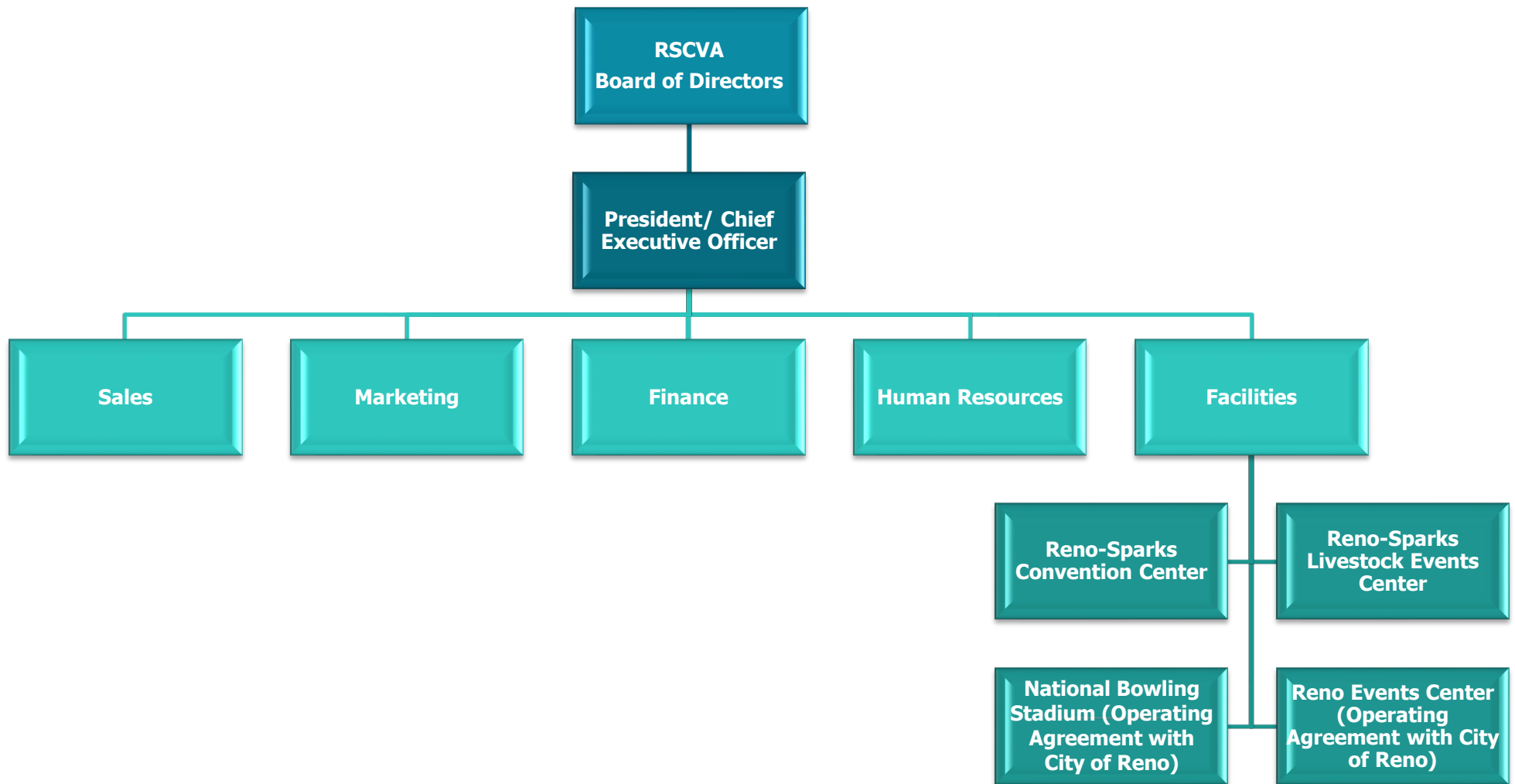


The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Christopher P. Morrell

Date: 8/13/2020



Reno-Sparks Convention & Visitors Authority
Board of Directors



Hillary Schieve, Chair
City of Reno



Ann Silver, Vice Chair
Reno + Sparks Chamber of Commerce



Andy Chapman
Incline Village/Crystal Bay CVB



Daniel Farahi
Gaming Industry



Shannon Keel
Gaming Industry



Don Kornstein
Gaming Industry



Ed Lawson
City of Sparks



Bob Lucey
Washoe County



Mark Sterbens
Gaming Industry

Reno-Sparks Convention & Visitors Authority
Executive Staff



Charles Harris
President and CEO



Jennifer Cunningham
Executive Vice President



Robert Chisel
Vice President of Finance and Operations



Mike Larragueta
Vice President of Sales



Art Jimenez
Executive Director of Tourism



Courtney Jaeger
Director of Finance



Christina Erny
Director of Marketing



Ben McDonald
Director of Communications

FINANCIAL SECTION



Independent Auditor's Report

To the Board of Directors
Reno-Sparks Convention & Visitors Authority, Nevada
Reno, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Reno-Sparks Convention & Visitors Authority, Nevada, (the Authority) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Reno-Sparks Convention & Visitors Authority as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of an Error

As discussed in Note L to the financial statements, an error occurred in the recognition of the Total OPEB liability, resulting in an understatement of amounts previously reported for the Total OPEB liability for the year ended June 30, 2019, and was discovered by management during the current year.

Accordingly, amounts related to the Total OPEB liability have resulted in a restatement of net position as of July 1, 2019. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 13, the Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios, the Schedule of the Authority's Share of the Net Pension Liability, and the Schedule of Authority Contributions on pages 56 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Reno-Sparks Convention & Visitors Authority's financial statements. The Introductory Section, individual fund statement and schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Prior Year Partial Comparative Information

We have previously audited, in accordance with accounting standards generally accepted in the United States of America, the basic financial statements of the Reno-Sparks Convention & Visitors Authority as of and for the year ended June 30, 2019 and have issued our report thereon dated November 25, 2019, which expressed an unmodified opinion on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The summarized comparative information presented in the basic financial statements as of and for the year ended June 30, 2019, is consistent with the audited financial statements from which it has been derived.

The individual fund financial statement and schedules related to the 2019 financial statements are presented for purposes of additional analysis and were derived from and relate directly to the underlying accounting and other records used to prepare the 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The individual fund financial statement and schedules are consistent in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2020, on our consideration of the Reno-Sparks Convention & Visitors Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Reno-Sparks Convention & Visitors Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Reno-Sparks Convention & Visitors Authority's internal control over financial reporting and compliance.



Reno, Nevada
November 24, 2020

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

The following is Management's Discussion and Analysis (MD&A) of the financial performance and activity of the Reno-Sparks Convention & Visitors Authority (referred to as RSCVA or the Authority). The MD&A provides an introduction to and understanding of the financial statements of the Authority for the fiscal year (FYs) ended June 30, 2020 (FY 2020) with selected comparable data for the fiscal year ended June 30, 2019 (FY 2019). This section should be read in conjunction with the transmittal letter, financial statements, and notes to the financial statements to gain a better understanding of the information presented in MD&A.

Overview of the Financial Statements

The basic financial statements of the Reno-Sparks Convention & Visitors Authority are comprised of government-wide financial statements, fund financial statements, and notes to the financial statements. Additionally, supplemental information to the financial statements is contained in this report.

Government-wide financial statements – The government-wide financial statements are presented to provide readers with a broad overview of the Reno-Sparks Convention & Visitors Authority in a manner like that of the private sector.

The Statement of Net Position presents information on all assets, liabilities and deferred inflows/outflows of resources of the Reno-Sparks Convention & Visitors Authority. The difference between the total assets and deferred outflows and total liabilities and deferred inflows is reported as "net position". Over time, increases and decreases in net position may serve as an indicator of improvement or deterioration of financial condition.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

Governmental activities, which are supported primarily by room license taxes and facility usage fees, are presented in the government-wide financial statements. Governmental activities include general government and community support, which includes operational costs of the facilities as well as costs associated with selling and marketing the Reno-Tahoe region.

Fund financial statements – A fund is a legal and accounting entity with a self-balancing set of accounts to track specific sources of funding and spending. The Reno-Sparks Convention and Visitors Authority, as with other governmental agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the RSCVA are divided into government and proprietary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike government-wide financial statements, governmental funds focus on the current

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

inflows and outflows of resources. This information is useful in determining current financial requirements.

The RSCVA maintains three separate funds that make up the governmental fund category. Information is presented separately in the governmental balance sheet and the governmental statement of revenues, expenditures, and changes in fund balance for the General Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered to be major funds.

A separate budget is prepared annually for each fund reflecting anticipated resources and uses of the collected resources. A budgetary comparison statement or schedule has been provided for the funds to demonstrate compliance with the budget.

Proprietary fund – The RSCVA maintains one internal service (Insurance) proprietary fund. Internal service funds are used to account for and allocate internal costs to the various departments of the RSCVA, and primarily benefit governmental activities. Consequently, the internal service fund has been included within the governmental activities in the government-wide financial statements.

Notes to the financial statements – Notes to the financial statements are included to provide information that is crucial to the full and complete understanding of the data provided in the government-wide and fund financial statements.

Other information – In addition to the basic financial statements, and accompanying notes, this report also represents certain required supplementary information concerning the changes in the Authority's total OPEB liability and pension liability.

This report also presents certain supplementary information, including the individual fund statement and schedules, which are presented immediately following the required supplementary information within this report.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

Government-wide Financial Analysis

Net Position

The following table summarizes assets, liabilities, deferred inflows and outflows of resources, and net position as of June 30:

	Governmental Activities			
	2020	2019	Change	
Assets				
Current and other assets	\$ 26,968,951	\$ 33,603,783	\$ (6,634,832)	-20%
Capital assets	54,822,820	55,277,397	(454,577)	-1%
Total assets	81,791,771	88,881,180	(7,089,409)	-8%
Deferred outflows of resources	5,755,143	6,391,081	(635,938)	-10%
Liabilities				
Long-term liabilities	106,437,629	119,174,649	(12,737,020)	-11%
Other liabilities	5,561,409	6,586,946	(1,025,537)	-16%
Total liabilities	111,999,038	125,761,595	(13,762,557)	-11%
Deferred inflows of resources	5,709,086	2,142,983	3,566,103	166%
Net Assets				
Net investment in capital assets	(13,924,547)	(16,687,714)	2,763,167	-17%
Restricted for:			-	
Debt service	10,614,390	10,696,606	(82,216)	-1%
Strategic Plan Implementation	3,856,638	5,109,234	(1,252,596)	-25%
Claims	188,992	221,884	(32,892)	-15%
Unrestricted (deficit)	(30,896,683)	(31,972,327)	1,075,644	-3%
Total net position	\$ (30,161,210)	\$ (32,632,317)	\$ 2,471,107	-8%

Total net position for the Authority as of June 30, 2020 was \$(30,161,210). This is an increase of \$2,471,107 from June 30, 2019. Significant changes contributing to the overall increase include decreases in bonds payable and a decrease in the net pension liability offset by decreases in cash and investments, decreases in room taxes receivable (in correlation with decreased room tax revenues), and increases in actuarially determined pension related deferred inflows.

Additionally, the beginning net position for governmental activities has been restated (increased) to correctly present the OPEB liability for the year ended June 30, 2019. The RRHBP portion of the total OPEB liability was previously overstated by \$1,074,956 (which understated net position). During the preparation of the June 30, 2019 actuarial valuation, the actuary obtained an updated understanding of benefits related to the June 30, 2018 OPEB actuarial valuation, which led to the restatement of the RRHBP portion of the total OPEB liability for the prior year.

The deficit in net investment in capital assets is the primarily the result of 1) debt outstanding exceeding the net book value of capital assets (the funds were used to construct or acquire capital assets) and 2) the Authority being unable to possess the title to land.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
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The deficit in unrestricted net position is primarily the result of the accreted interest on the capital appreciation bonds, the net pension liability, and the total OPEB liability.

The portions of the Authority's net position that are subject to restrictions are debt service, strategic plan implementation, and claims (insurance reserves).

Change in Net Position

The following table summarizes changes in net position for the year ended June 30, 2020:

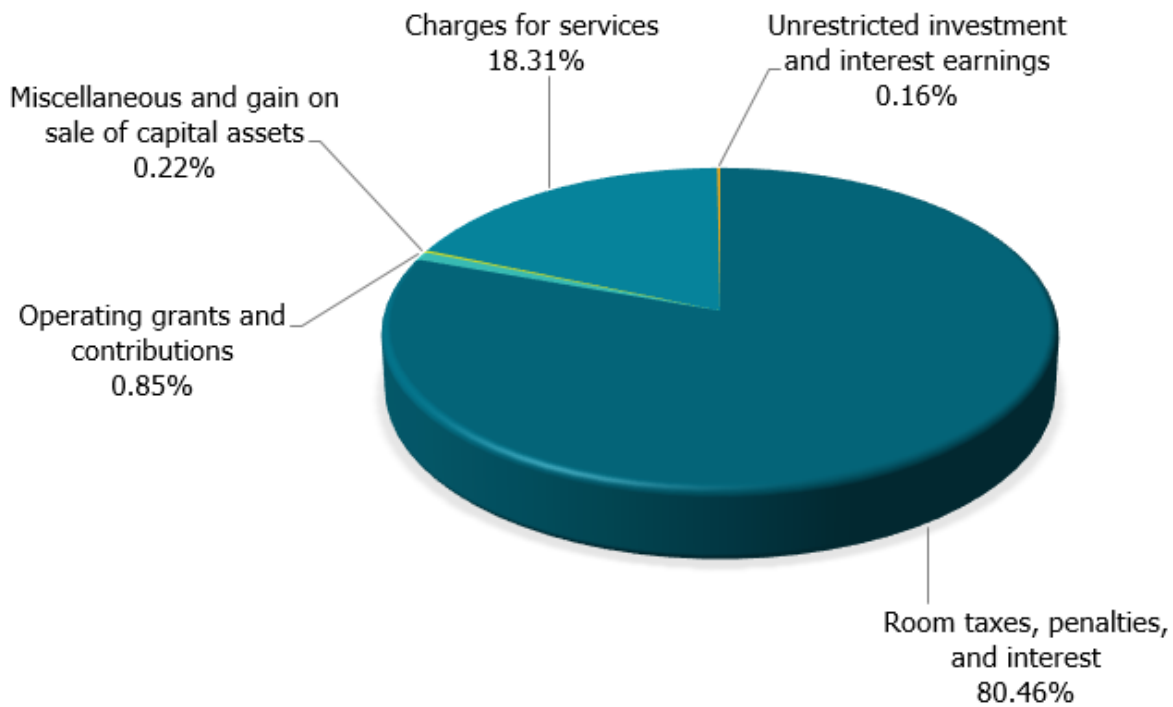
	Governmental Activities			
	2020	2019	Change	
Revenue				
<i>Program revenues</i>				
Charges for services	\$ 7,348,821	\$ 9,027,246	\$ (1,678,425)	-19%
Operating grants and contributions	342,279	425,452	(83,173)	-20%
<i>General revenues</i>				
Room taxes, penalties and interest	32,297,723	40,884,774	(8,587,051)	-21%
Unrestricted investment and interest earnings	64,902	6,370	58,532	919%
Gain on sale of capital assets	31,422	705,901	(674,479)	-96%
Miscellaneous	56,311	100,414	(44,103)	-44%
Total revenues	40,141,458	51,150,157	(11,008,699)	-22%
Expenses:				
General government	3,493,871	3,632,579	(138,708)	
Community support	31,480,262	35,974,848	(4,494,586)	
Loss on defeasance of debt	-	59,517	(59,517)	
Debt service	3,771,174	3,202,113	569,061	
Total expenses	38,745,307	42,869,057	(4,123,750)	-10%
Change in net position	1,396,151	8,281,100	(6,884,949)	-83%
Net Position, July 1, as previously reported	(32,632,317)	(40,913,417)	8,281,100	
Prior period adjustment	1,074,956	-	1,074,956	
Net Position, July 1, as restated	(31,557,361)	(40,913,417)	9,356,056	-23%
Net Position, June 30	\$ (30,161,210)	\$ (32,632,317)	\$ 2,471,107	-8%

The Authority's total revenues decreased by \$11,008,699. The majority of the decrease is related to room license tax/surcharge collections, which decreased \$8,587,051 from the prior year. This decrease is primarily attributable to the impact of the COVID-19 pandemic, discussed further in the "Other Economic Developments" section of MD&A.

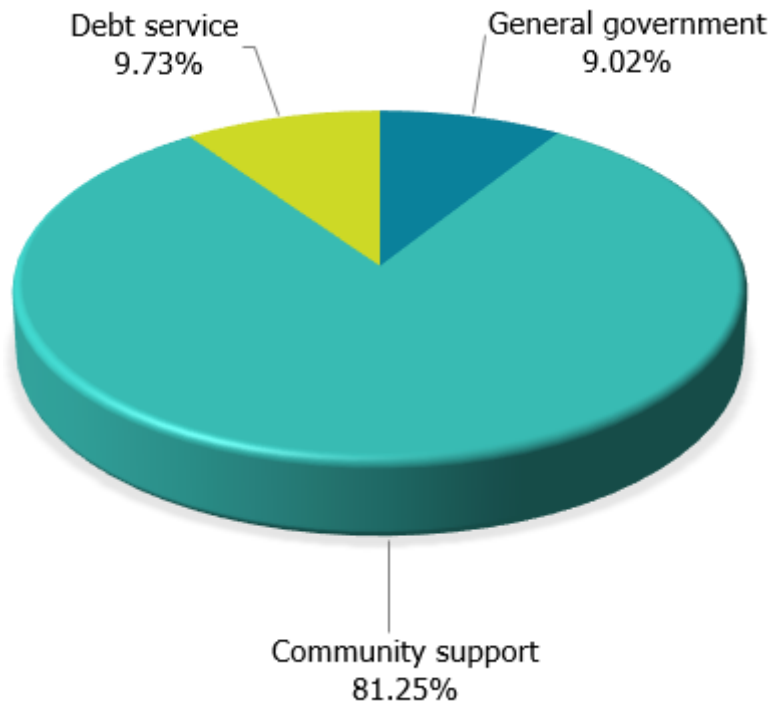
The Authority's total expenses decreased \$4,123,750. This change is primarily attributable to decreases in spending related to community support, as a result of cost saving measures implemented in response to the impact of the COVID-19 pandemic.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

Revenues – Governmental Activities



Expenses – Governmental Activities



**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

Fund Financial Analysis

The Authority uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds

The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the RSCVA's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$22,756,395. Approximately 11% of this total amount (\$2,406,491) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is non-spendable, restricted, or assigned to indicate that is not available for new spending because it has already been committed to other purposes (prepaid expenditures, inventory, debt, strategic plan implementation, claims, and the use of funds in the 2020-21 budget).

General Fund

The General Fund is the chief operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,406,491, while the total fund balance was \$9,585,000. As a measure of the General Fund's liquidity, it is useful to compare fund balance with fund expenditures. The ratio of fund balance to expenditures is 30% for the year ended June 30, 2020, which is a decrease of 3% from the prior fiscal year.

Budgetary Highlights for the General Fund

Revenues were below budget by \$12,891,021 for the fiscal year, primarily due to the COVID-19 pandemic. As discussed further in the "Other Economic Developments" section of MD&A, the COVID-19 pandemic led to the shutdown of nonessential businesses for a period of time, reduced travel worldwide, and cancelled large gatherings/events, which led to related decreases room licensed taxes, decreases in convention and visitor service revenue, and decreases in facility revenues.

Expenditures were below budget by \$4,554,960, primarily due to cost saving measures implemented in the service and supplies areas of convention and tourism promotion, in response to the COVID-19 pandemic.

Debt Service Fund

The Debt Service Fund has a total fund balance of \$12,152,235, an increase of \$995,629 from the prior year, all of which is restricted for the payment of debt service.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

Capital Projects Fund

The Capital Projects Fund is used to track capital expenditures at the Authority's facilities. The fund has assigned fund balance of \$1,019,160 at year end, as a result of capital projects that have been funded but not yet completed or started. The ending fund balance is assigned to ongoing approved projects and fluctuates based upon project status.

Capital Assets

The following is a summary of capital assets at June 30, 2020:

	Governmental Activities
Water Rights	\$ 3,445,200
Construction in Progress	62,799
Buildings and Improvements	42,924,789
Improvements	5,312,804
Furniture and Equipment	3,077,228
Total	<u>\$ 54,822,820</u>

The RSCVA's capital assets for its governmental activities as of June 30, 2020, were \$54,822,820 (net of accumulated depreciation). Significant capital asset transactions during the fiscal year included: Reno-Sparks Convention Center – replacement of the roof, electric panel upgrades, purchase of new furniture, purchase of kitchen equipment, restroom remodels, and a digital sign upgrade; National Bowling Stadium – various remodels; Reno-Sparks Livestock Events Center – demolition of two buildings, creation of a large dirt storage area, new LED interior lighting, and the purchase of a loader.

Additional information on capital assets is presented in Note C in the Notes to Financial Statements section of this report.

Long-term Debt Activity

The following is a summary of outstanding general obligation debt at June 30, 2020:

Debt Series	Original Issue Amount	Amount Outstanding as of June 30, 2020
RSCC Expansion Bonds (Capital Appreciation)	\$ 19,384,075	\$ 5,430,000
2011 Series Refunding	88,680,000	19,270,000
2019A Series Refunding	20,000,000	19,452,000
2019B Series Refunding	48,897,000	47,542,000
	<u>\$ 176,961,075</u>	<u>\$ 91,694,000</u>

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
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During fiscal year 2020, the Authority made payments of \$5,435,000 in principal and \$2,053,099 in interest on its outstanding bonds. Additional information regarding the Authority's debt structure and individual debt issuances is presented in Note D in the Notes to Financial Statements section.

Known Economic Factors

Casino lodging properties continue to invest capital into their current facilities:

- The Nugget – Continuing major renovations, including a new restaurant, remodeling rooms, and opened a 8,500 seat Event Center for outdoor concerts;
- Sands Regency – Continuing with a remodel of the hotel, to include a remodel of the 225 room West Tower, new elevators, modern gaming machines and overall facility improvements;
- Silver Legacy – Opened a new 21,000 square foot luxury spa as part of their ongoing master renovation project of over \$100 million.

New Hotel Developments:

- The Jesse, a boutique hotel in downtown Reno, opened in July 2019;
- Aloft Hotel, located near the Reno-Tahoe Airport, opened in May 2020;
- Various projects have been announced for development, including a Kimpton Hotel in downtown Reno, a Marriott Element Hotel for Park Lane Reno, a hotel for Summit Sierra Mall, and two additional hotels at the Sparks Marina;
- Cal Neva Resort & Casino was purchased out of bankruptcy, though future plans have not been announced.

Other Economic Developments:

- Jacobs Development has announced plans for a \$1 billion mixed-use development in downtown Reno. The area encompasses 20 city blocks that will be known as Reno's Neon Line District. Jacobs Entertainment has already invested more than \$100 million in the acquisition of over 50 separate properties. The District stretches from downtown Reno's West Street to Keystone Avenue, and from Interstate 80 South to West Second Street. The centerpiece of the District is the creation of a \$25 million, half-mile-long installation of public art along West Fourth Street, that will be known as Reno's Neon Line. Currently under construction, Reno's Neon Line will host rotating artwork, with the initial artwork of the series to include sculptures formerly exhibited at Burning Man. The vision is a cultural epicenter for the arts, entertainment, hospitality and lodging. According to Jacobs Development, the Reno Neon Line will be a half-mile long ribbon of color, light, sound, art, entertainment and experiences that will focus national attention on a revitalized urban environment.
- Eldorado Resorts, Inc., owner of the Eldorado Resorts, Circus Circus, and Silver Legacy, finalized a merger with Caesars Entertainment during June 2020. The \$17.3 billion merger created the largest gaming operation in the United States. The merger to resulted in 52 casinos and resorts in 16 states, as well as several international properties, which will be under the Caesars name in order to maintain name recognition and brand value.

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MANAGEMENTS DISCUSSION AND ANALYSIS
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- During September 2020, CAI Investments finalized the purchase of the former Harrah's Reno building. CAI is currently remodeling the former Harrah's Reno building, which it plans to turn into a mixed-use development known as Reno City Center. The project will transform the building's hotel rooms into 530 market-rate apartments while also adding 78,500 square feet of retail and 150,000 square feet of new office space.
- The Tahoe-Reno Industrial Center, located just east of Reno-Sparks, continues to show promise for economic growth and stability. Currently home to the Tesla Gigafactory, Switch Data Center, and Wal-Mart Distribution. The Center saw Google purchasing more than 1,200 acres in 2017, and Blockchains LLC purchasing 64,000 acres for \$175 million in 2018.
- Developer Foothill Partners is looking to transform the former Lowe's building in Sparks into a \$30 million development known as The Oddie District. The intention is to bring vibrant, creative, and community-minded energy to reinvigorate the area in Sparks, with amenities such as flex-tech offices, a brewery and distillery, restaurants, and retail stores. Construction is expected to start February 2021, and the entire district is scheduled to be completed early 2022.
- The Washoe County median home price was \$407,000 at June 30, 2020, a 2% increase compared to June 2019. The lack of inventory has been the primary driving factor for increasing prices. Increased job opportunities are projected to increase the population in the coming years, which could result in more home construction, additional jobs, and further growth in both the local population, as well as visitation.
- The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, was declared a pandemic by the World Health Organization on March 11, 2020. The outbreak of the disease has affected travel, commerce, and financial markets globally and has widely impacted economic growth worldwide.

On March 17, 2020, the Governor of the State of Nevada (Governor) declared that all non-essential businesses would be closed to help mitigate the spread of COVID-19. During early May 2020, certain non-essential businesses began reopening within the State of Nevada.

On May 27, 2020, the Governor announced that casinos within the State of Nevada could reopen on June 4, 2020. On September 29, 2020, the Governor announced that group gatherings of up to 250 people would be allowable as of October 1, 2020 (group gatherings were previously capped at 50 people). The Governor also announced that trade shows, conferences, and conventions could proceed, with attendance capped at 1,000 people, after submitting a safety plan and receiving approval.

As a result of the worldwide need to reduce travel and adhere to social distancing, as well as the temporary closure of all non-essential businesses in the surrounding community, the Authority has been impacted significantly. The Authority's main revenue streams are room license taxes, facilities revenue, and convention and visitors service revenue. Continued closure or limited capacity of various areas will have a significant negative impact on tourism. Management cannot predict or determine the recovery period or the long-term financial effect that the pandemic will have on the Authority's finances. The Authority expects continued decreases in revenues during

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
MANAGEMENTS DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

the upcoming months, compared to the same months in the prior fiscal year. The Authority has implemented proactive cost saving measures to mitigate these potential circumstances.

Requests for Information

This financial report is designed to provide a general overview of the financial activity and condition of the Reno-Sparks Convention & Visitors Authority to all having such an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the RSCVA Finance Department, PO Box 837, Reno, Nevada 89504.

BASIC FINANCIAL STATEMENTS

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
ASSETS	
Cash and investments	\$ 22,851,615
Receivables	
Accounts receivable	367,106
Room license taxes receivable	3,047,104
Other receivables	360,225
Prepaid items	155,141
Inventories	187,760
Capital assets not being depreciated	3,507,999
Capital assets being depreciated (net of accumulated depreciation)	51,314,821
TOTAL ASSETS	<u>81,791,771</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension	1,787,369
OPEB	628,078
Deferred charge on refunding	3,339,696
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>5,755,143</u>
LIABILITIES	
Accounts payable	1,154,967
Accrued liabilities	1,548,905
Accrued interest payable	1,537,845
Event deposits	1,319,692
Noncurrent liabilities:	
Due within one year	6,010,000
Due in more than one year	
Compensated absences	52,335
Bonds	86,377,511
Net pension liability	8,488,629
Total OPEB liability	5,509,154
TOTAL LIABILITIES	<u>111,999,038</u>
DEFERRED INFLOWS OF RESOURCES	
Pension	5,186,755
OPEB	522,331
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>5,709,086</u>
NET POSITION	
Net investment in capital assets	(13,924,547)
Restricted for:	
Debt service	10,614,390
Strategic plan implementation (surcharge revenues)	3,856,638
Claims	188,992
Unrestricted (deficit)	(30,896,683)
TOTAL NET POSITION	<u>\$ (30,161,210)</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
PRIMARY GOVERNMENT FUNCTIONS/PROGRAMS					
Governmental activities:					
General government	\$ 3,493,871	\$ 694,478	\$ 208,662	\$ -	\$ (2,590,731)
Community support	31,480,262	6,654,343	38,577	-	(24,787,342)
Interest and fiscal charges	3,771,174	-	95,040	-	(3,676,134)
Total governmental activities	<u>\$ 38,745,307</u>	<u>\$ 7,348,821</u>	<u>\$ 342,279</u>	<u>\$ -</u>	<u>(31,054,207)</u>
GENERAL REVENUES					
Taxes					
Room taxes					32,297,723
Unrestricted investment and interest earnings					64,902
Gain on sale of capital assets					31,422
Miscellaneous					56,311
TOTAL GENERAL REVENUES					<u>32,450,358</u>
CHANGE IN NET POSITION					1,396,151
NET POSITION, JULY 1, as restated (Note L)					<u>(31,557,361)</u>
NET POSITION, JUNE 30					<u>\$ (30,161,210)</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and investments	\$ 10,519,249	\$ 12,152,235	\$ -	\$ 22,671,484
Receivables				
Accounts receivable	367,106	-	-	367,106
Room license taxes receivable	3,047,104	-	-	3,047,104
Other receivables	360,225	-	-	360,225
Prepaid items	151,309	-	-	151,309
Inventory	187,760	-	-	187,760
Due from other funds	-	-	1,512,437	1,512,437
TOTAL ASSETS	<u>\$ 14,632,753</u>	<u>\$ 12,152,235</u>	<u>\$ 1,512,437</u>	<u>\$ 28,297,425</u>
LIABILITIES				
Accounts payable	\$ 661,690	\$ -	\$ 493,277	\$ 1,154,967
Accrued liabilities	1,468,504	-	-	1,468,504
Event deposits	1,319,692	-	-	1,319,692
Due to other funds	1,597,867	-	-	1,597,867
TOTAL LIABILITIES	<u>5,047,753</u>	<u>-</u>	<u>493,277</u>	<u>5,541,030</u>
FUND BALANCES				
Nonspendable	339,069	-	-	339,069
Restricted	3,856,638	12,152,235	-	16,008,873
Assigned	2,982,802	-	1,019,160	4,001,962
Unassigned	2,406,491	-	-	2,406,491
TOTAL FUND BALANCES	<u>9,585,000</u>	<u>12,152,235</u>	<u>1,019,160</u>	<u>22,756,395</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 14,632,753</u>	<u>\$ 12,152,235</u>	<u>\$ 1,512,437</u>	<u>\$ 28,297,425</u>

See accompanying notes.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
JUNE 30, 2020**

TOTAL FUND BALANCES FOR THE GOVERNMENTAL FUNDS AS SHOWN ON THE BALANCE SHEET	\$ 22,756,395
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Funds	54,822,820
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Funds:	
Accrued interest payable	(1,537,845)
Bonds payable	(91,694,000)
Add: Unamortized premium	(393,511)
Compensated absences	(352,335)
Total OPEB liability	(5,509,154)
Net pension liability	(8,488,629)
Deferred outflow of resources related to pensions	1,787,369
Deferred outflow of resources related to OPEB	628,078
Deferred charge on refunding	3,339,696
Deferred inflows of resources related to pensions	(5,186,755)
Deferred inflows of resources related to OPEB	(522,331)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in Governmental Activities in the Statement of Net Position.	<u>188,992</u>
TOTAL NET ASSETS FOR GOVERNMENTAL ACTIVITIES AS SHOWN ON THE STATEMENT OF NET POSITION	<u><u>\$ (30,161,210)</u></u>

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Taxes				
Room license taxes	\$ 32,297,723	\$ -	\$ -	\$ 32,297,723
Miscellaneous				
Facilities revenue	6,344,497	-	-	6,344,497
Convention and visitors service revenue	309,846	-	-	309,846
Interest on investments	273,564	95,040	38,577	407,181
Other	750,789	-	-	750,789
TOTAL REVENUES	39,976,419	95,040	38,577	40,110,036
EXPENDITURES				
Current				
General government	3,694,211	-	-	3,694,211
Community support	28,034,975	-	-	28,034,975
Debt Service				
Principal	-	5,435,000	-	5,435,000
Interest	-	2,053,099	-	2,053,099
Other bond costs	-	1,915,618	-	1,915,618
Capital outlay	-	-	3,507,113	3,507,113
TOTAL EXPENDITURES	31,729,186	9,403,717	3,507,113	44,640,016
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,247,233	(9,308,677)	(3,468,536)	(4,529,980)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	10,304,306	351,241	10,655,547
Transfers to other funds	(10,655,547)	-	-	(10,655,547)
Sale of capital assets	31,422	-	-	31,422
TOTAL OTHER FINANCING SOURCES (USES)	(10,624,125)	10,304,306	351,241	31,422
NET CHANGE IN FUND BALANCES	(2,376,892)	995,629	(3,117,295)	(4,498,558)
FUND BALANCES, JULY 1	11,961,892	11,156,606	4,136,455	27,254,953
FUND BALANCES, JUNE 30	\$ 9,585,000	\$ 12,152,235	\$ 1,019,160	\$ 22,756,395

See accompanying notes.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

NET CHANGE IN FUND BALANCES FOR GOVERNMENTAL FUNDS AS SHOWN ON THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	\$ (4,498,558)
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	3,517,556
Depreciation expense	(3,972,133)
The net effect of various miscellaneous transactions involving capital assets (sales, trade-in, and donations) is to increase net position.	
Sale of capital assets	(31,422)
Gain on sale of capital assets	31,422
The issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal of long-term debt consumes the current financial resources of Governmental Funds. Neither transaction, however, has any effect on Net Position. Also, Governmental Funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities. This amount is the effect of differences in the treatment of long-term debt and related items.	
Accretion on capital appreciation bonds	(342,905)
Principal payments on debt	5,435,000
Mandatory redemption principal payments	1,903,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds.	
Accrued interest	(1,077,845)
Compensated absences	70,185
Amortization of premium	96,370
Amortization of deferred charge on refunding	(381,077)
Governmental Funds report pension and OPEB contributions as expenditures. However, in the Statement of Activities, the cost of pension and OPEB benefits earned is reported as pension and OPEB expense.	
Authority pension contributions	609,422
Authority pension expense	13,339
Authority OPEB contributions	259,402
Authority OPEB expense	(202,713)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net (expense) revenue of certain activities of the internal service fund is reported with Governmental Activities.	<u>(32,892)</u>
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES AS SHOWN ON THE STATEMENT OF ACTIVITIES	<u>\$ 1,396,151</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative actual amounts for the year ended June 30, 2019)
Page 1 of 2

	2020 Budget Amount		2020		2019
	Original	Final	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes					
Room license taxes	\$ 42,499,541	\$ 42,499,541	\$ 32,297,723	\$ (10,201,818)	\$ 40,884,774
Miscellaneous					
Facilities revenue	9,194,497	9,194,497	6,344,497	(2,850,000)	7,907,188
Convention and visitor service revenue	193,200	193,200	309,846	116,646	360,125
Golf course operations	-	-	-	-	1,340
Interest on investments	180,000	180,000	273,564	93,564	235,112
Other	800,202	800,202	750,789	(49,413)	859,007
TOTAL REVENUES	52,867,440	52,867,440	39,976,419	(12,891,021)	50,247,546
EXPENDITURES					
Current:					
General government					
Salaries and wages	1,431,925	1,431,925	1,501,705	(69,780)	1,426,972
Employee benefits	834,903	834,903	744,109	90,794	839,328
Services and supplies	1,487,926	1,487,926	1,416,738	71,188	1,271,193
Capital outlay	67,836	67,836	31,659	36,177	111,332
Total general government	<u>3,822,590</u>	<u>3,822,590</u>	<u>3,694,211</u>	<u>128,379</u>	<u>3,648,825</u>
Community support					
Facility operation					
Salaries and wages	-	-	-	-	6,250
Employee benefits	-	-	-	-	1,596
Services and supplies	13,019,812	13,019,812	12,927,433	92,379	12,383,771
	<u>13,019,812</u>	<u>13,019,812</u>	<u>12,927,433</u>	<u>92,379</u>	<u>12,391,617</u>
Golf course operations					
Employee benefits	-	-	-	-	2,104
Services and supplies	-	-	-	-	384,749
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>386,853</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative actual amounts for the year ended June 30, 2019)
Page 2 of 2

	2020 Budget Amount		2020		2019
	Original	Final	Actual	Variance to Final Budget	Actual
EXPENDITURES - continued					
Convention and tourism promotion					
Salaries and wages	\$ 3,293,075	\$ 3,293,075	\$ 3,030,522	\$ 262,553	\$ 3,070,252
Employee benefits	1,719,139	1,719,139	1,648,061	71,078	1,690,161
Services and supplies	16,441,458	16,441,458	8,897,551	7,543,907	13,049,507
	<u>21,453,672</u>	<u>21,453,672</u>	<u>13,576,134</u>	<u>7,877,538</u>	<u>17,809,920</u>
Community grants and miscellaneous	<u>1,769,173</u>	<u>1,769,173</u>	<u>1,531,408</u>	<u>237,765</u>	<u>1,686,778</u>
Total community support	<u>36,242,657</u>	<u>36,242,657</u>	<u>28,034,975</u>	<u>8,207,682</u>	<u>32,275,168</u>
TOTAL EXPENDITURES	<u>40,065,247</u>	<u>40,065,247</u>	<u>31,729,186</u>	<u>8,336,061</u>	<u>35,923,993</u>
Excess (deficiency) of revenues over expenditures	<u>12,802,193</u>	<u>12,802,193</u>	<u>8,247,233</u>	<u>(4,554,960)</u>	<u>14,323,553</u>
OTHER FINANCING SOURCES (USES)					
Contingency	(400,000)	(400,000)	-	400,000	-
Sale of capital assets	-	-	31,422	31,422	984,673
Transfers to other funds	<u>(15,401,641)</u>	<u>(15,401,641)</u>	<u>(10,655,547)</u>	<u>4,746,094</u>	<u>(15,117,002)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,801,641)</u>	<u>(15,801,641)</u>	<u>(10,624,125)</u>	<u>5,177,516</u>	<u>(14,132,329)</u>
Net change in fund balances	(2,999,448)	(2,999,448)	(2,376,892)	622,556	191,224
FUND BALANCE, JULY 1	<u>10,415,487</u>	<u>10,415,487</u>	<u>11,961,892</u>	<u>1,546,405</u>	<u>11,770,668</u>
FUND BALANCE, JUNE 30	<u>\$ 7,416,039</u>	<u>\$ 7,416,039</u>	<u>\$ 9,585,000</u>	<u>\$ 2,168,961</u>	<u>\$ 11,961,892</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
PROPRIETARY FUND
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities Internal Service Fund
ASSETS	
Current assets	
Cash and investments	\$ 180,131
Prepaid expenses	3,832
Due from other funds	<u>85,430</u>
Total current assets	<u>269,393</u>
 TOTAL ASSETS	 <u>269,393</u>
LIABILITIES	
Current liabilities	
Accrued liabilities	<u>80,401</u>
 TOTAL LIABILITIES	 <u>80,401</u>
NET POSITION	
Restricted for claims	<u><u>\$ 188,992</u></u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Charges for benefits	\$ 882,935
OPERATING EXPENSES	
Services and supplies	<u>915,827</u>
CHANGE IN NET POSITION	(32,892)
NET POSITION, JULY 1	<u>221,884</u>
NET POSITION, JUNE 30	<u><u>\$ 188,992</u></u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020
Page 1 of 2

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers or users	\$ 178,567
Cash received from interfund services provided	704,368
Cash paid to vendors for services and supplies	<u>(955,427)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(72,492)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash received from (paid to) other funds	<u>31,045</u>
Net increase (decrease) in cash and investments	(41,447)
CASH AND INVESTMENTS, JULY 1	<u>221,578</u>
CASH AND INVESTMENTS, JUNE 30	<u><u>\$ 180,131</u></u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020
Page 2 of 2

	Governmental Activities Internal Service Fund
	<hr/>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	<u>\$ (32,892)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Prepaid expenses	151
Accrued liabilities	<u>(39,751)</u>
Total adjustments	<u>(39,600)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (72,492)</u></u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Reno-Sparks Convention & Visitors Authority conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. Financial statements are prepared in accordance with GAAP in conformity with reporting guidelines established by the Governmental Accounting Standards Board (GASB). The following is a summary of consistently applied significant accounting policies.

Reporting Entity

The Reno-Sparks Convention & Visitors Authority (the Authority) was originally established in February 1959 as the Washoe County Fair and Recreation Board. The Authority is the operating instrumentality in Washoe County, Nevada for promoting conventions, tourism, and recreation, and is empowered to establish, acquire, and operate facilities appropriate related thereto.

The Authority owns and operates the Reno-Sparks Convention Center and the Reno-Sparks Livestock Events Center. Additionally, the Authority owns a building and various improvements at Incline Village (North Lake Tahoe), Nevada, which is operated by the Incline Village/Crystal Bay Visitor and Convention Bureau, a non-profit organization.

The Authority also manages the National Bowling Stadium and Reno Events Center which are owned by the City of Reno.

Pursuant to Nevada Revised Statute 244A, the Authority is an instrumentality of Washoe County. Statutes provide for the independence of the Authority in specifying the powers and duties of the Board of Directors, including the Board's composition, selection, and terms of office. The Authority is subject to state laws governing local governments, including the Local Government Budget and Finance Act.

The Board of Directors is responsible for establishing policy and procedures for the Organization and is not significantly influenced in any way by Washoe County or the incorporated cities of Reno and Sparks, nor are any of these entities financially accountable for the Authority as defined by Statement No. 61, *The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*, issued by the Governmental Accounting Standards Board. Accordingly, there is no basis for inclusion of the Authority as a component unit of any of these entities.

For financial reporting purposes, the Reno-Sparks Convention & Visitors Authority includes all funds, functions, and activities over which the Board of Directors has responsibility.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

Government-wide and Fund Financial Statements

The government-wide financial statements report information on all of the activities of the primary government. Eliminations have been made to minimize the effect of interfund activity. Interfund activity does not include amounts related to services provided and used between functions.

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, if any, result from nonexchange transactions or ancillary activities.

The fund financial statements provide information about the Authority's funds. Separate statements for each fund category—governmental and proprietary are presented in the government-wide financial statements. The emphasis of fund financial statements is on major governmental funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows.

All governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for principal and interest on general long-term debt, compensated absences, the net pension liability and postemployment benefit obligations which are recorded as liabilities when due. The Authority first utilizes restricted resources to finance qualifying activities, then unrestricted resources as they are needed.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

Room license taxes, penalties and interest; facilities revenue; convention and visitors service revenue; and interest on investments associated with the fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other revenues are normally not susceptible to accrual because they are generally not measurable until received in cash.

The Authority reports the following major governmental funds:

The General Fund is the primary operating fund of the Authority. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund is used to account for the accumulation of resources required for, and the payment of, general long-term debt principal, interest and related costs.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction and significant repair of major facilities.

Additionally, the Authority reports the following fund type:

The Internal Service Fund accounts for the insurance activities provided to other departments of the Authority, on a cost reimbursement basis.

Deferred Outflows/Inflows of Resources

In addition to assets, the Authority also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Unamortized deferred refunding charges (the difference between the reacquisition price and the net carrying amount of the defeased debt) qualify for reporting in this category, as do certain deferred costs related to pensions and OPEB.

In addition to liabilities, the Authority also reports deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Revenues that are unavailable to satisfy current obligations qualify for reporting in this category, as do certain deferred amounts related to pensions and OPEB.

Budgets and Budgetary Accounting

The Authority follows the procedures outlined below in establishing the budgetary data reflected in the financial statements:

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

1. Prior to April 15, the Chief Executive Officer submits to the Authority Board of Directors a proposed operating budget for the fiscal year commencing the following July 1.

The operating budget includes proposed expenditures and expenses and the means of financing them for all governmental and proprietary funds. Budgets for governmental funds are prepared on the modified accrual basis of accounting. Those for proprietary funds are prepared on the accrual basis of accounting.

2. Public hearings are conducted prior to adoption of the budget to obtain public comments.

3. On or before June 1, the budget is legally enacted through passage of a resolution by a majority vote of the Authority Board.

4. Department heads are authorized to transfer appropriations between accounts within their respective departments subject to approval of the Chief Executive Officer. The Chief Executive Officer is authorized to transfer appropriations between departments within the various functional levels of the General Fund. Any revisions that alter or augment total appropriations or transfer appropriations between functional levels must be approved by the Authority Board. Formal budgetary integration is employed as a management control device during the year for all funds of the Authority.

5. Budgeted appropriations may not be exceeded by actual expenditures of the various governmental functions in the General Fund. State statutes do not require that debt service payments (Debt Service Fund) or programs of insurance (Insurance Internal Service Fund) be limited by the budget. Also, state statutes generally do not require that capital payments (Capital Projects Fund) be limited by the budget. At year-end, any unencumbered appropriations lapse. Actual expenses may not exceed the sum of budgeted operating and nonoperating expenses in the proprietary fund.

Cash and Investments

Cash and investments include amounts in demand deposit accounts as well as all investments of the Authority. Investments are stated at fair value.

All interest earned on cash and investments is recognized in the General Fund in accordance with NRS 355.175, except for separate accounts established for the Debt Service Fund, (in accordance with bond resolutions) and the Capital Projects Fund.

Pursuant to Nevada Revised Statutes, the Authority may invest in United States securities, bond and indentures, negotiable certificates of deposit, certain bankers' acceptances, commercial paper, and AAA rated money market mutual funds that invest in securities issued by, or agencies of the U.S. government.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

In addition, the Authority may invest in the Local Government Investment Pool administered by the State Treasurer with oversight by the Board of Finance of the State of Nevada. Investment in the Local Government Pool is carried at fair value, which is the same as the value of the pool shares.

Cash and investments held by the proprietary fund meet liquidity requirements for classification as cash equivalents (original maturities three months or less).

Receivables

The Authority considers receivables to be fully collectible. Accordingly, no allowance for doubtful accounts is required.

Inventory

Inventory consists of food, beverage, and other operating supplies and are stated at the lower of cost (first-in, first-out method) or market.

Due To and Due From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. All such balances are eliminated in the government-wide statements.

Capital Assets

Capital assets are reported in the government-wide financial statements. The Authority classifies those assets with a unit value of \$5,000 or more and a useful life of more than one year as capital assets. The Authority has no public domain (infrastructure) capital assets. Purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Depreciation is computed over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Buildings and improvements	5 – 40 Years
Improvements	3 – 25 Years
Furniture and Equipment	3 – 10 Years

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts and prepaid bond insurance, if applicable, are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issue costs are expensed during the current period.

In the governmental fund financial statements, bond proceeds and premiums/discounts, if any, are recognized during the current period as an other financing source or use, as applicable. Bond issue costs are reported as expenditures during the current period.

Compensated Absences

All vacation is accrued when earned in the government-wide statements and proprietary fund statements. Potential sick leave payout is accrued in the government-wide statements and proprietary fund, based upon the employee's date of employment, accrued at rate of one hour for every three unused hours up to a maximum of 300 hours of sick leave, as the specified maximum payout.

In the General Fund, the vacation and sick leave benefits costs are not accrued as earned, but are recorded as payroll costs only when the time is actually used or when accumulated benefits are paid as a result of employee resignations and retirements.

Fund Equity

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

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

Restricted Net Position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, contributors, or laws or regulations; (2) law through constitutional provisions or enabling legislation.

Restricted Net Position consists of amounts restricted for debt service in accordance with bond indentures, amounts restricted for Strategic Plan Implementation and claims for insurance for the benefit of employees in accordance with state statute.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

Unrestricted Net Position – All other net positions that do not meet the definition of restricted or net investment in capital assets.

In the governmental fund financial statements, fund equity is classified as fund balance. Fund balance is further classified in the following components, as applicable:

Nonspendable – Amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

Committed – Amounts that can only be used for specific purposes. Committed fund balance is established pursuant to action taken by the Board of Directors, which is the Authority's highest level of decision making authority. A similar action of the Board would be required to modify or rescind a fund balance commitment.

Assigned – Amounts the Authority intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. By action taken by the Board of Directors in adopting the Fund Balance Policy, amounts may be assigned by the Board of Directors or the Finance Department.

Unassigned – Consist of all resource balances in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted, committed or assigned.

In accordance with the Cooperative Agreement Regarding General Obligation Backing of Bonds with Washoe County, the Authority shall budget and maintain: Ending fund balance in relation to expenditures in the Authority's General Fund of 10%, positive ending fund balances in the Authority's Capital Projects Fund, and positive net position and cash and cash equivalents balances in the Authority's Insurance Internal Service Fund.

Proprietary fund equity is classified in the same manner as the government-wide statements.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Authority considers restricted funds spent first. When an expenditure is incurred for which committed, assigned, or unassigned

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

fund balances are available, the Authority considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Directors have provided otherwise through commitment or assignment actions.

Revenues

By statute and through interlocal agreement, the Authority is administrator and collection agent for all transient lodging license taxes imposed within Washoe County. Tax rates are 13.5% of gross transient lodging revenues within the City of Sparks, 13.5% of gross transient lodging revenues within the downtown of the City of Reno, and 13.0% of gross transient lodging revenues of properties not located in the downtown of the City of Reno and all unincorporated areas of Washoe County.

One percent of the effective tax rates in all jurisdictions represents a State of Nevada Lodging Tax, which is divided between the Authority and the State of Nevada on the basis of 5/8% and 3/8%, respectively. The 5/8% retained by the Authority is restricted by statute to be used for promotion and special events; the 3/8% retained by the State is designated for use in funding operations of the Nevada Department of Tourism.

One percent of the effective tax rate in all jurisdictions was imposed by the Nevada Legislature on July 1, 1991 as The National Bowling Stadium Lodging Tax. Proceeds of this tax are transferred to the City of Reno.

Effective June 1, 1999, transient lodging taxes increased 3%, except in the Railroad Improvement District where the increase was 2%. A 1% transient lodging tax was previously imposed on the Railroad Improvement District effective January 1, 1999. The Authority collects and remits the 1% transient lodging tax to the Railroad Improvement District. The increase in transient lodging taxes retained by the Authority is imposed by statute to be used for expansion of the Convention Center (2%). The increase in transient lodging taxes not retained by the Authority (1% collected outside of the Railroad Improvement District) is remitted to the City of Reno for the Reno Events Center/National Bowling Stadium. Amounts, determined by the Special Acts of the State of Nevada, may be distributed to the City of Sparks or retained by the Authority based on allocations mandated in the Special Act. In addition, the legislation requires one-half of the proceeds received from transient lodging taxes (previously imposed taxes) collected in Incline Village, Nevada and Crystal Bay, Nevada to be granted to the Incline Village/Crystal Bay Visitor and Convention Bureau.

Effective December 1, 2001 transient lodging taxes increased 1.5% within the Railroad Improvement District. This increase is remitted to the City of Reno Redevelopment Agency for the Reno Events Center/National Bowling Stadium.

Effective July 1, 2003 transient lodging taxes increased 2.5% within the City of Sparks. This increase is remitted to the City of Sparks for construction/renovation of Downtown Sparks.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

Effective July 1, 2009 transient lodging taxes increased 1% for properties not located in the downtown of the City of Reno and all unincorporated areas of Washoe County. This increase is remitted to the State of Nevada for educational purposes (Initiative Petition 1).

The remaining 7% tax revenues from within Washoe County and the City of Reno are divided between the Authority and these entities on the basis of 6% and 1%, respectively. The remaining 6% tax from within the City of Sparks is retained by the Authority.

The Authority's share of revenues detailed above is currently pledged to the Authority as part of existing bond resolutions. This will continue through repayment of outstanding bonds. All other revenues of the Authority result from fees imposed on users of Authority facilities, convention and visitors service revenue, and interest on investments.

Effective July 13, 2011, the City of Reno approved an ordinance to collect a surcharge of \$2 on the per night charge for the rental of a room in a hotel that holds a non-restricted gaming license located in downtown Reno. Amounts collected are remitted to the City of Reno.

During the fiscal year ended June 30, 2016, a surcharge of \$1 - \$2 on the per night charge for the rental of a room in a hotel within 20 miles from the boundaries of a district, created by NRS 268.798, was collected. Amounts collected are retained by the Authority to implement a strategic plan for the promotion of tourism in the region.

For the year ended June 30, 2020, principal and interest paid and total net pledged revenues were \$7,488,099 and \$16,021,362 respectively. Annual principal and interest payments are expected to require approximately 47% of net revenues. The total principal and interest remaining on the bonds is \$112,058,835.

Comparability

Comparative data shown for the year ended June 30, 2019 has been extracted from fiscal year 2019 financial statements. It has been provided to add comparability, but is not full disclosure of transactions for fiscal year 2019. Such information can only be obtained by referring to the financial statements for that year.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual result could differ from some of these estimates.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

NOTE B - CASH AND INVESTMENTS

As of June 30, 2020, the Authority had the following cash balances and investments:

	Fair Value	Investment Maturities in Years Less than 1
Investments		
Money Market Mutual Funds	\$ 13,168,103	\$ 13,168,103
Certificates of Deposit State of Nevada	157,664	157,664
Local Government Investment Pool	4,229,909	4,229,909
	<u>17,555,676</u>	<u>\$ 17,555,676</u>
Total Cash	5,295,939	
Total Cash and Investments	<u>\$ 22,851,615</u>	

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of June 30, 2020, the Authority had the following recurring fair value measurements:

	Fair Value	Fair Value Measurements Using	
		Level 1	Level 2
Investments			
Money Market Mutual Funds	\$ 13,168,103	\$ 13,168,103	\$ -
Certificates of Deposit	157,664	-	157,664
	<u>13,325,767</u>	<u>\$ 13,168,103</u>	<u>\$ 157,664</u>
State of Nevada			
Local Government Investment Pool *	4,229,909		
	<u>\$ 17,555,676</u>		

* The Local Government Investment Pool is an external investment pool and therefore is not valued according to the hierarchy.

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At June 30, 2020 The Authority's investments are rated as follows:

	Fair Value	Rating	
		Unrated	AAA
Investments			
Money Market Mutual Funds	\$ 13,168,103	\$ -	\$ 13,168,103
Certificates of Deposit	157,664	157,664	-
State of Nevada Local Government			-
Investment Pool	4,229,909	4,229,909	

Nevada Revised Statutes (NRS 355.170) set forth acceptable investments for Nevada governments. The Authority has a formal investment policy that further limits its investment choices and exposure to certain risks as set forth below:

Interest Rate Risk - Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. This risk can be reduced by diversifying the durations of fixed income investments that are held at a given time. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates beyond those specified in statute.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of investments. As noted above, the Authority does not have a formal investment policy that specifies minimum acceptable credit ratings beyond those specified in statute.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

Custodial Credit Risk on Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority's bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance and collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

A certificate of deposit is carried for performance of the Authority's obligation for self-insured worker's compensation; security deposit for the Nevada Division of Insurance.

An account has been established, in accordance with bond covenants, to be used if there are insufficient monies to pay the principal and interest on the Convention Center bond issue. The account is maintained in the Debt Service Fund and is restricted for Convention Center debt service.

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NOTE C – CAPITAL ASSETS

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

	Balance July 1, 2019	Additions and Transfers In	Deletions and Transfers Out	Balance June 30, 2020
Governmental Activities				
Capital assets, not being depreciated				
Water rights	\$ 3,445,200	\$ -	\$ -	\$ 3,445,200
Construction in progress	515,798	62,799	(515,798)	62,799
Total capital assets, not being depreciated	3,960,998	62,799	(515,798)	3,507,999
Capital assets, being depreciated				
Buildings and improvements	151,215,059	328,166	-	151,543,225
Improvements	4,281,397	2,386,620	-	6,668,017
Furniture and equipment	5,691,861	1,255,769	(51,712)	6,895,918
Total capital assets, being depreciated	161,188,317	3,970,555	(51,712)	165,107,160
Less accumulated depreciation for				
Buildings and improvements	(105,772,753)	(2,845,683)	-	(108,618,436)
Improvements	(846,765)	(508,448)	-	(1,355,213)
Furniture and equipment	(3,252,400)	(618,002)	51,712	(3,818,690)
Total accumulated depreciation	(109,871,918)	(3,972,133)	51,712	(113,792,339)
Total capital assets, being depreciated, net	51,316,399	(1,578)	-	51,314,821
Governmental Activities Capital Assets, net	\$ 55,277,397	\$ 61,221	\$ (515,798)	\$ 54,822,820

Depreciation expense was charged to functions/programs of the Authority as follows:

Governmental Activities	
General government	\$ 42,566
Community support	3,929,567
Total depreciation expense-governmental activities	<u>\$ 3,972,133</u>

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NOTE D – AUTHORITY OBLIGATIONS

General Obligation Bonds

The Authority issues general obligation bonds to finance the purchase of major capital items and the acquisition or construction of major capital facilities.

There are limitations and restrictions contained in the various general obligation bond indentures. The Authority is in compliance with all significant limitations and restrictions at June 30, 2020.

The Authority was, in accordance with Nevada Revised Statutes, within the legal debt limit at June 30, 2020.

Governmental activities debt is serviced through the Debt Service Fund, except for compensated absences which is funded by the General Fund.

2011 Series Refunding Bonds

The 2011 Series Refunding Bonds, through the Cooperative Agreement with Washoe County, requires the Authority to establish 15% of the Revenue amounts exceeding \$22,000,000 annually each year. Funds deposited in the Sinking Fund are to be used to defease (redeem) the 2011 Series Refunding Bonds, the 2019A Series Refunding Bonds, and the 2019B Series Refunding Bonds once the balance exceeds \$1,000,000. As noted below, the Authority redeemed principal amounts of the 2019A and 2019B Series refunding bonds during the year ended June 30, 2020.

2019A and 2019B Series Refunding Bonds

During June 2019, the 2019A Series Refunding and 2019B Series Refunding bonds were issued in the amount of \$68,897,000. The 2019A Series Refunding and 2019B Series Refunding Bonds were issued with interest rates of 3.09% and 3.27%, respectively, for the purposes of refunding a portion of the Series 2011 Refunding Bonds.

For the year ended June 30, 2020, the Authority redeemed a principal amount of \$548,000 of the 2019A Series Refunding Bonds set to mature in 2033 and \$1,355,000 of the Series 2019B Series Refunding Bonds set to mature in 2033.

The 2019B Series Bonds contain a provision that in the event of a payment default lasting longer than 90 days, the rate on the outstanding principal installment is adjusted to a rate of 3% above the current rate until the payment default is cured.

The Authority defeased certain general obligation debt by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the bonds refunded. Accordingly, the trust account assets and the liability for the

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deceased bonds are not included in the Authority's financial statements. As of June 30, 2020, \$67,880,000 of bonds outstanding are considered deceased.

Changes in long term debt obligations for the year ended June 30, 2020 are summarized as follows:

Description	Interest Rate	Maturity Date	Original Issue	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due in 2020-2021
Governmental Activities								
General Obligation Bonds, (Limited Tax) Capital Appreciation Bonds, and Refunding Bonds:								
January 2000 Series								
Capital Appreciation	-	2021	\$ 19,384,075	\$ 10,522,095	\$ 342,905	\$ 5,435,000	\$ 5,430,000	\$ 5,430,000
2011 Series Refunding	2.0 - 5.0%	2032	88,680,000	19,270,000	-	-	19,270,000	-
Unamortized premium				489,881	-	96,370	393,511	-
2019A Series Refunding	3.09%	2032	20,000,000	20,000,000	-	548,000	19,452,000	93,000
2019B Series Refunding	3.27%	2032	48,897,000	48,897,000	-	1,355,000	47,542,000	187,000
				<u>99,178,976</u>	<u>342,905</u>	<u>7,434,370</u>	<u>92,087,511</u>	<u>5,710,000</u>
Compensated Absences	N/A	N/A	N/A	422,520	307,554	377,739	352,335	300,000
Total Debt				<u>\$ 99,601,496</u>	<u>\$ 650,459</u>	<u>\$ 7,812,109</u>	<u>\$ 92,439,846</u>	<u>\$ 6,010,000</u>

During the year ended June 30, 2020, interest expense has been recorded in the Debt Service Fund in the amount of \$2,053,099.

Presented below is a summary of debt service requirements to maturity of the Authority's obligations, excluding bond premiums and compensated absences:

Governmental Activities		
Year Ending June 30,	Bonds	
	Principal	Interest
2021	\$ 5,710,000	\$ 3,071,196
2022	6,135,000	2,931,036
2023	6,540,000	2,638,782
2024	6,855,000	2,317,910
2025	7,121,000	2,031,434
2026-2030	38,528,000	6,510,033
2031-2033	20,805,000	864,444
	<u>\$ 91,694,000</u>	<u>\$ 20,364,835</u>

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Leases

The Authority has a lease for its office facilities. The lease provides for fixed monthly rent plus additional rent for increases in expenses occurring during the lease term. The term of the lease was extended as of October 31, 2018 for a period of five years, with monthly rent payments of \$13,613 expiring in 2023. The lease may be extended for one additional period of five years. The following is a schedule of minimum payments currently required under the agreement:

Year ending June 30,		
2021	\$	163,356
2022		163,356
2023		<u>54,452</u>
	\$	<u><u>381,164</u></u>

During the year ended June 30, 2020, expenditures under the agreement were \$163,356 and are recorded in the General Fund.

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NOTE E – FUND BALANCES – GOVERNMENTAL FUNDS

As of June 30, 2020, fund balances are composed of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Balance June 30, 2020
Nonspendable				
Prepaid Items	\$ 151,309	\$ -	\$ -	\$ 151,309
Inventory	187,760	-	-	187,760
	<u>339,069</u>	<u>-</u>	<u>-</u>	<u>339,069</u>
Restricted				
Strategic Plan Implementation	3,856,638	-	-	3,856,638
Debt Service	-	12,152,235	-	12,152,235
	<u>3,856,638</u>	<u>12,152,235</u>	<u>-</u>	<u>16,008,873</u>
Assigned				
General Fund	2,982,802	-	-	2,982,802
Capital Projects Fund	-	-	1,019,160	1,019,160
	<u>2,982,802</u>	<u>-</u>	<u>1,019,160</u>	<u>4,001,962</u>
Unassigned	<u>2,406,491</u>	<u>-</u>	<u>-</u>	<u>2,406,491</u>
Total fund balance	<u>\$ 9,585,000</u>	<u>\$ 12,152,235</u>	<u>\$ 1,019,160</u>	<u>\$ 22,756,395</u>

NOTE F – INTERFUND TRANSACTIONS

The following schedule details the amounts due from/to other funds at June 30, 2020:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Capital Projects Fund	General Fund	\$ 1,512,437
Insurance Internal Service Fund	General Fund	<u>85,430</u>
		<u>\$ 1,597,867</u>

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

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

	Transfers In		Total
	Debt Service Fund	Capital Projects Fund	
<u>Transfers Out</u>			
General Fund	<u>\$ 10,304,306</u>	<u>\$ 351,241</u>	<u>\$ 10,655,547</u>

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

NOTE G – DEFINED BENEFIT PENSION PLAN

Plan Description

The Authority contributes to the Public Employees' Retirement System of the State of Nevada (PERS). PERS administers a cost sharing, multiple employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. PERS was established by the Nevada Legislature in 1947, effective July 1, 1948. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

Benefits Provided

Benefits, as required by Nevada Revised Statutes (NRS or statute), are determined by the number years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering PERS on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed at 2.50% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on or after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering PERS on or after January 1, 2010, there is a 2.50% service factor. Regular members entering PERS on or after July 1, 2015, have a 2.25% multiplier for all years of service. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various

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optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by authority of NRS 286.575 – 286.579.

Vesting

Regular members entering PERS prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering PERS on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or age 50 with twenty years of service, or any age with thirty years of service. Regular members entering PERS on or after July 1, 2015 are eligible for retirement at age 65 with five years of service, or age 62 with ten years of service, or at age 55 with thirty years of service, or at any age with thirty-three and one-third years of service.

Police/Fire members entering PERS prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering PERS on or after January 1, 2010, are eligible for retirement at 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Police/Fire employees entering PERS on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, at age 50 with twenty years of service and at any age with thirty-three and one-third years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates, is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only. Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are cancelled upon withdrawal of the contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan.

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PERS basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

PERS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund PERS on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuary funding method used is the Entry Age Actuarial Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2020 and 2019, the Statutory Employer/employee matching rates for Regular members were 15.25% and 14.50%, respectively, and the rates were 22.00% and 20.75% for Police/Fire, respectively. The Employer-Pay Contribution (EPC) rates for the fiscal years ended June 30, 2020 and 2019 for Regular members were 29.25% and 28.00%, respectively, and the EPC rates were 42.50% and 40.50% for Police/Fire, respectively.

The Authority's contributions were \$599,634 for the year ended June 30, 2019 and \$609,422 for the year ended June 30, 2020.

Summary of Significant Accounting and Reporting Policies

For the purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, information about the fiduciary net position of PERS and additions to or deductions from the PERS fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

PERS Investment Policy

PERS' policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

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The following was the PERS Board adopted policy target asset allocation as of June 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Geometric Expected Real Rate of Return</u>
Domestic Stocks	42%	5.50%
International Stocks	18%	5.50%
U.S. Bonds	28%	0.75%
Private Markets	12%	6.65%

As of June 30, 2019 PERS' long-term inflation assumption was 2.75%.

Net Pension Liability

At June 30, 2020, the Authority reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability \$8,488,629 was based on the Authority's share of contributions to the PERS pension plan relative to the total contributions of all participating PERS employers and members. At June 30, 2019, the Authority's proportion was .06225%, which was a decrease of .03292% from Authority's proportion measured as of June 30, 2018.

Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of the Authority as of June 30, 2020, calculated using the discount rate of 7.50%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current discount rate:

	<u>1% Decrease in Discount Rate (6.50%)</u>	<u>Discount Rate (7.50%)</u>	<u>1% Increase in Discount Rate (8.50%)</u>
Authority's proportionate share of net pension liability	\$ 13,143,615	\$ 8,488,629	\$ 4,619,155

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website.

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Actuarial Assumptions

The Authority's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Payroll growth	5.00%, including inflation
Investment rate of return	7.50%, including inflation
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service; Police/Fire: 4.55% to 13.90%, depending on service. Rates include inflationary and productivity increases
Consumer Price Index	2.75%
Other Assumptions	Same as those used in the June 30, 2019 funding actuarial valuation

Mortality rates for healthy were based on the Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for healthy annuitants at age 50 to the mortality rate for employees at age 50. The mortality rates are then projected to 2020 with Scale MP-2016. Mortality rates for disabled were based on the Headcount-Weighted RP-2014 Disabled Retiree Table, set forward four years. Mortality rates for pre-retirement were based on the Headcount-Weighted RP-2014 Employee Table, projected to 2020 with Scale MP-2016. The additional projection of 6 years is a provision made for future mortality improvement.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of the experience review completed in 2017.

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2019, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

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Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the Authority recognized pension expense of \$622,761. At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 318,314	\$ 244,844
Net difference between projected and actual earnings on pension plan investments	-	422,279
Changes in the Authority's proportionate share	514,181	4,519,632
Changes of assumptions and other inputs	345,452	-
Authority contributions subsequent to the measurement date	609,422	-
	<u>\$ 1,787,369</u>	<u>\$ 5,186,755</u>

The \$609,422 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

The average of the expected remaining service lives of all employees that are provided with pensions through PERS (active and inactive employees) is 6.18 years.

Other estimated amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:

2021	\$ 870,144
2022	1,018,892
2023	749,919
2024	602,243
2025	644,717
Thereafter	122,893

Additional Information – Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Comprehensive Annual Financial Report (CAFR) available on the PERS website at www.nvpers.org under Quick Links – Publications.

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NOTE H - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Descriptions

RRHBP

The Authority's defined benefit OPEB plan, RSCVA Retiree Health Benefit Program (RRHBP), provides OPEB for all eligible employees on retirement from the Authority. Additionally, the Authority contributes to the defined benefit OPEB plan, the Public Employees' Benefits Plan (PEBP). Both plans provide medical, vision, dental, prescription, and life insurance benefits to eligible Authority retirees and beneficiaries.

RRHBP is a single employer defined benefit OPEB plan administered by the Authority. In accordance with Nevada Revised Statute 287.010, the RRHBP was adopted to provide postemployment benefits to full-time employees on retirement. Eligibility requirements, benefit levels, employee contributions, and employer contributions are governed by the Authority and can only be amended by the Authority. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75; no separate financial reports are issued.

PEBP

PEBP is a single employer defined benefit OPEB plan administered by a nine member governing board. Nevada Revised Statute 287.023 allows certain retired employees of governmental entities with the State of Nevada to join the State's Public Employee Benefits Program. Eligibility and subsidy requirements are governed by statutes of the State of Nevada and can only be amended through legislation. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75; no separate financial reports are issued.

Benefits Provided

RRHBP

RRHBP provides healthcare and life insurance benefits for retirees and their dependents. Employees retiring from the Authority under PERS with a minimum of five years of service are allowed continued participation in the Authority's group health insurance program (medical, vision, dental and life insurance). Employees retiring from the Authority under PERS with a minimum of ten years of service receive subsidized premiums from the Authority based on the years of service, as noted below. Retirees are responsible for payment of unsubsidized premiums, as well as premiums for eligible dependents. During the year end June 30, 2012, the plan was modified for those employees hired after January 1, 2012, and consequently, no employees hired after January 1, 2012 will be eligible to receive subsidized premium payments. In addition, effective for retirees retiring after November 15, 2017, subsidized premium payments are no longer paid after age 65.

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<u>Length of Service</u>	<u>Retiree Premium Subsidy Percentage</u>
10 years	50%
15 years	75%
20 years	100%

PEBP

PEBP provides medical, prescription, vision, life and accident insurance, and dental benefits for retirees. Retirees can choose between a self-funded preferred provider organization (PPO) and a health maintenance organization (HMO) plan. Retirees are responsible for payment of unsubsidized premiums. The Authority is required to provide a subsidy for their retirees who have elected to join PEBP. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. The contributions required for PEBP subsidies depends on the date of retirement and years of PERS service former employees earned in total and while working for the Authority. The subsidy ranges from a minimum of \$1 to a maximum of \$260 per month. Subsidies for retiree premiums participating in the PEBP are paid directly to the State when due. The Authority's obligation for subsidies is limited to payment of the statutorily required contribution. The statutes were revised with an effective date of November 30, 2008, to create new participation limitations so that only active members of PEBP can elect coverage after retirement. Based on the statute revision, former Authority employees and retirees must have retired and joined PEBP by September 1, 2008 to elect PEBP membership. Consequently, no employees retiring from the Authority on or after September 1, 2008 will be eligible to participate in the PEBP plan as a retiree at the Authority's expense.

Employees covered by benefit terms

At June 30, 2019, the following employees were covered by the benefit terms:

	<u>RRHBP</u>	<u>PEBP</u>	<u>Total</u>
Inactive employees or beneficiaries currently receiving benefit payments	44	14	58
Inactive employees entitled to but not yet receiving benefit payments	3	-	3
Active employees	52	-	52
	<u>99</u>	<u>14</u>	<u>113</u>

Total OPEB Liability

The Authority's total OPEB liability of \$5,509,154 was measured as of June 30, 2019, and was determined by actuarial valuations as of June 30, 2019.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

	RRHBP	PEBP	Total
Total OPEB Liability	\$ 5,300,796	\$ 208,358	\$ 5,509,154

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs for RRHBP and PEBP, applied to all periods included in the measurement, unless otherwise specified:

	RRHBP	PEBP
General Inflation	2.50%	2.50%
Salary Increases	3.00%, per year	N/A
Discount Rate *	2.79%	2.79%
Healthcare Cost Trend Rates	5.30% for 2021, decreasing to an ultimate rate of 4.00% for 2075 and later years	5.30% for 2021, decreasing to an ultimate rate of 4.00% for 2075 and later years
Retirees' Share of Benefit-related costs	0% to 100% of premium amounts based on years of service	0% to 100% of premium amounts based on years of service

* The discount rate for RRHBP and PEBP was based on the S & P General Obligation Municipal Bond 20 Year High Grade Index.

For the RRHBP and PEBP Plans, mortality rates for healthy were based on the Headcount-Weighted RP-2014 Healthy Annuitant Table, set forward 1 year. Mortality rates for disabled were based on the Headcount-Weighted RP-2014 Disabled Retiree Table, set forward 4 years. Mortality rates for Pre-retirement were based on Headcount-Weighted RP-2014 Employee Table. Adjustments for mortality improvements were based by applying the MacLeod Watts Scale 2020 on a generational basis from 2019 forward, based on data from the Society of Actuaries Mortality Improvement Scale MP-2019 Report and the demographic assumptions used in the 2019 Annual Report of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

Changes in the Total OPEB Liability

The following table presents the changes in the Authority's OPEB liability during the fiscal year ended June 30, 2020:

	RRHBP	PEBP	Total
Balance at June 30, 2019 *	\$ 5,368,776	\$ 149,701	\$ 5,518,477
Changes for the Year:			
Service Cost	37,033	-	37,033
Interest	157,836	4,321	162,157
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(375,899)	35,306	(340,593)
Changes in Assumptions or Other Inputs	331,622	28,437	360,059
Benefit Payments	(218,572)	(9,407)	(227,979)
Net Change in OPEB Liability	(67,980)	58,657	(9,323)
Balance at June 30, 2020	\$ 5,300,796	\$ 208,358	\$ 5,509,154

* Includes prior period restatement for RRHBP. See Note L to the Financial Statements for further detail.

Changes in Assumptions

The RRHBP and PEBP Plans reflect the following changes in assumptions:

- The discount rate decreased from 2.98% to 2.79% based on the published change in return for the applicable municipal bond index.
- The assumed rates of mortality were updated to be consistent with those used on the June 2017 NV PERS retirement plan valuation.
- The mortality improvement scale was updated to the MacLeod Watts Scale 2020 from the MacLeod Watts Scale 2017.
- The assumed salary increase rate was dropped from 4.00% to 3.00%.
- The assumed general inflation rate was dropped from 2.75% to 2.50%.
- Future increases in medical coverage claims and premiums were changed to use the Getzen healthcare trend model sponsored by the Society of Actuaries.
- Excise tax was excluded from the June 30, 2019 valuation due to the repeal of the tax during December 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage lower (1.79%) or 1-percentage-point higher (3.79%) than the current discount rate:

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

	1% Decrease in Discount Rate (1.79%)	Discount Rate (2.79%)	1% Increase in Discount Rate (3.79%)
RRHBP OPEB Liability	\$ 6,104,020	\$ 5,300,796	\$ 4,654,788
PEBP OPEB Liability	234,708	208,358	186,348
Total OPEB Liability	<u>\$ 6,338,728</u>	<u>\$ 5,509,154</u>	<u>\$ 4,841,136</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Healthcare Cost Trend Rate *	Healthcare Cost Trend Rate **	1% Increase in Healthcare Cost Trend Rate ***
RRHBP OPEB Liability	\$ 6,104,020	\$ 5,300,796	\$ 4,654,788
PEBP OPEB Liability	234,708	208,358	18,348
Total OPEB Liability	<u>\$ 6,338,728</u>	<u>\$ 5,509,154</u>	<u>\$ 4,673,136</u>

	*4.30% decreasing to 3.00%	**5.30% decreasing to 4.00%	***6.30% decreasing to 5.00%
RHBP			
	*4.30% decreasing to 3.00%	**5.30% decreasing to 4.00%	***6.30% decreasing to 5.00%
PEBP			

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the Authority recognized OPEB expense as follows:

RRHBP	\$ 134,649
PEBP	<u>68,064</u>
	<u>\$ 202,713</u>

At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

	RRHBP		PEBP		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions and other inputs	\$ 368,676	\$ 207,853	\$ -	\$ -	\$ 368,676	\$ 207,853
Differences between expected and actual experience	-	314,478	-	-	-	314,478
Contributions subsequent to the measurement date	248,246	-	11,156	-	259,402	-
	<u>\$ 616,922</u>	<u>\$ 522,331</u>	<u>\$ 11,156</u>	<u>\$ -</u>	<u>\$ 628,078</u>	<u>\$ 522,331</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	RRHBP	PEBP	Total
2021	\$ 60,220	\$ -	\$ 60,220
2022	60,220	-	60,220
2023	34,529	-	34,529
2024	(9,421)	-	(9,421)
2025	7,234	-	7,234
Thereafter	873	-	873

NOTE I – INSURANCE

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters, as are all entities.

The Authority is self-insured for workers' compensation (industrial injury) claims prior to July 1, 2018, to a maximum of:

- Each accident: \$350,000
- Each employee for disease or cumulative injury: \$350,000

Commercial insurance is carried for claims in excess of these amounts and performance of the Authority's financial obligation is guaranteed by a certificate of deposit issued by Meadows Bank in favor of the Nevada Insurance Commission. Accrued liabilities include an amount for claims (excluding incremental costs) that have been incurred but not reported (IBNR). Changes in the balances of claims liability during the past two years are as follows:

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

	Workers' Compensation Claims
Claims liability, June 30, 2018	\$ 161,755
Claims and changes in estimates	(12,804)
Claims payments	(32,299)
	<u>\$ 116,652</u>
Claims liability, June 30, 2019	\$ 116,652
Claims and changes in estimates	7,986
Claims payments	(44,237)
Claims liability, June 30, 2020	<u>\$ 80,401</u>

The Authority carries workers' compensation (industrial injury) insurance commencing July 1, 2018.

The Authority is also self-insured for unemployment claims. Risk for unemployment claims incurred are assumed by the Authority without limitation.

The Authority continues to carry commercial insurance for other risks of loss including liability and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE J – COMPLIANCE WITH NEVADA REVISED STATUTES AND NEVADA ADMINISTRATIVE CODE

The Authority conformed to all significant statutory constraints on its financial administration during the year.

NOTE K – OTHER AGREEMENTS

The Authority has an agreement for the management and operation of the National Bowling Stadium, Reno Events Center, Reno-Sparks Convention Center and Reno-Sparks Livestock Events Center. All day to day operations of the Authority facilities is by agreement, including, but not limited to, Customer Event contracts (license contracts and service contracts with shows/associations/corporations), Event Service contracts (audio-visual, event security, housekeeping and set-up) and Building Service contracts (landscaping, building utilities, maintenance, and building security).

NOTE L – PRIOR PERIOD ADJUSTMENT

The beginning net position for governmental activities has been restated to correctly present the OPEB liability for the year ended June 30, 2019. The RRHBP portion of the

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(Continued)

total OPEB liability was previously overstated by \$1,074,956; during the preparation of the June 30, 2019 actuarial valuation, the actuary obtained an updated understanding of benefits related to the June 30, 2018 OPEB actuarial valuation, which led to the restatement of the RRHBP portion of the total OPEB liability for the prior year.

Governmental Activities:

Net position at June 30, 2019, as previously reported	\$ (32,632,317)
Restatement of the RRHBP portion of the total OPEB liability	<u>1,074,956</u>
Net position at June 30, 2019, restated for correction of an error	<u>\$ (31,557,361)</u>

NOTE M – SUBSEQUENT EVENTS

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, which was first detected in China and has since spread to other countries, including the United States, was declared a pandemic by the World Health Organization on March 11, 2020. The outbreak of the disease has affected travel, commerce, and financial markets globally and has widely impacted economic growth worldwide.

On March 17, 2020, the Governor of the State of Nevada (Governor) declared that all non-essential businesses would be closed to help mitigate the spread of COVID-19. During early May 2020, certain non-essential businesses began reopening within the State of Nevada. On May 27, 2020, the Governor announced that casinos within the State of Nevada could reopen on June 4, 2020. On September 29, 2020, the Governor announced that group gatherings of up to 250 people would be allowable as of October 1, 2020 (group gatherings were previously capped at 50 people). The Governor also announced that trade shows, conferences, and conventions could proceed, with attendance capped at 1,000 people, after submitting a safety plan and receiving approval.

As a result of the worldwide need to reduce travel and adhere to social distancing, as well as the temporary closure of all non-essential businesses in the surrounding community, the Authority has been impacted significantly. The Authority's main revenue streams are room license taxes, facilities revenue, and convention and visitors service revenue. Continued closure or limited capacity of various areas will have a significant negative impact on tourism. Management cannot predict or determine the recovery period or the long-term financial effect that the pandemic will have on the Authority's finances. The Authority expects continued decreases in revenues during the upcoming months, compared to the same months in the prior fiscal year. The Authority has implemented proactive cost saving measures to mitigate these potential circumstances.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios
RSCVA Retiree Health Benefit Program (RRHBP)
Last Ten Fiscal Years *

	2020	2019 **	2018
Changes in the OPEB Liability - RRHBP			
Service Cost	\$ 37,033	\$ 97,112	\$ 104,654
Interest	157,836	194,351	176,732
Changes in Benefit Terms	-	(1,074,956)	-
Difference between Expected and Actual Experience	(375,899)	-	-
Changes of Assumptions or Other Inputs	331,622	140,965	(441,397)
Benefit Payments	(218,572)	(201,745)	(233,531)
Net Change in OPEB Liability - RRHBP	(67,980)	(844,273)	(393,542)
Total OPEB Liability, July 1	5,368,776	6,213,049	6,606,591
Total OPEB Liability, June 30	<u>\$ 5,300,796</u>	<u>\$ 5,368,776</u>	<u>\$ 6,213,049</u>
Covered-employee Payroll	\$ 4,883,962	\$ 4,922,982	\$ 6,295,011
OPEB Liability - RRHBP as a Percentage of Covered-employee Payroll	108.53%	109.06%	98.70%

The following table presents significant assumption changes for the last ten fiscal years*:

	2020	2019	2018
Discount rate	2.79%	2.98%	3.13%
Mortality assumptions	MacLeod Watts Scale 2020	MacLeod Watts Scale 2017	MacLeod Watts Scale 2018
Salary increase rate	3.00%	4.00%	4.00%
General inflation rate	2.50%	2.75%	2.75%
Healthcare cost trends	5.30% declining to 4.00%	6.00% declining to 5.00%	6.25% declining to 5.00%
Excise tax	Excluded	Included	Included

* Fiscal year 2018 was the first year of implementation for GASB 75. This schedule is intended to show information over a period of ten years. Information for additional years will be presented as it becomes available.

** Includes prior period restatement. See Note L to the Financial Statements for further detail.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios
State of Nevada's Public Employees' Benefit Plan (PEBP)
Last Ten Fiscal Years *

	2020	2019	2018
Changes in the OPEB Liability - PEBP			
Service Cost	\$ -	\$ -	\$ -
Interest	4,321	4,614	4,290
Changes in Benefit Terms	-	-	-
Difference between Expected and Actual Experience	35,306	-	-
Changes of Assumptions or Other Inputs	28,437	2,337	(7,644)
Benefit Payments	(9,407)	(9,349)	(9,259)
Net Change in OPEB Liability - PEBP	58,657	(2,398)	(12,613)
Total OPEB Liability, July 1	149,701	152,099	164,712
Total OPEB Liability, June 30	<u>\$ 208,358</u>	<u>\$ 149,701</u>	<u>\$ 152,099</u>
Covered-employee Payroll	N/A	N/A	N/A
OPEB Liability - PEBP as a Percentage of Covered-employee Payroll	N/A	N/A	N/A

The following table presents significant assumption changes for the last ten fiscal years*:

	2020	2019	2018
Discount rate	2.79%	2.98%	3.13%
Mortality assumptions	MacLeod Watts Scale 2020	MacLeod Watts Scale 2017	MacLeod Watts Scale 2017
General inflation rate	2.50%	2.75%	2.75%
Healthcare cost trends	5.30% declining to 4.00%	5.75% declining to 5.00%	6.00% declining to 5.00%

* Fiscal year 2018 was the first year of implementation for GASB 75. This schedule is intended to show information over a period of ten years. Information for additional years will be presented as it becomes available.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

Schedule of the Authority's Share of the Net Pension Liability
State of Nevada's Public Employees' Retirement System (PERS)
Last Ten Fiscal Years *

Fiscal Year Ending	Authority's Proportion of the Net Pension Liability	Authority's Proportionate Share of the Net Pension Liability	Authority's Covered Payroll	Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered- Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.10485%	\$ 10,927,636	\$ 6,170,966	177.08%	76.31%
2015	0.10083%	11,554,489	6,044,073	191.17%	75.13%
2016	0.09896%	13,317,765	6,032,160	220.78%	72.23%
2017	0.08944%	11,894,750	5,761,493	206.45%	74.42%
2018	0.09517%	12,979,720	6,319,358	205.40%	75.24%
2019	0.06225%	8,488,629	4,282,211	198.23%	76.46%

Schedule of the Authority's Contributions
State of Nevada's Public Employees' Retirement System (PERS)
Last Ten Fiscal Years *

Fiscal Year Ending	Statutorily Required Contribution **	Contributions in Relation to the Statutorily Required Contribution **	Contribution Deficiency (Excess)	Authority's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 1,562,041	\$ 1,562,041	\$ -	\$ 6,044,073	25.84%
2016	839,072	839,072	-	6,032,160	13.91%
2017	802,299	802,299	-	5,761,493	13.93%
2018	883,137	883,137	-	6,319,358	13.98%
2019	599,634	599,634	-	4,282,211	14.00%
2020	609,422	609,422	-	4,175,397	14.60%

* GASB 68 requires ten years of information to be presented in this table. However, until a full ten year trend is compiled the Authority will present information for those years for which information is available.

** All contributions for fiscal years 2016-2020 reflect employee-paid contributions only; member contributions are excluded.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources required for the repayment of debt principal and interest. The chief resources are transfers of room license tax revenue from the General Fund and interest earned on investments.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative amounts for the year ended June 30, 2019)

	2020 Budget Amount		2020		2019
	Original	Final	Actual	Variance to Final Budget	Actual
REVENUES					
Miscellaneous					
Interest on investments	\$ 97,053	\$ 97,053	\$ 95,040	\$ (2,013)	\$ 167,338
EXPENDITURES					
Debt service					
Principal	5,435,000	5,435,000	5,435,000	-	5,435,000
Interest	4,078,544	4,078,544	2,053,099	2,025,445	4,161,794
	9,513,544	9,513,544	7,488,099	2,025,445	9,596,794
Other bond costs					
Payment to escrow agent	1,963,000	1,963,000	1,903,000	60,000	3,347,501
Refunding issuance cost	-	-	-	-	124,264
Administrative fees	43,150	43,150	12,618	30,532	42,111
	2,006,150	2,006,150	1,915,618	90,532	3,513,876
Total expenditures	11,519,694	11,519,694	9,403,717	2,115,977	13,110,670
Excess (deficiency) of revenues over expenditures	(11,422,641)	(11,422,641)	(9,308,677)	2,113,964	(12,943,332)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	11,422,641	11,422,641	10,304,306	(1,118,335)	11,240,002
Issuance of refunding bonds	-	-	-	-	68,897,000
Payment to refunded debt escrow agent	-	-	-	-	(68,763,165)
TOTAL OTHER FINANCING SOURCES (USES)	11,422,641	11,422,641	10,304,306	(1,118,335)	11,373,837
Net change in fund balances	-	-	995,629	995,629	(1,569,495)
FUND BALANCE, JULY 1	12,735,589	12,735,589	11,156,606	(1,578,983)	12,726,101
FUND BALANCE, JUNE 30	\$ 12,735,589	\$ 12,735,589	\$ 12,152,235	\$ (583,354)	\$ 11,156,606

CAPITAL PROJECTS FUND

To account for the acquisition and construction of major capital facilities.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative amounts for the year ended June 30, 2019)

	2020 Budget Amount		2020		2019
	Original	Final	Actual	Variance to Final Budget	Actual
REVENUES					
Miscellaneous					
Interest on investments	\$ 18,000	\$ 18,000	\$ 38,577	\$ 20,577	\$ 29,372
EXPENDITURES					
Capital outlay	3,979,000	3,979,000	3,507,113	471,887	2,480,818
Excess (deficiency) of revenues over expenditures	(3,961,000)	(3,961,000)	(3,468,536)	492,464	(2,451,446)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	3,979,000	3,979,000	351,241	(3,627,759)	3,877,000
Net change in fund balances	18,000	18,000	(3,117,295)	(3,135,295)	1,425,554
FUND BALANCE, JULY 1	2,979,640	2,979,640	4,136,455	1,156,815	2,710,901
FUND BALANCE, JUNE 30	\$ 2,997,640	\$ 2,997,640	\$ 1,019,160	\$ (1,978,480)	\$ 4,136,455

INTERNAL SERVICE FUND

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments of the government on a cost reimbursement basis.

Financial activities of insurance programs are accounted for in the Internal Service Fund. The Authority was self-insured to specific stop-loss limits for workers' compensation (industrial) claims up until June 30, 2018. The Authority is self-insured without limitation for unemployment claims. Employee health (medical, dental and vision) insurance is provided through several purchased coverage (fixed premium) plans at no financial risk to the Authority.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF NET POSITION
JUNE 30, 2020
(with comparative totals at June 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets		
Cash and investments	\$ 180,131	\$ 221,578
Prepaid expenses	3,832	3,983
Due from other funds	<u>85,430</u>	<u>116,475</u>
TOTAL ASSETS	<u>269,393</u>	<u>342,036</u>
LIABILITIES		
Current liabilities		
Accrued liabilities	<u>80,401</u>	<u>120,152</u>
TOTAL LIABILITIES	<u>80,401</u>	<u>120,152</u>
NET POSITION		
Restricted for claims	<u><u>\$ 188,992</u></u>	<u><u>\$ 221,884</u></u>

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative actual amounts for the year ended June 30, 2019)**

	2020 Budget Amount		2020		2019
	Original	Final	Actual	Variance to Final Budget	Actual
OPERATING REVENUES					
Charges for benefits	\$ 915,105	\$ 915,105	\$ 882,935	\$ (32,170)	\$ 910,690
OPERATING EXPENSES					
Insurance and claims	855,893	855,893	877,315	(21,422)	813,798
Administrative expenses	57,900	57,900	38,512	19,388	54,251
TOTAL OPERATING EXPENSES	913,793	913,793	915,827	(2,034)	868,049
CHANGE IN NET POSITION	<u>\$ 1,312</u>	<u>\$ 1,312</u>	(32,892)	<u>\$ (34,204)</u>	42,641
NET POSITION, JULY 1			<u>221,884</u>		<u>179,243</u>
NET POSITION, JUNE 30			<u>\$ 188,992</u>		<u>\$ 221,884</u>

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF CASH FLOWS
INCREASE (DECREASE) IN CASH AND INVESTMENTS
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative actual amounts for the year ended June 30, 2019)
Page 1 of 2**

	2020 Budget Amount		2020		2019
	Original	Final	Actual	Variance to Budget	Actual
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from users	\$ 152,580	\$ 152,580	\$ 178,567	\$ 25,987	\$ 173,923
Cash received from internal services provided	780,000	780,000	704,368	(75,632)	736,767
Cash paid to vendors for services and supplies	(913,793)	(913,793)	(955,427)	(41,634)	(913,635)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	18,787	18,787	(72,492)	(91,279)	(2,945)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash received from (paid to) other funds	-	-	31,045	31,045	(23,680)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	-	31,045	31,045	(23,680)
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	18,787	18,787	(41,447)	(60,234)	(26,625)
CASH AND INVESTMENTS, JULY 1	243,311	243,311	221,578	(21,733)	248,203
CASH AND INVESTMENTS, JUNE 30	\$ 262,098	\$ 262,098	\$ 180,131	\$ (81,967)	\$ 221,578

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF CASH FLOWS
INCREASE (DECREASE) IN CASH AND INVESTMENTS
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative actual amounts for the year ended June 30, 2019)
Page 2 of 2

	2020 Budget Amount		2020		2019
	Original	Final	Actual	Variance to Final Budget	Actual
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 1,312	\$ 1,312	\$ (32,892)	\$ (34,204)	\$ 42,641
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
(Increase) decrease					
Due from other funds	17,475	17,475	-	(17,475)	-
Prepaid expenses	-	-	151	151	(3,983)
Increase (decrease)					
Accounts payable	-	-	-	-	-
Accrued liabilities	-	-	(39,751)	(39,751)	(41,603)
Total adjustments	17,475	17,475	(39,600)	(57,075)	(45,586)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 18,787	\$ 18,787	\$ (72,492)	\$ (91,279)	\$ (2,945)

STATISTICAL SECTION

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
STATISCAL SECTION
JUNE 30, 2020
(UNAUDITED)

This part of the RSCVA's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. Contents include:

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the room tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net Investment in capital assets	\$ (27,435,670)	\$ (23,362,078)	\$ (24,718,329)	\$ (25,281,463)	\$ (26,008,544)	\$ (26,239,415)	\$ (23,997,554)	\$ (20,329,530)	\$ (16,687,714)	\$ (13,924,547)
Restricted	7,740,234	9,437,557	10,652,094	10,790,791	10,777,150	14,921,411	17,239,393	17,168,961	16,027,724	14,660,020
Unrestricted (deficit)	(27,590,079)	(32,277,129)	(33,126,722)	(33,957,609)	(44,929,237)	(40,975,184)	(38,039,503)	(37,752,848)	(31,972,327)	(30,896,683)
Total governmental activities net position	(47,285,515)	(46,201,650)	(47,192,957)	(48,448,281)	(60,160,631)	(52,293,188)	(44,797,664)	(40,913,417)	(32,632,317)	(30,161,210)
Adjustments **	-	-	(647,273)	(12,199,123)	-	-	-	-	1,074,956	-
Total governmental activities net position	<u>\$ (47,285,515)</u>	<u>\$ (46,201,650)</u>	<u>\$ (47,840,230)</u>	<u>\$ (60,647,404)</u>	<u>\$ (60,160,631)</u>	<u>\$ (52,293,188)</u>	<u>\$ (44,797,664)</u>	<u>\$ (40,913,417)</u>	<u>\$ (31,557,361)</u>	<u>\$ (30,161,210)</u>
Business-type activities *										
Net Investment in capital assets	\$ 4,228,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted (deficit)	(517,011)	-	-	-	-	-	-	-	-	-
Total business-type activities net position	<u>\$ 3,711,964</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government										
Net Investment in capital assets	\$ (23,206,695)	\$ (23,362,078)	\$ (24,718,329)	\$ (25,281,463)	\$ (26,008,544)	\$ (26,239,415)	\$ (23,997,554)	\$ (20,329,530)	\$ (16,687,714)	\$ (13,924,547)
Restricted	7,740,234	9,437,557	10,652,094	10,790,791	10,777,150	14,921,411	17,239,393	17,168,961	16,027,724	14,660,020
Unrestricted (deficit)	(28,107,090)	(32,277,129)	(33,773,995)	(46,156,732)	(44,929,237)	(40,975,184)	(38,039,503)	(37,752,848)	(30,897,371)	(30,896,683)
Total primary government net position	<u>\$ (43,573,551)</u>	<u>\$ (46,201,650)</u>	<u>\$ (47,840,230)</u>	<u>\$ (60,647,404)</u>	<u>\$ (60,160,631)</u>	<u>\$ (52,293,188)</u>	<u>\$ (44,797,664)</u>	<u>\$ (40,913,417)</u>	<u>\$ (31,557,361)</u>	<u>\$ (30,161,210)</u>

* The Golf Courses Enterprise Fund (Business-type activities) was closed into the Governmental activities on June 30, 2012. The June 30, 2012 amounts have been restated to include the Golf Courses Enterprise Fund activity (as governmental activities); prior year governmental activities balances have not been restated.

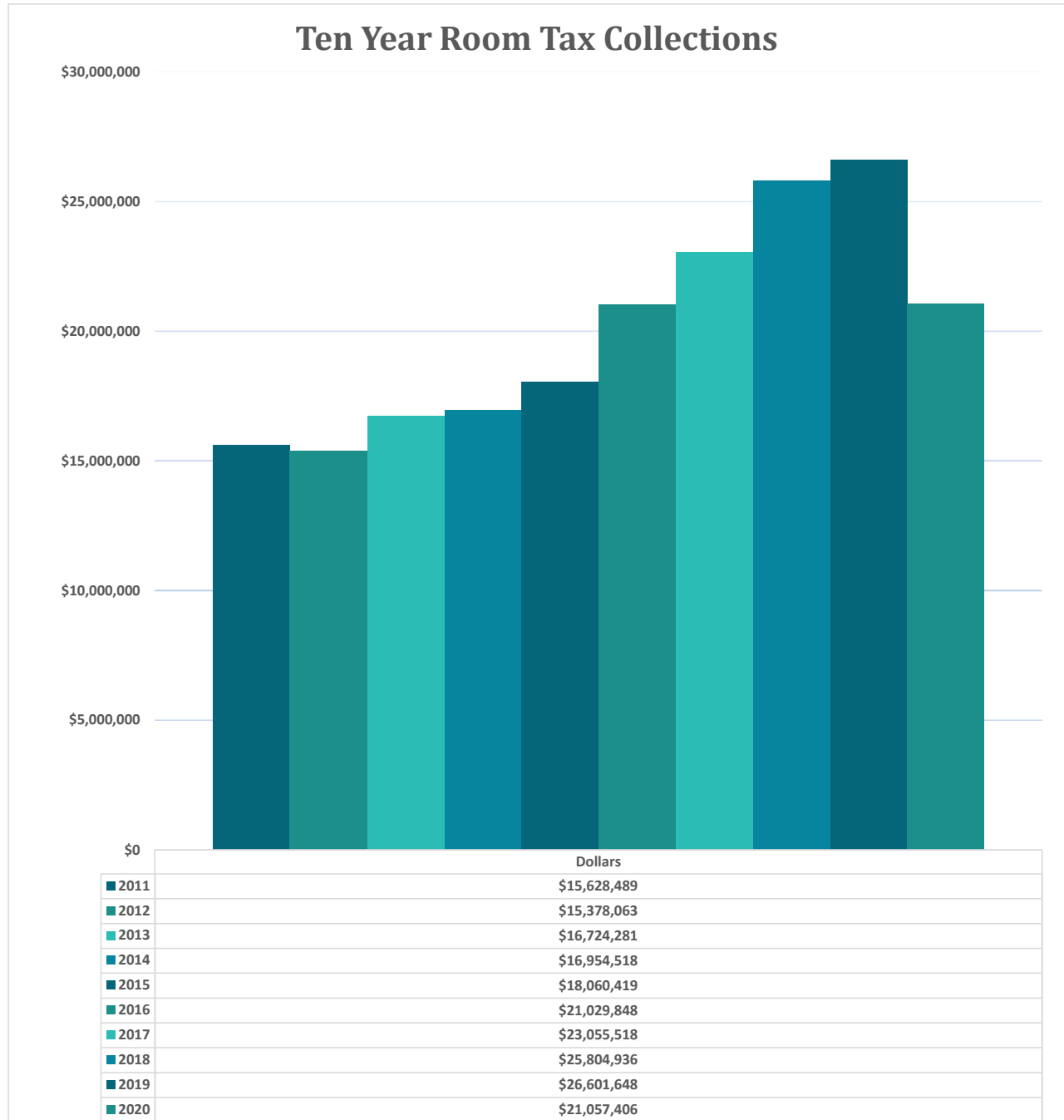
** Adjustments arise from items that impact prior periods, such as the implementation of certain Governmental Accounting Standards Board pronouncements that are required to be implemented retroactively or prior period restatements.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 2,668,446	\$ 2,226,809	\$ 2,330,130	\$ 2,335,097	\$ 2,557,066	\$ 2,730,099	\$ 2,879,569	\$ 3,203,353	\$ 3,632,579	\$ 3,493,871
Community support	21,781,565	23,295,763	24,517,642	24,767,252	23,429,612	25,755,263	28,561,398	34,293,703	35,974,848	31,480,262
Debt service - interest and fiscal charges	7,051,033	6,762,092	7,793,572	5,751,022	5,585,687	5,361,882	5,131,245	4,990,692	3,202,113	3,771,174
Loss on defeasance	-	-	-	-	-	-	-	120,852	59,517	-
Total governmental activities expenses	<u>31,501,044</u>	<u>32,284,664</u>	<u>34,641,344</u>	<u>32,853,371</u>	<u>31,572,365</u>	<u>33,847,244</u>	<u>36,572,212</u>	<u>42,608,600</u>	<u>42,869,057</u>	<u>38,745,307</u>
Business-type activities:										
Golf courses	<u>2,155,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities expenses	<u>2,155,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$ 33,656,075</u>	<u>\$ 32,284,664</u>	<u>\$ 34,641,344</u>	<u>\$ 32,853,371</u>	<u>\$ 31,572,365</u>	<u>\$ 33,847,244</u>	<u>\$ 36,572,212</u>	<u>\$ 42,608,600</u>	<u>\$ 42,869,057</u>	<u>\$ 38,745,307</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 564,149	\$ 561,696	\$ 558,120	\$ 611,253	\$ 614,229	\$ 640,390	\$ 673,437	\$ 725,707	\$ 758,593	\$ 694,478
Community support	7,018,082	8,548,547	8,956,262	8,830,284	7,714,933	9,026,115	7,606,732	8,524,124	8,268,653	6,654,343
Operating grants and contributions	366,428	471,677	2,241,792	1,147	1,139	4,305	31,907	178,754	425,452	342,279
Capital grants and contributions	-	-	63,300	599,265	-	-	69,333	-	-	-
Total governmental activities program revenues	<u>7,948,659</u>	<u>9,581,920</u>	<u>11,819,474</u>	<u>10,041,949</u>	<u>8,330,301</u>	<u>9,670,810</u>	<u>8,381,409</u>	<u>9,428,585</u>	<u>9,452,698</u>	<u>7,691,100</u>
Business-type activities:										
Charges for services	<u>1,882,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities program revenues	<u>1,882,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government program revenues	<u>\$ 9,830,895</u>	<u>\$ 9,581,920</u>	<u>\$ 11,819,474</u>	<u>\$ 10,041,949</u>	<u>\$ 8,330,301</u>	<u>\$ 9,670,810</u>	<u>\$ 8,381,409</u>	<u>\$ 9,428,585</u>	<u>\$ 9,452,698</u>	<u>\$ 7,691,100</u>
Net (expense)/revenue										
Governmental activities	\$ (23,552,385)	\$ (22,702,744)	\$ (22,821,870)	\$ (22,811,422)	\$ (23,242,064)	\$ (24,176,434)	\$ (28,190,803)	\$ (33,180,015)	\$ (33,416,358)	\$ (31,054,207)
Business-type activities	(272,795)	-	-	-	-	-	-	-	-	-
Total primary government net expense	<u>\$ (23,825,180)</u>	<u>\$ (22,702,744)</u>	<u>\$ (22,821,870)</u>	<u>\$ (22,811,422)</u>	<u>\$ (23,242,064)</u>	<u>\$ (24,176,434)</u>	<u>\$ (28,190,803)</u>	<u>\$ (33,180,015)</u>	<u>\$ (33,416,358)</u>	<u>\$ (31,054,207)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Room taxes	\$ 20,346,521	\$ 20,020,498	\$ 21,773,120	\$ 22,149,713	\$ 23,675,331	\$ 31,981,321	\$ 35,628,072	\$ 39,821,722	\$ 40,884,774	\$ 32,297,723
Unrestricted investment and interest earnings	3,878	2,004	1,281	30	60	1,336	799	1,764	6,370	64,902
Miscellaneous	67,268	52,143	56,162	53,628	53,446	61,220	77,456	71,567	100,414	56,311
Gain on sale of capital assets	-	-	-	-	-	-	-	-	705,901	31,422
Total governmental activities	<u>20,417,667</u>	<u>20,074,645</u>	<u>21,830,563</u>	<u>22,203,371</u>	<u>23,728,837</u>	<u>32,043,877</u>	<u>35,706,327</u>	<u>39,895,053</u>	<u>41,697,459</u>	<u>32,450,358</u>
Total primary government	<u>\$ 20,417,667</u>	<u>\$ 20,074,645</u>	<u>\$ 21,830,563</u>	<u>\$ 22,203,371</u>	<u>\$ 23,728,837</u>	<u>\$ 32,043,877</u>	<u>\$ 35,706,327</u>	<u>\$ 39,895,053</u>	<u>\$ 41,697,459</u>	<u>\$ 32,450,358</u>
Change in Net Position										
Governmental activities	\$ (3,134,718)	\$ (2,628,099)	\$ (991,307)	\$ (608,051)	\$ 486,773	\$ 7,867,443	\$ 7,515,524	\$ 6,715,038	\$ 8,281,101	\$ 1,396,151
Business-type activities	(272,795)	-	-	-	-	-	-	-	-	-
Total primary government	<u>\$ (3,407,513)</u>	<u>\$ (2,628,099)</u>	<u>\$ (991,307)</u>	<u>\$ (608,051)</u>	<u>\$ 486,773</u>	<u>\$ 7,867,443</u>	<u>\$ 7,515,524</u>	<u>\$ 6,715,038</u>	<u>\$ 8,281,101</u>	<u>\$ 1,396,151</u>

Note: The Golf Courses Enterprise Fund was closed into the General Fund on June 30, 2012. The June 30, 2012 amounts have been restated to include the Golf Courses Enterprise Fund activity, prior year balances have not been restated.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Governmental Activities Tax Revenues
General Room Tax (6 5/8%) Collections
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)



General Room Tax is the combination of a 6% tax imposed by the local political subdivisions of Washoe County, Reno and Sparks, and the 5/8% imposed by the State of Nevada Department of Taxation that is retained by the Authority. It is the principal source of operating revenues.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	2011	2012	2013	June 30		2016	2017	2018	2019	2020
				2014	2015					
General Fund										
Nonspendable	\$ -	\$ 120,842	\$ 188,092	\$ 210,101	\$ 237,104	\$ 227,356	\$ 104,766	\$ 16,595	\$ 260,430	\$ 339,069
Restricted	-	-	-	-	-	4,288,207	6,174,888	6,341,914	5,109,234	3,856,638
Assigned	2,239,365	270,814	-	-	-	-	-	2,544,788	2,599,450	2,982,802
Unassigned	4,484,961	4,338,052	3,850,219	3,655,320	4,284,169	4,967,564	6,749,960	2,867,371	3,992,778	2,406,491
Total general fund	<u>\$ 6,724,326</u>	<u>\$ 4,729,708</u>	<u>\$ 4,038,311</u>	<u>\$ 3,865,421</u>	<u>\$ 4,521,273</u>	<u>\$ 9,483,127</u>	<u>\$ 13,029,614</u>	<u>\$ 11,770,668</u>	<u>\$ 11,961,892</u>	<u>\$ 9,585,000</u>
All other governmental funds										
Restricted	\$ 10,639,428	\$ 12,087,559	\$ 14,199,365	\$ 13,921,930	\$ 13,721,849	\$ 13,522,047	\$ 12,839,785	\$ 12,726,101	\$ 11,156,606	\$ 12,152,235
Assigned	52,845	-	-	-	87,760	1,553,549	1,174,276	2,710,901	4,136,455	1,019,160
Unassigned	-	-	-	75,941	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 10,692,273</u>	<u>\$ 12,087,559</u>	<u>\$ 14,199,365</u>	<u>\$ 13,997,871</u>	<u>\$ 13,809,609</u>	<u>\$ 15,075,596</u>	<u>\$ 14,014,061</u>	<u>\$ 15,437,002</u>	<u>\$ 15,293,061</u>	<u>\$ 13,171,395</u>

Reno-Sparks Convention & Visitors Authority adopted GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions, for the Year Ended June 30, 2011.

Fund balances will be classified in accordance with GASB 54 prospectively.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Change in Fund Balances of Governmental Funds and Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Revenues	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Room tax (Net 6%)	\$ 14,154,104	\$ 13,927,303	\$ 15,146,518	\$ 15,355,035	\$ 16,356,606	\$ 19,045,900	\$ 20,880,469	\$ 23,370,508	\$ 24,092,059	\$ 19,070,858
Room tax (State 5/8%)	1,474,385	1,450,760	1,577,763	1,599,483	1,703,813	1,983,948	2,175,049	2,434,428	2,509,589	1,986,548
Room tax (RSCC 2%)	4,718,032	4,642,435	5,048,839	5,118,345	5,452,202	6,348,633	6,960,157	7,790,170	8,030,686	6,356,953
Room tax (City Ctr)	-	-	-	76,850	162,710	315,918	579,855	849,158	1,057,615	776,544
Room surcharge	-	-	-	-	-	4,286,922	5,032,542	5,377,458	5,194,825	4,106,820
Facility use fees	6,826,462	6,172,061	6,720,421	6,700,658	5,660,710	7,023,966	5,736,177	7,175,249	7,907,188	6,344,497
Golf course operations	-	2,108,588	2,056,701	1,947,910	1,881,123	1,777,997	1,573,382	1,056,005	1,340	-
Investment earnings	370,306	473,681	2,243,073	1,177	1,219	5,641	32,706	180,518	431,822	407,181
Miscellaneous	823,037	881,737	793,422	1,445,862	840,755	925,762	1,117,399	1,090,144	1,219,132	1,060,635
Total revenues	<u>28,366,326</u>	<u>29,656,565</u>	<u>33,586,737</u>	<u>32,245,320</u>	<u>32,059,138</u>	<u>41,714,687</u>	<u>44,087,736</u>	<u>49,323,638</u>	<u>50,444,256</u>	<u>40,110,036</u>
Expenditures										
General government	2,557,456	2,100,286	2,225,338	2,193,678	2,460,121	2,631,798	2,729,718	3,236,411	3,648,825	3,694,211
Community support										
Facility operation	10,636,854	9,566,672	10,851,958	10,688,591	9,637,793	10,267,511	9,316,908	10,752,777	12,391,617	12,927,433
Golf course operations	-	2,093,472	2,088,409	2,087,126	2,068,060	1,999,683	1,910,240	1,506,900	386,853	-
Convention and tourism promotion	5,980,966	5,880,390	5,998,424	6,183,581	6,451,993	8,149,215	12,481,504	17,391,490	17,809,920	13,576,134
Community grants and miscellaneous	927,361	951,201	992,213	1,034,822	1,159,160	1,365,321	1,528,438	1,527,865	1,686,778	1,531,408
Debt service										
Principal	2,379,000	95,396,000	4,605,000	5,345,000	5,360,000	5,445,000	5,440,000	5,440,000	5,435,000	5,435,000
Interest	4,826,604	4,549,734	4,632,834	4,247,094	4,231,794	4,224,044	4,224,044	4,192,919	4,161,794	2,053,099
Other bond costs	6,900	709,864	25,266	9,025	9,426	9,727	882,286	1,438,779	3,513,876	1,915,618
Capital outlay	116,066	836,348	746,886	830,787	213,201	1,394,547	3,089,646	3,672,502	2,480,818	3,507,113
Total expenditures	<u>27,431,207</u>	<u>122,083,967</u>	<u>32,166,328</u>	<u>32,619,704</u>	<u>31,591,548</u>	<u>35,486,846</u>	<u>41,602,784</u>	<u>49,159,643</u>	<u>51,515,481</u>	<u>44,640,016</u>
Excess (deficiency) of revenues over expenditures	<u>935,119</u>	<u>(92,427,402)</u>	<u>1,420,409</u>	<u>(374,384)</u>	<u>467,590</u>	<u>6,227,841</u>	<u>2,484,952</u>	<u>163,995</u>	<u>(1,071,225)</u>	<u>(4,529,980)</u>
Other financing sources (uses)										
Transfers in	7,500,000	10,225,000	9,880,000	9,630,000	9,625,000	12,335,000	12,485,174	16,075,000	15,117,002	10,655,547
Transfers out	(7,500,000)	(10,587,485)	(9,880,000)	(9,630,000)	(9,625,000)	(12,335,000)	(12,485,174)	(16,075,000)	(15,117,002)	(10,655,547)
Sale of capital assets	-	-	-	-	-	-	-	-	984,673	31,422
Issuance of refunding bonds	-	88,680,000	-	-	-	-	-	-	68,897,000	-
Premium on general obligation bonds	-	3,510,555	-	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	-	-	(68,763,165)	-
Total other financing sources (uses)	<u>-</u>	<u>91,828,070</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,118,508</u>	<u>31,422</u>
Net change in fund balance	<u>\$ 935,119</u>	<u>\$ (599,332)</u>	<u>\$ 1,420,409</u>	<u>\$ (374,384)</u>	<u>\$ 467,590</u>	<u>\$ 6,227,841</u>	<u>\$ 2,484,952</u>	<u>\$ 163,995</u>	<u>\$ 47,283</u>	<u>\$ (4,498,558)</u>
Debt Service (principal and interest)	<u>\$ 7,205,604</u>	<u>\$ 99,945,734</u>	<u>\$ 9,237,834</u>	<u>\$ 9,592,094</u>	<u>\$ 9,591,794</u>	<u>\$ 9,669,044</u>	<u>\$ 9,664,044</u>	<u>\$ 9,632,919</u>	<u>\$ 9,596,794</u>	<u>\$ 7,488,099</u>
Noncapital expenditures	<u>\$ 27,319,862</u>	<u>\$ 121,247,619</u>	<u>\$ 31,396,094</u>	<u>\$ 32,129,217</u>	<u>\$ 31,348,218</u>	<u>\$ 34,173,746</u>	<u>\$ 38,513,138</u>	<u>\$ 45,437,275</u>	<u>\$ 48,956,192</u>	<u>\$ 41,122,460</u>
Debt service as a percentage of noncapital expenditures	26.37%	82.43%	29.42%	29.85%	30.60%	28.29%	25.09%	21.20%	19.60%	18.21%

Note: The Golf Courses Enterprise Fund was closed into the General Fund on June 30, 2012. The June 30, 2012 amounts have been restated to include the Golf Courses Enterprise Fund activity, prior year balances have not been restated.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Room Tax Rates by Location

Last Ten Fiscal Years

(Unaudited)

Rate for properties within the City of Sparks and related allocation of those taxes:

Fiscal Year	RSCVA	City of Sparks	City of Reno				Washoe County	State of Nevada		Total
			National Bowling	Events Center	City Center	Park and Recreation		Commission on Tourism	Education (IP1)	
2020	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2019	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2018	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2017	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2016	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2015	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2014	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2013	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2012	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5
2011	8.625	2.5	1.0	-	1.0	-	-	0.375	-	13.5

Rate for properties within the Downtown Reno and related allocation of those taxes:

Fiscal Year	RSCVA	City of Sparks	City of Reno				Washoe County	State of Nevada		Total
			National Bowling	Events Center	City Center	Park and Recreation		Commission on Tourism	Education (IP1)	
2020	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2019	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2018	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2017	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2016	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2015	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2014	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2013	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2012	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5
2011	8.625	-	1.0	1.5	-	1.0	1.0	0.375	-	13.5

Rate for properties within the City of Reno (properties not located in the Downtown Center) and related allocation of those taxes:

Fiscal Year	RSCVA	City of Sparks	City of Reno				Washoe County	State of Nevada		Total
			National Bowling	Events Center	City Center	Park and Recreation		Commission on Tourism	Education (IP1)	
2020	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2019	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2018	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2017	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2016	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2015	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2014	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2013	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2012	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0
2011	8.625	-	1.0	-	1.0	-	1.0	0.375	1.0	13.0

Rate for properties within unincorporated Washoe County and related allocation of those taxes:

Fiscal Year	RSCVA	City of Sparks	City of Reno					Washoe County	State of Nevada		Total
			National Bowling	Events Center	City Center	Railroad	Park and Recreation		Commission on Tourism	Education (IP1)	
2020	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2019	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2018	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2017	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2016	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2015	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2014	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2013	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2012	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0
2011	8.625	-	1.0	-	1.0	-	-	1.0	0.375	1.0	13.0

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Principal Room Taxpayers
June 30, 2020 and 2011
(Unaudited)

Taxpayer	2020			2011		
	Number of Rooms	Rank	Percentage of Total Rooms	Number of Rooms	Rank	Percentage of Total Rooms
Grand Sierra Resort	1,990	1	9.77%	1,990	1	8.06%
Silver Legacy Resort Casino	1,685	2	8.27%	1,710	2	6.92%
Peppermill Hotel Casino - Reno	1,623	3	7.97%	1,623	3	6.57%
Sparks Nugget, Inc.	1,382	4	6.79%	1,382	5	5.60%
Harrah's	928	5	4.56%	833	6	3.37%
Sands Regency	833	6	4.09%	824	7	3.34%
Atlantis Hotel Casino Resort	818	7	4.02%	824	8	3.34%
Eldorado Hotel & Casino	814	8	4.00%	815	9	3.30%
Circus Circus	669	9	3.28%	1,572	4	6.37%
Hyatt - Lake Tahoe	422	10	2.07%	422	10	1.71%
All Other Hotels	2,547		12.51%	3,202		12.97%
Total All Hotels	13,711		67.33%	15,197		61.55%
Motels	1,296		6.36%	2,172		8.80%
Other Rental Properties	5,359		26.31%	7,325		29.67%
Total Room Inventory	20,366		100.00%	24,694		100.00%

Notes:

- (1) The chief revenue source of the Authority is from room license taxes imposed on transient rental facilities located in Washoe County. The properties above represent the largest properties in this area and accordingly, represent the group which generates the largest volume of room license tax revenues.
- (2) One new hotel was built in the Reno-Sparks area in Fiscal Year 2019-2020.
- (3) The number of motels declined in Fiscal Year 2019-2020 due to closures.
- (4) Rental properties in Fiscal Year 2019-2020 declined due to demolition of properties.
- (5) Harrah's closed in October 2020; the property has subsequently been sold and will no longer operate as a hotel/casino.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities		Total Primary Government	Per Cash Occupied Room Night	Per Room Tax Revenue (8%)
	General Obligation Bonds	Medium Term Obligations			
2020	\$ 92,087,511	\$ -	\$ 92,087,511	\$ 33.97	\$ 3.62
2019	99,178,976	-	99,178,976	28.56	3.09
2018	103,552,511	-	103,552,511	27.78	3.32
2017	109,481,540	-	109,481,540	30.34	3.93
2016	113,853,953	-	113,853,953	32.27	4.48
2015	117,972,842	-	117,972,842	35.27	5.41
2014	121,765,749	-	121,765,749	36.34	5.95
2013	125,373,965	-	125,373,965	37.24	6.21
2012	124,675,330	-	124,675,330	38.50	6.71
2011	127,163,789	2,021,000	129,184,789	40.03	6.85

Note: Details regarding the outstanding debt can be found in the notes to the financial statements.

Note: Payment of general obligation bonds and medium term obligations is provided by transient lodging taxes (governmental activities).

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund (1)	Total	Per Cash Occupied Room Night	Per Room Tax Revenue (8%)
2020	\$ 92,087,511	\$ 10,614,390	\$ 81,473,121	\$ 30.05	\$ 3.20
2019	99,178,976	10,696,606	88,482,370	25.48	2.75
2018	103,552,511	10,647,804	92,904,707	24.93	2.98
2017	109,481,540	10,727,763	98,753,777	27.37	3.55
2016	113,853,953	10,367,353	103,486,600	29.33	4.08
2015	117,972,842	10,369,155	107,603,687	32.17	4.93
2014	121,765,749	10,346,610	111,419,139	34.41	5.44
2013	125,373,965	10,304,712	115,069,253	35.17	5.70
2012	124,675,330	9,172,338	115,502,992	36.13	6.22
2011	129,184,789	7,547,100	121,637,689	37.69	6.45

Note: Details regarding the outstanding debt can be found in the notes to the financial statements.

Note: Payment of general obligation bonds is provided by transient lodging taxes.

(1) This is the amount restricted for debt service principal payments.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Direct and Overlapping Governmental Activities Bonded Debt
June 30, 2020
(Unaudited)

Name of Government Unit	General Obligation Debt Outstanding (Thousands)	Present Self-Supporting General Obligation Debt (Thousands)	Percent Applicable to Washoe County	Applicable Net Debt (Thousands)
Debt repaid with taxes:				
Washoe County - Governmental Funds	\$ 120,853	\$ 36,421	100%	\$ 84,432
Washoe County School District	1,035,502	-	100%	1,035,502
City of Reno	362,065	329,485	100%	32,580
City of Sparks	31,404	3,471	100%	27,933
Incline Village General Improvement District	5,341	5,341	100%	-
State of Nevada	1,283,145	349,439	14%	131,559
Washoe County (RSCVA)	92,088	92,088	100%	-
Overlapping Bonded Debt				<u>1,312,006</u>
Direct debt:				
Washoe County (RSCVA)				<u>92,088</u>
Direct and Overlapping Debt				<u><u>\$ 1,404,094</u></u>

Note: The Authority's schedule of overlapping bonded debt is the same as Washoe County, Nevada's. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. The outstanding debt of those overlapping governments is borne by the residents and businesses of Washoe County. When considering the ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, every taxpayer is not responsible for repaying the debt of each overlapping government.

Note: Payment of general obligation bonds (direct debt) is provided by transient lodging taxes collected by the Authority.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 409,766	\$ 387,874	\$ 374,749	\$ 374,908	\$ 404,628	\$ 430,281	\$ 471,270	\$ 484,100	\$ 506,598	\$ 551,963
Total net debt applicable to limit	121,638	115,503	115,069	111,419	107,604	103,487	98,754	92,905	88,482	81,474
Legal debt margin	<u>\$ 288,128</u>	<u>\$ 272,371</u>	<u>\$ 259,680</u>	<u>\$ 263,489</u>	<u>\$ 297,024</u>	<u>\$ 326,794</u>	<u>\$ 372,516</u>	<u>\$ 391,195</u>	<u>\$ 418,116</u>	<u>\$ 470,489</u>
Total net debt applicable to the limit as a percentage of debt limit	29.68%	29.78%	30.71%	29.72%	26.59%	24.05%	20.95%	19.19%	17.46%	14.76%
										Assessed value
										<u>\$ 18,398,773</u>
										Debt limit (3% of assessed value)
										<u>551,963</u>
										Debt applicable to debt limit
										General obligation bonds
										92,088
										Amounts set aside for repayment of general obligation debt
										<u>(10,614)</u>
										Total net debt applicable to limit
										<u>81,474</u>
										Legal debt margin
										<u>\$ 470,489</u>

Note: The general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligations bonds.
Based on Fiscal Year 2020 Assessed Value

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Pledged Revenue Coverage

Last Ten Fiscal Years and June 30, 2021 (Budgeted)

(Unaudited)

	Fiscal Year										2021 (Budgeted)
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Net General Room License Taxes (1)	\$ 14,154,104	\$ 13,927,303	\$ 15,146,518	\$ 15,355,035	\$ 16,356,606	\$ 19,045,900	\$ 20,880,469	\$ 23,370,508	\$ 24,092,059	\$ 19,070,858	\$ 11,529,152
Convention Center Room Taxes (2)	4,718,032	4,642,435	5,048,839	5,118,345	5,452,202	6,348,633	6,960,157	7,790,169	8,030,686	6,356,953	3,843,049
Other Income (3)	6,802,082	6,927,116	6,778,259	6,946,306	6,406,639	6,569,101	6,361,506	6,848,948	7,926,528	5,654,677	4,191,159
Subtotal	25,674,218	25,496,854	26,973,616	27,419,686	28,215,447	31,963,634	34,202,132	38,009,625	40,049,274	31,082,488	19,563,360
Less: Operating and Maintenance Expenses (4)	11,654,707	10,827,579	11,732,595	11,498,233	11,476,156	12,002,634	12,562,649	13,922,439	15,072,913	15,061,126	8,397,203
Net Pledged Revenues	<u>\$ 14,019,511</u>	<u>\$ 14,669,275</u>	<u>\$ 15,241,021</u>	<u>\$ 15,921,453</u>	<u>\$ 16,739,291</u>	<u>\$ 19,961,000</u>	<u>\$ 21,639,483</u>	<u>\$ 24,087,186</u>	<u>\$ 24,976,361</u>	<u>\$ 16,021,362</u>	<u>\$ 11,166,156</u>
Combined Maximum Annual Debt Service on Pledged Revenue Bonds (5)	<u>\$ 12,576,313</u>	<u>\$ 9,669,044</u>	<u>\$ 9,669,044</u>	<u>\$ 9,669,044</u>	<u>\$ 9,669,044</u>	<u>\$ 9,669,044</u>	<u>\$ 9,669,044</u>	<u>\$ 9,596,793</u>	<u>\$ 9,240,024</u>	<u>\$ 9,178,782</u>	<u>\$ 9,178,782</u>
Coverage Factor (6)	1.11	1.52	1.58	1.65	1.73	2.06	2.24	2.51	2.70	1.75	1.22

(1) Pledged Room License Taxes levied at a rate of 6%, Net of Collection Allowance.

(2) Proceeds of 2% Convention Center Tax.

(3) Includes RSCC, RSLEC, Special Events, Golf Course and Interest Revenues (excluding termination of investment contract in 2013).

(4) Includes General Government Expenditures (excluding capital expenditures), Community Support - Facility Operations Expenditures (excluding National Bowling Stadium/Reno Events Center), Certain Community Support - Convention and Tourism Promotion Expenditures, and Golf Course Expenditures. Community Support - Convention and Tourism Promotion Expenditures relating to promotion and advertising have been excluded.

(5) Total of Maximum Annual Debt Service Requirements on the General License Tax Bonds per the bond requirements.

(6) Pledged revenues divided by combined maximum annual debt service on pledged revenue bonds.

(7) Golf course revenues and expenditures are not recurring after 2019 due to the sale of the Golf Course operations.

Note: Details regarding outstanding debt can be found in the notes to the financial statements.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)
(Dollars Expressed in Thousands)

Fiscal Year	Population	Per Capita Income (Thousands)	Median Age	School Enrollment	Unemployment Rate (Percent)	Taxable Sales (Thousands)	Gross Gaming Win (Thousands)	Total Passenger Air Traffic
2020	472,069	\$ 60	38.1	66,913	3.20%	\$ 9,250	\$ 631	3,378,405
2019	475,596	55	38.0	66,960	3.60%	8,829	785	4,298,555
2018	467,417	48	37.9	66,989	4.20%	8,531	779	4,128,476
2017	459,142	48	37.5	63,919	4.00%	7,989	738	3,819,896
2016	451,248	51	37.5	63,670	5.90%	7,550	789	3,563,818
2015	444,008	48	37.4	63,108	6.40%	6,818	765	3,297,642
2014	436,647	48	37.6	62,986	7.20%	6,371	745	3,312,839
2013	434,120	47	37.6	62,424	9.80%	5,825	741	3,514,421
2012	427,704	45	37.4	62,220	12.30%	5,523	738	3,561,557
2011	421,593	49	37.2	62,324	13.20%	5,283	751	3,795,421

Source: Washoe County CAFR, FY 2020, Schedule 4.1.

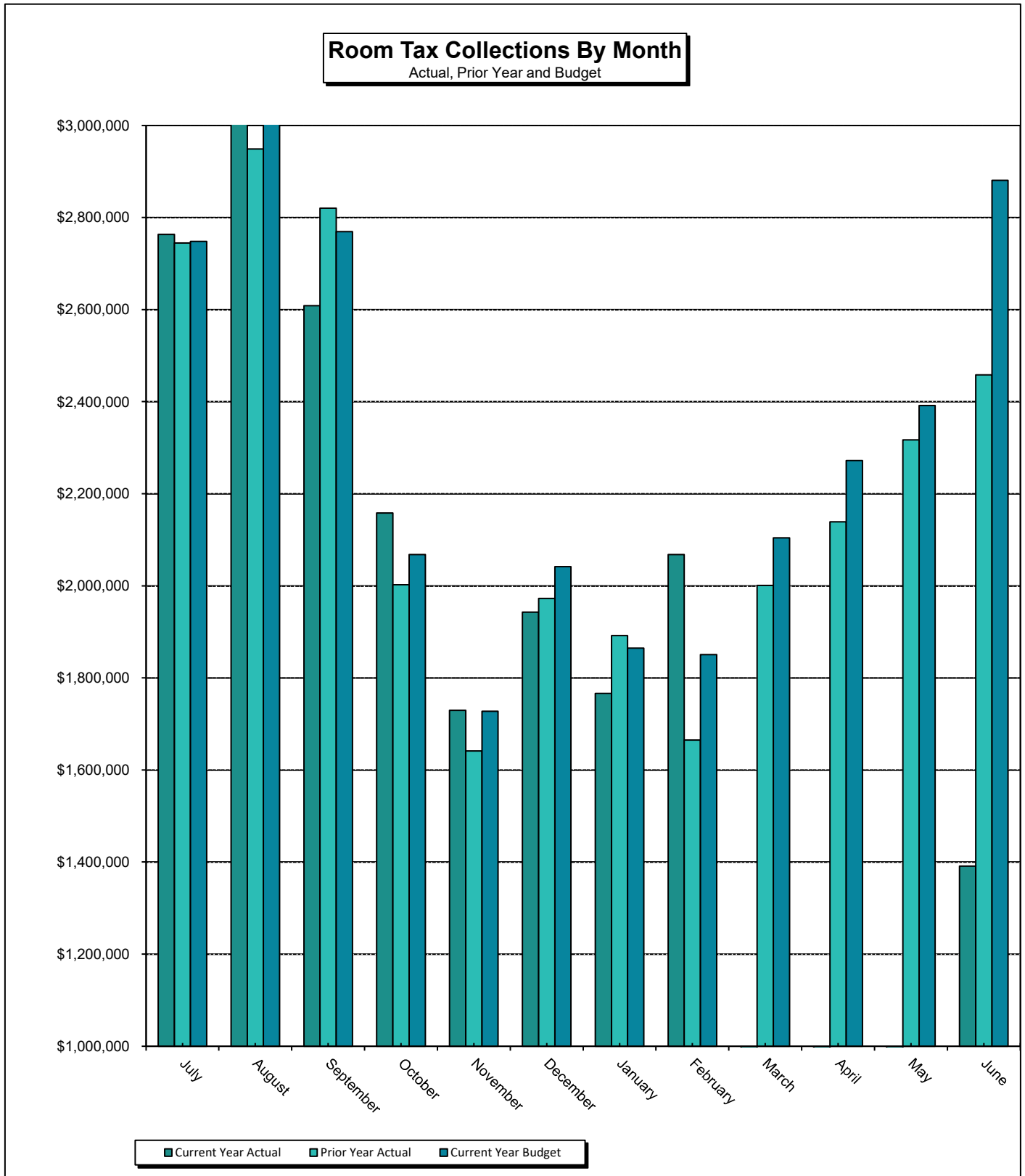
RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Employer	December, 2019			December 2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washoe County School District	8,750	1	3.47%	7,750	1	4.22%
Renown Medical Center	7,500	2	2.97%	2,250	4	1.22%
University of Nevada - Reno	4,750	3	1.88%	4,750	2	2.58%
Peppermill Hotel Casino - Reno	3,000	4	1.19%	2,250	5	1.22%
Grand Sierra Resort	3,000	5	1.19%	1,750	9	0.95%
Silver Legacy Resort Casino	3,000	6	1.19%	1,750	7	0.95%
Harahs	3,000	7	1.19%	-	-	-
Eldorado Hotel & Casino	3,000	8	1.19%	-	-	-
St. Mary's	3,000	9	1.19%	1,750	10	0.95%
Washoe County	2,800	10	1.11%	2,750	3	1.50%
Atlantis Casino Resort	-	-	-	1,750	8	0.95%
International Game Technology PLC2	-	-	-	2,250	6	1.22%
 Total Washoe County Covered Employment	 <u>252,484</u>			 <u>183,850</u>		

Note: Nevada Revised Statute Chapter 612 stipulates that actual employment for individual employers may not be published. The number of employees are estimated using the midpoint.

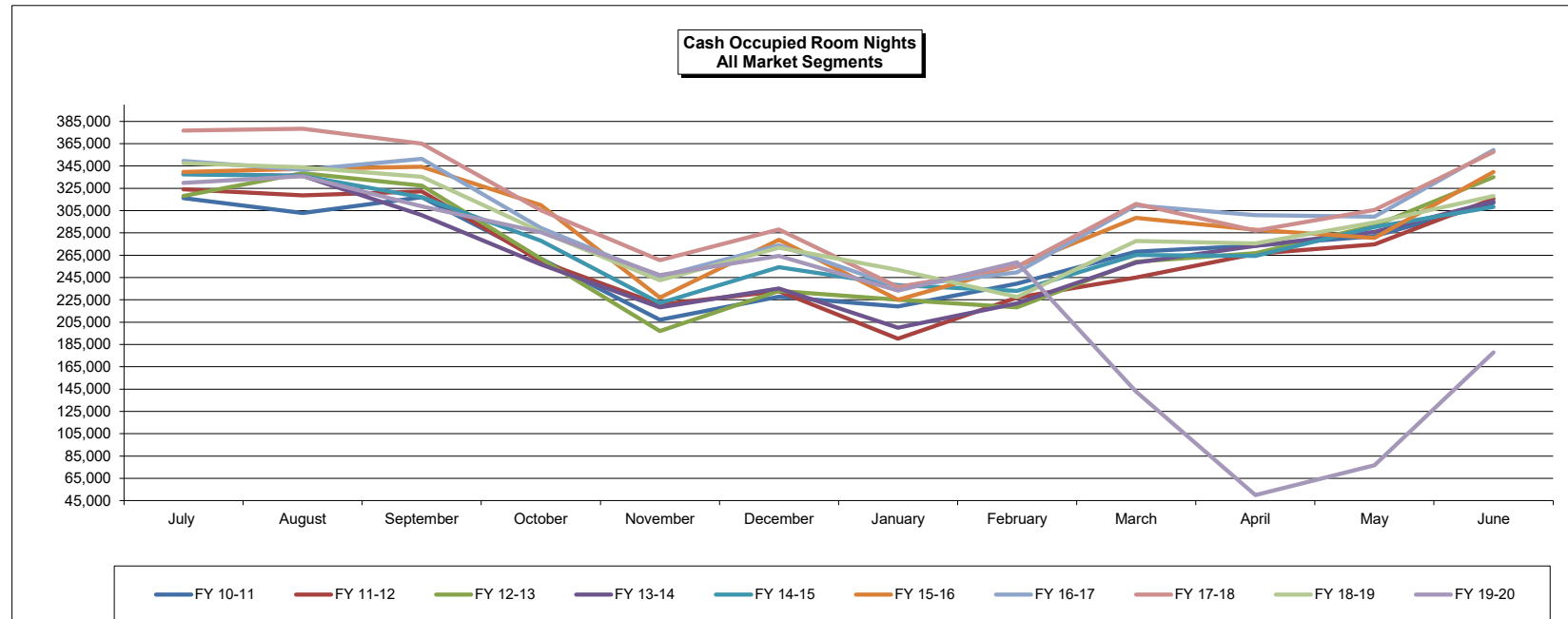
Source: Washoe County CAFR, FY 2020, Schedule 4.2.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
General Room Tax (6 5/8%) Collections
Fiscal Year 2019-20
(Unaudited)



RENO-SPARKS CONVENTION & VISITORS AUTHORITY **Cash Occupied Room Nights - Consolidated Summary** **Last Ten Fiscal Years**

Month	Actual									
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
July	316,313	324,182	318,179	337,964	337,506	339,576	349,602	376,823	347,401	329,772
August	302,815	318,733	338,661	336,075	336,070	342,310	341,443	378,365	343,719	335,749
September	317,067	322,157	327,404	300,877	317,039	344,280	351,394	365,040	335,338	308,779
October	261,977	259,480	261,889	256,714	277,970	310,005	289,432	305,381	286,215	285,697
November	207,013	220,632	196,927	218,319	222,114	226,892	245,978	260,669	242,645	247,320
December	227,942	232,863	233,159	235,178	254,403	278,784	274,069	288,203	271,632	264,423
January	218,984	190,101	225,127	200,001	238,144	224,971	236,825	236,592	251,817	233,295
February	239,690	226,933	218,290	221,878	233,050	255,092	249,799	254,967	227,442	258,768
March	268,092	245,083	259,120	258,279	265,273	298,449	309,745	310,967	277,855	142,786
April	273,572	266,197	266,776	273,333	264,284	287,960	301,000	287,038	275,513	49,924
May	282,148	274,670	291,465	286,043	290,428	280,547	299,539	305,590	294,377	76,626
June	311,790	315,619	334,967	313,347	308,247	339,755	359,361	357,595	318,248	178,050
Totals	3,227,403	3,196,650	3,271,964	3,238,008	3,344,528	3,528,621	3,608,187	3,727,230	3,472,202	2,711,189

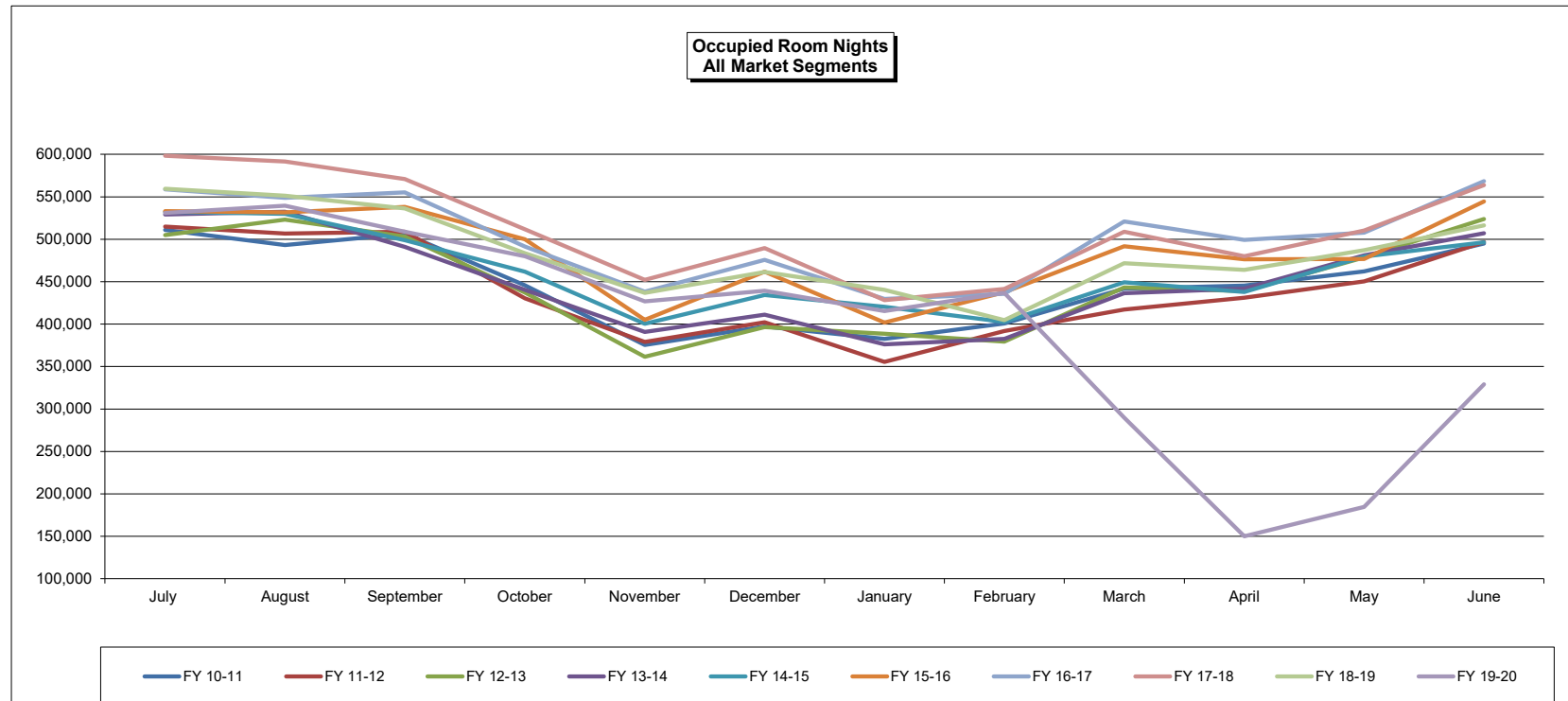


RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Occupied Rooms - Consolidated Summary

Last Ten Fiscal Years

Month	Actual									
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
July	511,070	514,933	504,829	529,220	532,560	533,061	558,932	598,303	559,625	531,028
August	493,240	506,798	523,217	532,551	530,095	531,622	548,907	591,815	551,515	539,449
September	506,409	508,993	503,063	490,994	498,961	538,200	555,329	571,095	536,269	509,046
October	445,898	430,410	437,336	440,343	461,911	499,815	491,289	511,826	483,734	480,021
November	375,430	379,127	361,447	390,984	400,324	405,085	438,248	451,999	436,662	426,923
December	397,109	402,111	396,688	411,024	434,190	461,879	475,810	489,652	461,499	439,175
January	382,758	355,509	388,712	376,196	420,430	402,010	429,629	428,069	440,561	415,410
February	400,769	391,990	379,529	382,620	402,632	437,603	435,728	441,422	404,774	436,826
March	441,895	417,315	443,399	436,577	449,343	491,853	520,869	508,940	471,663	289,802
April	445,322	431,115	438,907	441,992	437,895	476,563	499,243	479,824	464,116	150,199
May	461,995	450,550	478,420	481,152	479,544	476,722	507,723	510,342	487,166	184,576
June	495,145	496,796	523,852	507,148	496,475	544,683	568,328	563,983	516,516	329,228
Totals	5,357,040	5,285,647	5,379,399	5,420,801	5,544,360	5,799,096	6,030,035	6,147,270	5,814,100	4,731,683

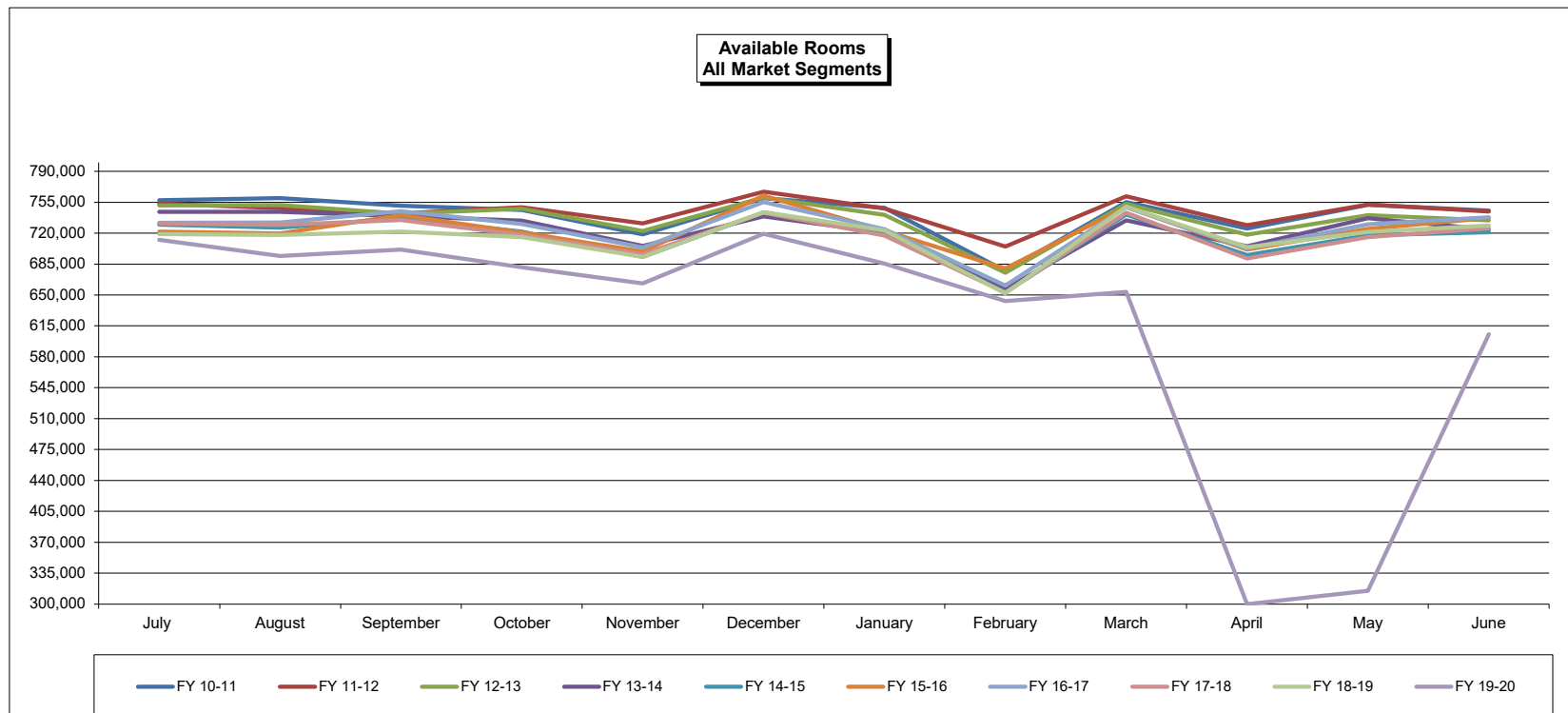


RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Available Rooms - Consolidated Summary

Last Ten Fiscal Years

Month	Actual									
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
July	757,360	753,354	751,282	744,241	729,570	721,835	731,702	731,201	718,901	712,349
August	759,705	748,217	751,840	744,264	726,198	719,719	732,118	729,381	717,933	694,199
September	751,046	742,367	742,079	739,470	736,938	740,540	744,788	734,903	721,601	701,251
October	746,175	749,517	747,812	734,229	721,834	720,713	730,300	718,089	715,635	681,532
November	718,569	731,159	722,305	705,433	693,243	699,173	703,727	696,359	693,249	663,051
December	759,685	766,953	760,292	738,961	743,518	762,491	755,047	743,272	743,974	719,297
January	748,589	747,888	740,895	720,369	720,095	722,837	724,611	717,408	723,307	685,580
February	677,153	704,680	675,106	656,764	653,041	680,113	660,509	652,882	651,781	643,246
March	755,304	761,957	753,038	734,466	741,067	749,754	749,479	743,181	749,932	653,497
April	725,351	728,846	718,317	705,176	695,316	701,381	702,683	691,245	704,232	300,007
May	751,958	752,568	740,438	736,949	717,597	725,039	729,877	715,560	721,578	314,996
June	745,647	744,525	734,364	724,331	721,209	737,442	737,904	725,572	728,588	605,567
Totals	8,896,542	8,932,031	8,837,768	8,684,653	8,599,626	8,681,037	8,702,745	8,599,053	8,590,711	7,374,572

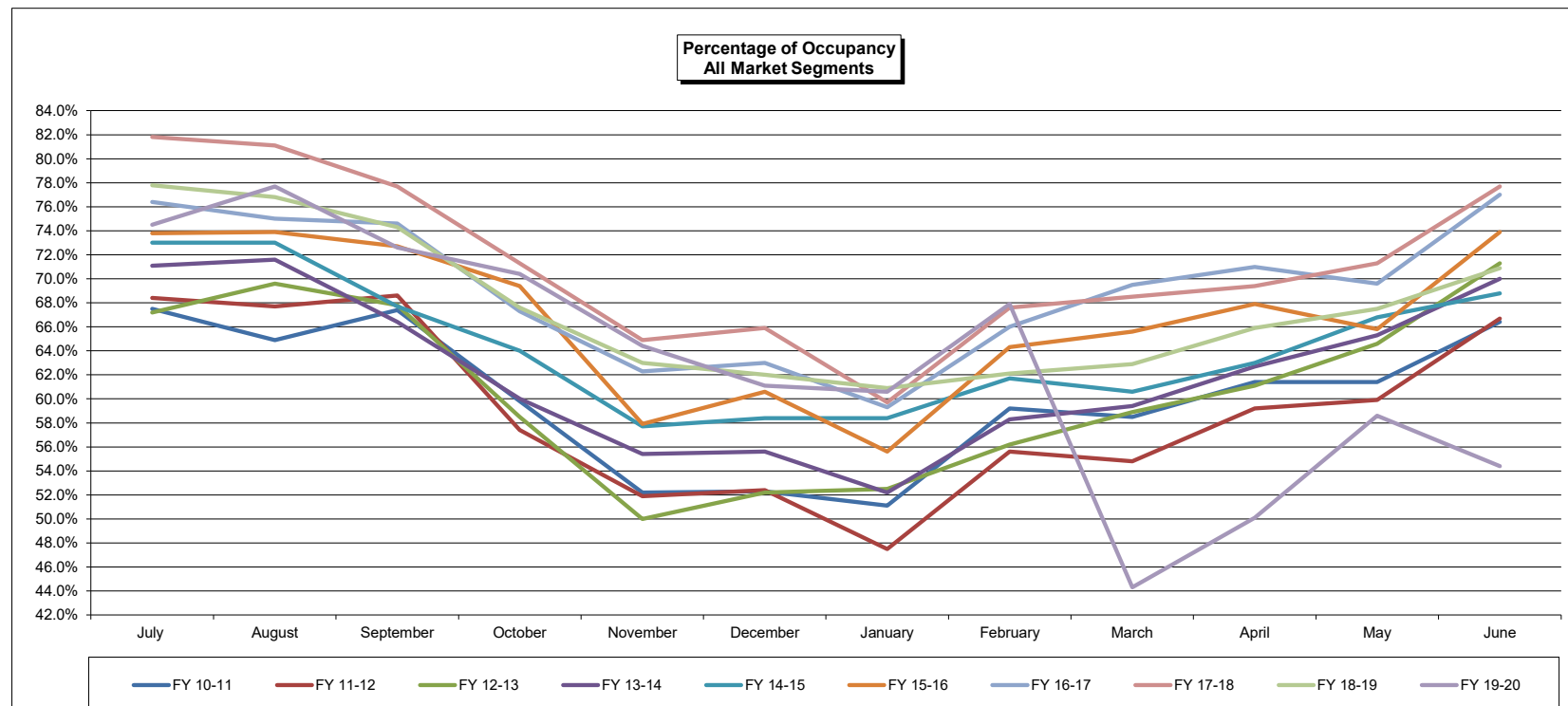


RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Percentage of Occupancy - Consolidated Summary

Last Ten Fiscal Years

Month	Actual									
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
July	67.5%	68.4%	67.2%	71.1%	73.0%	73.8%	76.4%	81.8%	77.8%	74.5%
August	64.9%	67.7%	69.6%	71.6%	73.0%	73.9%	75.0%	81.1%	76.8%	77.7%
September	67.4%	68.6%	67.8%	66.4%	67.7%	72.7%	74.6%	77.7%	74.3%	72.6%
October	59.8%	57.4%	58.5%	60.0%	64.0%	69.4%	67.3%	71.3%	67.6%	70.4%
November	52.2%	51.9%	50.0%	55.4%	57.7%	57.9%	62.3%	64.9%	63.0%	64.4%
December	52.3%	52.4%	52.2%	55.6%	58.4%	60.6%	63.0%	65.9%	62.0%	61.1%
January	51.1%	47.5%	52.5%	52.2%	58.4%	55.6%	59.3%	59.7%	60.9%	60.6%
February	59.2%	55.6%	56.2%	58.3%	61.7%	64.3%	66.0%	67.6%	62.1%	67.9%
March	58.5%	54.8%	58.9%	59.4%	60.6%	65.6%	69.5%	68.5%	62.9%	44.3%
April	61.4%	59.2%	61.1%	62.7%	63.0%	67.9%	71.0%	69.4%	65.9%	50.1%
May	61.4%	59.9%	64.6%	65.3%	66.8%	65.8%	69.6%	71.3%	67.5%	58.6%
June	66.4%	66.7%	71.3%	70.0%	68.8%	73.9%	77.0%	77.7%	70.9%	54.4%
Totals	60.2%	59.2%	60.9%	62.4%	64.5%	66.8%	69.3%	71.5%	67.7%	64.2%

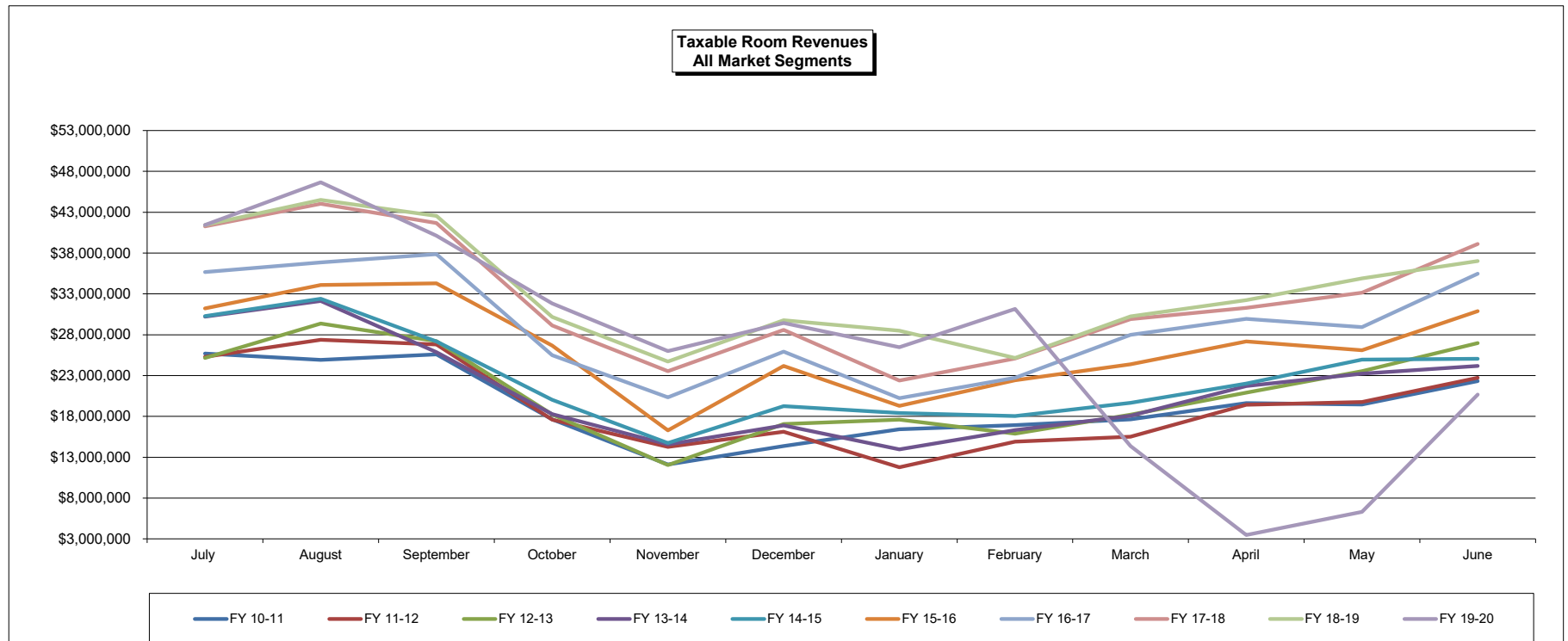


RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Taxable Room Revenues - Consolidated Summary

Last Ten Fiscal Years

Month	Actual									
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
July	\$ 25,696,516	\$ 25,281,560	\$ 25,137,500	\$ 30,224,159	\$ 30,292,027	\$ 31,230,612	\$ 35,677,262	\$ 41,265,679	\$ 41,424,217	\$ 41,432,593
August	24,916,307	27,369,572	29,376,209	32,130,756	32,403,508	34,091,992	36,868,031	44,034,254	44,483,946	46,663,912
September	25,603,229	26,789,879	27,213,720	25,870,198	27,164,225	34,288,906	37,851,442	41,663,504	42,554,492	40,136,140
October	17,625,635	17,588,547	18,247,114	18,292,143	20,025,803	26,673,296	25,496,440	29,124,783	30,171,237	31,825,308
November	12,100,762	14,273,785	12,032,690	14,560,736	14,727,649	16,304,190	20,342,704	23,533,775	24,707,237	26,001,367
December	14,352,271	16,130,427	17,067,070	16,879,494	19,246,588	24,164,711	25,936,180	28,595,173	29,774,489	29,450,353
January	16,425,797	11,769,999	17,614,224	13,970,116	18,425,487	19,286,992	20,242,930	22,378,105	28,502,864	26,480,876
February	16,931,637	14,903,511	15,868,966	16,313,115	18,040,839	22,422,874	22,714,040	25,079,380	25,140,512	31,144,994
March	17,625,363	15,504,003	18,208,897	18,069,943	19,662,419	24,386,491	27,985,952	29,897,187	30,258,098	14,351,584
April	19,621,418	19,406,879	20,900,615	21,706,493	22,032,831	27,186,846	29,934,593	31,304,806	32,226,425	3,492,216
May	19,463,389	19,775,919	23,544,500	23,219,292	24,957,366	26,084,433	28,917,716	33,145,852	34,884,475	6,314,893
June	22,316,655	22,732,452	26,982,253	24,191,921	25,062,328	30,892,727	35,458,717	39,122,428	37,029,240	20,676,213
Totals	\$ 232,678,979	\$ 231,526,531	\$ 252,193,754	\$ 255,428,365	\$ 272,041,067	\$ 317,014,070	\$ 347,426,006	\$ 389,144,926	\$ 401,157,234	\$ 317,970,450

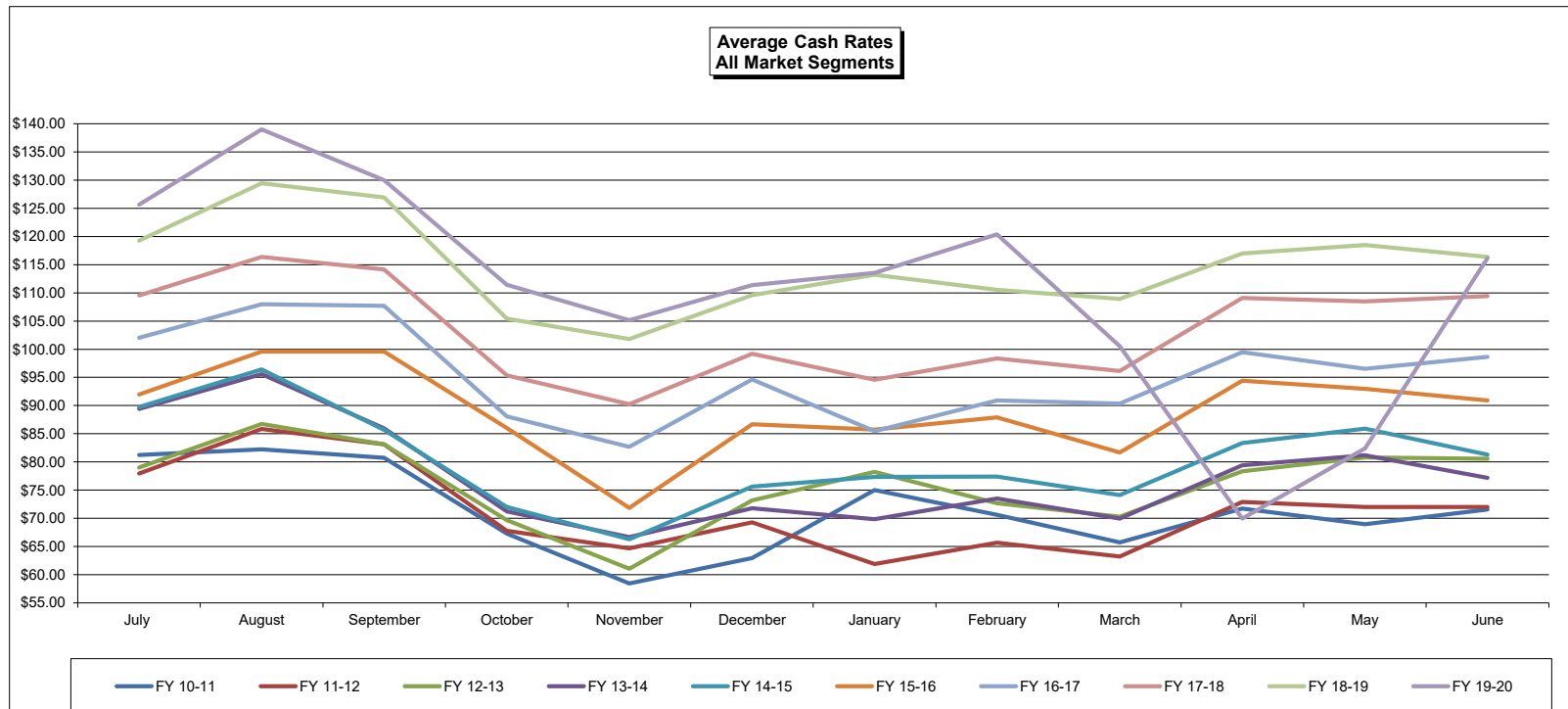


RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Average Cash Rates - Consolidated Summary

Last Ten Fiscal Years

Month	Actual									
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
July	\$ 81.24	\$ 77.99	\$ 79.00	\$ 89.43	\$ 89.75	\$ 91.97	\$ 102.05	\$ 109.51	\$ 119.24	\$ 125.64
August	82.28	85.87	86.74	95.61	96.42	99.59	107.98	116.38	129.42	138.98
September	80.75	83.16	83.12	85.98	85.68	99.60	107.72	114.13	126.90	129.98
October	67.28	67.78	69.67	71.25	72.04	86.04	88.09	95.37	105.41	111.40
November	58.45	64.69	61.10	66.69	66.31	71.86	82.70	90.28	101.82	105.13
December	62.96	69.27	73.20	71.77	75.65	86.68	94.63	99.22	109.61	111.38
January	75.01	61.91	78.24	69.85	77.37	85.73	85.48	94.59	113.19	113.51
February	70.64	65.67	72.70	73.52	77.41	87.90	90.93	98.36	110.54	120.36
March	65.74	63.26	70.27	69.96	74.12	81.71	90.35	96.14	108.90	100.51
April	71.72	72.90	78.35	79.41	83.37	94.41	99.45	109.06	116.97	69.95
May	68.98	72.00	80.78	81.17	85.93	92.98	96.54	108.47	118.50	82.41
June	71.58	72.02	80.55	77.20	81.31	90.93	98.65	109.40	116.35	116.13
Totals	\$ 72.09	\$ 72.43	\$ 77.08	\$ 78.88	\$ 81.34	\$ 89.84	\$ 96.29	\$ 104.41	\$ 115.53	\$ 117.28



RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Full-time Equivalent Employees by Function
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
General Government	14.0	11.5	11.5	11.5	11.5	11.5	11.5	14.5	15.25	10.0
Culture and Recreation	26.0	-	-	-	-	-	-	-	-	-
Community Support	161.0	180.0	181.0	181.0	173.0	165.0	106.5	40.0	35.50	27.0
Total	201.0	191.5	192.5	192.5	184.5	176.5	118.0	54.5	50.75	37.00

Notes:

- (1) Information provided on budgeted employees.
- (2) The RSCVA transitioned to a third party agent to handle site facilities for Reno - Sparks Convention Center, National Bowling Stadium, Reno Events Center, and Reno Lovestock Events Center.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
Convention Center, Reno-Sparks Livestock Events Center, National Bowling Stadium
and Reno Events Center Activity Summary
(Unaudited)

Future Bookings and Projected Attendance

	Convention Center		Reno-Sparks Livestock Events Center		National Bowling Stadium		Reno Events Center	
Fiscal Year	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance
2021	49	116,000	31	284,300	18	5,445	11	81,000
2022	89	210,000	100	350,000	100	120,000	60	189,000
2023	123	288,000	105	355,000	50	25,000	70	189,000
2024	210	395,000	114	395,000	125	155,000	70	219,000
2025	217	418,500	124	410,000	128	159,000	76	238,500

Notes:

1) Number of events includes conventions and trade shows currently scheduled on a tentative basis. (Note: Firm contracted dates are issued only one year in advance).

Historical Usage and Attendance

	Convention Center		Reno-Sparks Livestock Events Center		National Bowling Stadium		Reno Events Center	
Fiscal Year	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance
2011	121	310,824	168	444,553	73	204,177	49	150,748
2012	128	275,837	148	321,875	56	98,158	53	163,018
2013	102	422,042	100	282,357	80	190,791	56	147,489
2014	94	311,235	80	300,000	78	172,717	52	126,979
2015	97	278,213	70	302,413	93	75,684	49	100,015
2016	102	190,007	71	283,174	83	156,932	55	176,402
2017	110	277,959	75	315,350	112	40,313	54	157,800
2018	112	294,637	76	334,271	94	77,955	56	167,268
2019	185	287,614	88	101,889	72	17,686	45	115,517
2020	114	159,433	39	187,613	21	5,045	26	73,947

Notes:

1) Number of events includes all show activity (conventions, trade shows, public consumer shows, concerts and meetings).

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
CAPITAL ASSET STATISTICS BY FUNCTION
JUNE 30, 2020
(UNAUDITED)

Community Support

The Board approved an agreement with ASM Global for the management and operation of the National Bowling Stadium, Reno Events Center, Reno-Sparks Convention Center and Reno-Sparks Livestock Events Center which began on June 17, 2018. ASM is responsible for all day to day operations of the Authority facilities and has assumed all existing operations, management and support services contracts in place at the Authority facilities, including, but not limited to, Customer Event contracts (license contracts and service contracts with shows/associations/corporations), Event Service contracts (audio-visual, event security, housekeeping and set-up) and Building Service contracts (landscaping, building utilities, maintenance, building security).

Reno-Sparks Convention Center

The Reno-Sparks Convention Center (RSCC) complex hosts national and regional conventions and trade shows. The RSCC, located south of the downtown area, offers more than 600,000 square feet of single-level exhibition and meeting space. The space features 381,000 square feet of contiguous exhibit space in five adjoining halls. More than 105,000 square feet of meeting room space in 53 meeting rooms, with seating capacities ranging from 50 to 3,000 persons. On-site parking capacity totals 1,800 stalls.

The Convention Center also features a 30,000 square foot ballroom – sub divisible into seven smaller rooms. A full range of food service capabilities are available ranging from concession stands, portable food stations and cocktail lounges to catered banquet arrangements for more formal dining. A central Food Court offers attendees the ability to select from three themed cafes. In addition, the RSCC features 106,000 square feet of public concourse/registration space and improved show load-in/out capabilities, enabling concurrent major events. The Convention Center is connected via sky bridge to an adjacent hotel.

Reno-Sparks Livestock Events Center

The Reno-Sparks Livestock Events Center is a large multi-purpose public assembly facility located on the northern edge of downtown Reno. The Center is a 43-acre complex that includes two indoor and two outdoor arenas, 660 animal stalls, 19 barns, a 20,000 square foot exhibition hall and 3,100 paved and lighted parking spaces.

Home of the world-famous Reno Rodeo, the facility hosts a myriad of special events ranging from annual USA BMX bicycle races to premier equine competitions, including the Snaffle Bit Futurity, Regional International Arabian Horse Association competitions, and the ACTRA team roping finals.

Reno Events Center

The Reno Events Center is owned by the City of Reno and operated by the RSCVA. The 118,000 square foot facility opened in January 2005. The Center consists of 56,000 square

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
CAPITAL ASSET STATISTICS BY FUNCTION
JUNE 30, 2020
(UNAUDITED)
(CONTINUED)

feet of free span exhibit space (which is utilized for both convention and meeting space, as well as concerts, boxing, indoor football and basketball), 4,954 square feet of dedicated meeting space with nine rooms varying in size from 400 to 850 square feet, two loading docks, six dressing rooms and two event and promoter offices. When utilized for concerts, the Facility can accommodate up to 7,500 patrons.

National Bowling Stadium

The Authority transferred ownership of the Stadium to the City of Reno in May 2002, but continues to operate the facility through a management agreement.

The National Bowling Stadium is an 88-lane tournament bowling facility situated within the central business/gaming/entertainment district of downtown Reno. Home to the prestigious United States Bowling Congress Open Championships, returning in 2020 and the United States Bowling Congress Women's Championships, returning in 2021. The National Bowling Stadium is currently undergoing a \$4.5 million remodel of the main tournament floor.

The National Bowling Stadium facility provides a wealth of visitor amenities including 300 covered parking spaces, a 10,000 square foot bowling pro shop which includes an instructional bowling lane, and a visitor information center. Located on the first floor is the Satellite International Bowling Hall of Fame/Museum showcasing ABC, WIBC and PBA Hall of Fame members and bowling memorabilia from all over the world. Also, on the first level is the Kingpin Club, a ten lane VIP bowling center that can be used for tournaments and rented for corporate/convention parties for up to 125 people.

COMPLIANCE SECTION



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

To the Board of Directors
Reno-Sparks Convention & Visitors Authority, Nevada
Reno, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Reno-Sparks Convention & Visitors Authority, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Reno-Sparks Convention & Visitors Authority's basic financial statements and have issued our report thereon dated November 24, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2020-001 that we consider to be a material weakness.

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Compliance and Other Matters

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

Reno-Sparks Convention & Visitors Authority's Response to Findings

The Reno-Sparks Convention & Visitor's Authority's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. Reno-Sparks Convention & Visitors Authority response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Reno, Nevada
November 24, 2020



Auditor's Comments

To the Board of Directors
Reno-Sparks Convention & Visitors Authority, Nevada
Reno, Nevada

In connection with our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Reno-Sparks Convention & Visitors Authority (the Authority) as of and for the year ended June 30, 2020, and the related notes to the financial statements, nothing came to our attention that caused us to believe that the Authority failed to comply with the specific requirements of Nevada Revised Statutes cited below. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures other matters may have come to our attention regarding the Authority's noncompliance with the requirements of Nevada Revised Statutes cited below, insofar as they relate to accounting matters.

Current Year Statute Compliance

The Authority conformed to all significant statutory constraints on its financial administration during the year.

Progress on Prior Year Statute Compliance

Budget augmentations were monitored to avoid use of anticipated resources, not actually received. No augmentations of the budget were made during the year ended June 30, 2020.

Prior Year Recommendations

There were no specific recommendations made in the audit report for the year ended June 30, 2019.

Current Year Recommendations

The current year finding is included in the accompanying Schedule of Findings and Responses.

A handwritten signature in black ink that reads "EideBailly LLP".

Reno, Nevada
November 24, 2020

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2020**

**2019-001: OPEB Related Matters
 Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly reporting the Total OPEB Liability is a component of effective internal control over financial reporting.

Condition: During our testing over the actuary report involving the Reno-Sparks Convention & Visitors Authority Retiree Health Benefit Program (RRHBP), we noted that an unexpected change (error) was discovered in amounts previously reported by the third-party actuary for OPEB related amounts. While preparing the June 30, 2019 actuarial valuation, the actuary discovered that a change in benefit terms was not properly included in their prior year valuation.

Cause: The Reno-Sparks Convention & Visitors Authority did not have adequate controls in place to ensure that amounts reported by the third-party actuary for OPEB related amounts were appropriately reflected in the financial statements.

Effect: Prior to restatement, beginning net position in the Governmental Activities was understated by \$1,074,956.

Recommendation: We recommend the Reno-Sparks Convention & Visitors Authority enhance controls, or review, of the third-party actuary to ensure that OPEB related amounts are accurately recorded in the year in which changes in benefit terms are adopted.

Views of Responsible Officials: As stated above, this finding is in relation to the amounts reported by the third-party actuary in the prior period. The controls in place during the current period detected and corrected this misstatement, therefore, we consider this finding to be resolved. Further, we have held discussions with our actuary to ensure that the benefit terms of the OPEB plans are understood.



To: RSCVA Board of Directors

From: Robert Chisel, Director of Finance

CC: Charles Harris, President/CEO
Mayor Hillary Schieve, Board Chair

Date: December 3, 2020

Subject: **A resolution pertaining to the issuance of general obligation bonds by the Reno-Sparks Convention & Visitors Authority in the name of and on behalf of Washoe County, for the purpose of refunding certain outstanding bonds issued by the Authority in the name of and on behalf of the county.**

Executive Summary

The Authority's Convention Center Refunding Bonds Series 2011, Series 2019A, and Series 2019B Bonds are proposed to be refunded through Washoe County. Our financial advisor has determined that a refunding the bonds will provide significant savings. Attached is the resolution authorizing the issuance of refunding bonds.

These bonds are refunding bonds only, with no new money funding requested and no extension of the maturity dates.

Background

The Authority currently has three series of bonds issued and outstanding. These bonds and their predecessor series were issue for the expansion and remodel of the Reno-Sparks Convention Center in 2000. Below is the current bonds outstanding and their principal balance as of September 30, 2020.

	Interest Rate	Maturity Date	Original Issue	Balance 09/30/2020
2011 Series Refunding	2.0 - 5.0%	2032	\$ 88,680,000	\$ 19,270,000
2019A Series Refunding	3.09%	2032	20,000,000	19,359,000
2019B Series Refunding	3.27%	2032	48,897,000	47,355,000
				<u>\$ 85,984,000</u>

The Bonds are supported by pledged revenues which includes the proceeds of a 2% license tax imposed upon the rental of transient lodging within the County, General Room



License Taxes (6%), and Facilities Revenues. The bonds will be issued through Washoe County. Based on the current market environment, it is anticipated that a negotiated sale would be beneficial for the refunding of all of the bonds outstanding. A negotiated sale, where the underwriter has greater interaction with the Authority and bond investors, provides a greater certainty that bonds will be priced appropriately.

Based upon current market rates, the savings from the refunding are anticipated to be approximately \$6 million, with an average savings of \$500 thousand per year in costs.

Fiscal Impact

The transaction cost of the refunding is estimated to be approximately \$150,000, which will be incorporated in the refunded bonds. The transaction costs will consist of bond counsel (Sherman & Howard), bond advisor (JNA Consulting), trustee, and other professional services. The estimated overall savings are anticipated to be \$6,000,000 over the remaining life of the bonds. The payments will be adjusted in the annual budgets. Attached is the estimated savings in the Refunding Summary.

Recommendation

Staff recommends approval of this resolution authorizing the Vice President of Finance and Operations to arrange for the issuance and sale, in accordance with Chapter 350 of NRS, of general obligation (limited tax) refunding bonds (secured with pledged revenues) in one or more series in a principal amount necessary to effect the refunding. The Vice President of Finance and Operations, after arranging for the sale of the Bonds, shall present the proposed terms of the sale to the Board of the Authority for its approval by adoption of the Bond Resolution and to the Board of County Commissioners for its approval by adoption of the Ratification Ordinance.

RESOLUTION NO. 589

A RESOLUTION PERTAINING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS BY THE RENO-SPARKS CONVENTION & VISITORS AUTHORITY IN THE NAME OF AND ON BEHALF OF WASHOE COUNTY, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING BONDS ISSUED BY THE AUTHORITY IN THE NAME OF AND ON BEHALF OF THE COUNTY; AUTHORIZING THE VICE PRESIDENT OF FINANCE AND OPERATIONS TO ARRANGE FOR THE SALE OF THE BONDS; AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Board (the "Board") of the Reno-Sparks Convention & Visitors Authority, Nevada (the "Authority") is authorized, in the name of and on behalf of Washoe County, (the "County"), to issue bonds to refund certain outstanding bonds of the Authority issued in the name of and on behalf of the County (the "Project"); and

WHEREAS, the Board, acting by and through the County, has previously issued its Washoe County, Nevada, General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority, Refunding Bonds (Additionally Secured with Pledged Revenues), Series 2011, its Washoe County, Nevada, Taxable/Tax-Exempt General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues), Series 2019A and its Washoe County, Nevada, Taxable/Tax-Exempt General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues), Series 2019B; and

WHEREAS, Section 4.7 of the Reno-Sparks Convention & Visitors Authority Washoe County Cooperative Agreement Regarding General Obligation Backing of Bonds dated November 23, 1999 as amended (the "Cooperative Agreement") states that "[p]rior to incurring additional medium or long-term debt, which includes, but is not limited to bank loans and revenue bonds or any other obligations that cause the authority to pledge or be payable from any legally available funding for more than one year, the Authority will be required to have available revenue, not pledged for existing debt payments, or required to be deposited into the Sinking Fund, or required for necessary ongoing Authority operating expenses that is two (2) times the annual payment of the proposed debt or obligation. Upon written request from the Authority, the County may modify or waive this requirement."

**NOW, THEREFORE, BE IT RESOLVED BY THE RENO-SPARKS
CONVENTION AND VISITORS AUTHORITY OF WASHOE COUNTY, NEVADA:**

Section 1. This resolution shall be known and may be cited by the short title "2020/2021 Refunding Bond Sale Resolution" (the "Resolution").

Section 2. The Vice President of Finance and Operations is hereby authorized to arrange for the issuance and sale, in accordance with Chapter 350 of NRS (the "Bond Act"), of general obligation (limited tax) refunding bonds (additionally secured with pledged revenues) in one or more series in a principal amount necessary to effect the Project (the "Bonds"), including the costs of issuance thereof.

Section 3. The Vice President of Finance and Operations is authorized to specify the terms of the Bonds, the method of their sale, the final principal amount of the Bonds, the terms of their repayment and security therefor, and other details of the Bonds, all subject to: (a) the provisions of the Bond Act, (b) ratification by the Board of Directors of the Authority by adoption of one or more bond resolutions specifying the Bond terms and details and approving their sale (the "Bond Resolution") and (c) approval by the Board of County Commissioners by the adoption of a ratification ordinance (the "Ratification Ordinance").

Section 4. The officers of the County and the Authority are hereby authorized to take all action necessary or appropriate to effectuate the provisions of this Resolution, including without limitation (a) executing the agreements for professional services concerning the Bonds with the Authority's bond counsel and special counsel for disclosure, municipal advisors and underwriters of the Bonds; (b) assembling of financial and other information concerning the County, the Authority, the Project and the Bonds, (c) preparing and circulating a request for proposals to purchase the Bonds from financial institutions for the purchase of the Bonds in the form specified by the Vice President of Finance and Operations and (d) preparing and circulating a preliminary official statement and an official statement for the Bonds, in the form specified by the Vice President of Finance and Operations or President/CEO. The Vice President of Finance and Operations or President/CEO is authorized to deem the official statement or preliminary official statement to be a "final" official statement on behalf of the Authority and the County for the purposes of Rule 15c2-12 of the Securities and Exchange Commission..

Section 5. The Vice President of Finance and Operations, after arranging for the sale of the Bonds, shall present the proposed terms of the sale to the Board of the Authority for its approval by adoption of the Bond Resolution and to the Board of County Commissioners for its approval by adoption of the Ratification Ordinance.

Section 6. The Authority hereby requests in writing that the County waive the provisions of Section 4.7 of the Cooperative Agreement as to the Bonds, thereby allowing the Authority to issue the Bonds.

Section 7. This Resolution shall be effective on its passage and approval.

PASSED, ADOPTED AND APPROVED December 3, 2020.

(SEAL)

Chairman

Attest:

Secretary

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

I am the duly chosen, qualified and acting Secretary of the Reno-Sparks Convention and Visitors Authority (herein "Authority"), Nevada do hereby certify:

1. The foregoing pages, inclusive, constitute a true, correct and compared copy of a resolution of the Authority adopted at a regular meeting of the Authority held on December 3, 2020, and the original of such resolution has been approved and authenticated by the signature of the Chairman of the Authority and myself as Secretary, and has been recorded in the minutes of the Authority kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The members of the Authority were present at such meeting and voted on the passage of such resolution as follows:

Those Voting Aye:
Chairman:
Other Members:

Those Voting Nay: _____

Those Abstaining: _____

Those Absent: _____

3. All members of the Authority were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020 and the Nevada Governor's Directive 006, as extended. A copy of the notice of meeting (attached as Exhibit A) and excerpts from the agenda for the meeting relating to the resolution, as posted no later than 9:00 a.m. on the third working day prior to the meeting, on the Authority's website, on the State of Nevada's official website and if required by the NRS 241.020 and the Nevada Governor's Directive 006, as extended, at least three (3) other separate, prominent places within the jurisdiction of the Authority.

5. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was mailed to each person, if any, who has requested notice of meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

IN WITNESS WHEREOF, I have hereunto set my hand on behalf of the Authority on December 3, 2020.

Secretary

EXHIBIT A

(Attach Copy of Notice of Meeting)



To: RSCVA Board of Directors

From: Robert Chisel, Vice President of Finance and Operations

CC: Charles Harris, President/CEO
Mayor Hilary Schieve, Board Chair

Date: December 3, 2020

Subject: **Public Hearing Regarding the Approval of Resolution Adopting the Budget Augmentation for the Reno-Sparks Convention and Visitors Authority for Fiscal Year 2020-21**

Executive Summary

The fiscal year 2020-21 budget for the Authority is required to be augmented by June 30 if actual expenditures are anticipated to exceed budgeted expenditures. The adjustments to be made are primarily a result of the uncertainties related to the pandemic, including beginning fund balance and revenues exceeding expectations.

Background

Attached please find the forms required by the State to formally augment the budget, as outlined below. To comply with Nevada Revised Statutes, this budget augmentation is necessary. As required, notice of the public hearing has been published in a newspaper of general circulation (Reno Gazette-Journal).

General Fund

- Beginning Fund Balance
 - Increase of \$4,849,324, to reflect June 30, 2020 audited fund balance, due primarily to revenues exceeding expectations and reductions in expenditures.
- Revenues
 - Room tax collections and the tourism surcharge have exceeded budget for July and August 2020.



- Expenditures
 - General Government – increase of \$838,813, primarily related to:
 - Purchase of Space Whale
 - Replacement of aging IT equipment
 - Restoration of employee salaries
 - CEO package
 - Restoration of certain contracts
 - Community Support – increase of \$4,614,875, primarily related to:
 - Increase in marketing budget, including increasing the air service budget from \$0 to \$210,000
 - Promotions and advertising budget in the marketing department was originally budgeted at 24% of the prior year budget
 - Restoration of employee salaries
 - increase of \$894,318 in community grants due to revenues in Lake Tahoe higher than anticipated

Internal Service Fund

- Expenditures
 - Adjustments for workers compensation expenses and health insurance costs for employees and dependents determined after open enrollment.

Capital Fund

- Expenditures
 - Capital fund budget was originally 6% of the prior year budget.
 - Planned projects include:
 - Reno-Sparks Convention Center
 - Striping of parking lot
 - Lighting remodels
 - Bathroom remodels
 - Exterior way finder improvements
 - Various repairs
 - Reno-Sparks Livestock Events Center
 - Purchase of swamp coolers
 - Accessibility related repairs
 - Lighting improvements



Fiscal Impact

The Authority is augmenting its 2020-21 budget by appropriating \$5,453,688 for use in the General Fund (thereby increasing its appropriations from \$28,765,395 to \$34,219,083), appropriating \$750,000 for use in the Capital Projects Fund (thereby increasing its appropriations from \$917,818 to \$1,667,878), and appropriating 62,840 for use in the Internal Service Fund (thereby increasing its appropriations from \$863,065 to \$925,925).

Recommendation

Staff recommends the Board approves the augmentation of the funds as detailed to comply with NRS 354.626 and to implement the objectives detailed above.

Fiscal Year 2020-21 Budget Augmentation Resolution

Resolution #590

RESOLUTION TO AUGMENT THE 2020-21 BUDGET OF THE RENO-SPARKS CONVENTION & VISITORS AUTHORITY (RSCVA),

WHEREAS, the resources of certain funds of the RSCVA were budgeted to be the following on July 1, 2020:

General Fund	\$ 30,318,269
Capital Projects Fund	\$ 917,878
Internal Service Fund	\$ 863,469

WHEREAS, said resources of certain funds are now determined to be as follows:

General Fund	\$ 37,882,842
Capital Projects Fund	\$ 1,667,878
Internal Service Fund	\$ 939,765

WHEREAS, said resources are as follows:

General Fund	Revenues higher than anticipated	\$ 2,715,248
	Fund Balance higher than anticipated	\$ 4,849,234
	Total	\$ 7,564,572

Capital Projects Fund	Revenues higher than anticipated	\$ 750,000
	Total	\$ 750,000

Internal Service Fund	Revenues higher than anticipated	\$ 76,296
	Total	\$ 76,296

WHEREAS, there is a need to apply these excess resources in the above funds; and

NOW, THEREFORE, IT IS HEREBY RESOLVED, THAT the RSCVA shall augment its 2020-21 budget by appropriating \$5,453,688 for use in the General Fund (thereby increasing its appropriations from \$28,765,395 to \$34,219,083), appropriating \$750,000 for use in the Capital Projects Fund (thereby increasing its appropriations from \$917,818 to \$1,667,878), and appropriating \$62,840 for use in the Internal Service Fund (thereby increasing its appropriations from \$863,065 to \$925,925). A detailed schedule is attached to this Resolution and by reference is made a part hereof.

IT IS FURTHER RESOLVED, that the clerk shall forward the necessary documents to the Department of Taxation, State of Nevada.

PASSED, ADOPTED, AND APPROVED this 3rd day of December 2020, by the Governing Body consisting of 9 members.

Ayes

Nays

Absent

Abstain

Chairman

Attest: _____
Treasurer

REVENUES	FINAL BUDGET	REVISIONS	REVISED REVENUE RESOURCES
Taxes:			
Room tax (net)	19,672,629	3,239,922	22,912,551
Subtotal	19,672,629	3,239,922	22,912,551
Miscellaneous:			
Interest earnings	34,500	(9,156)	25,344
Rents and royalties	5,369,164	(427,151)	4,942,012
Convention & Visitors Services	105,500	(75,500)	30,000
Golf course operations	0	0	0
Other	400,801	(12,867)	387,934
Subtotal	5,909,965	(524,674)	5,385,291
SUBTOTAL REVENUE ALL SOURCES	25,582,594	2,715,248	28,297,842
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	0	0
Unreserved	4,735,676	4,849,324	9,585,000
Total Beginning Fund Balance	4,735,676	4,849,324	9,585,000
Prior Period Adjustments	0	0	0
Residual Equity Transfers	0	0	0
TOTAL AVAILABLE RESOURCES	30,318,269	7,564,572	37,882,842

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	1,010,088	313,508	1,323,596
Employee benefits	657,299	156,697	813,996
Services and supplies	1,403,060	368,608	1,771,668
Capital outlay	18,300	0	18,300
Subtotal	3,088,747	838,813	3,927,560
TOTAL GENERAL GOVERNMENT	3,088,747	838,813	3,927,560

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	0	0	0
Employee benefits	0	0	0
Services and supplies	8,909,552	0	8,909,552
Capital outlay	0	0	0
Subtotal	8,909,552	0	8,909,552
OTHER - GOLF COURSE OPERATIONS			
Salaries and wages	0	0	0
Employee benefits	0	0	0
Services and supplies	0	0	0
Capital outlay	0	0	0
Subtotal	0	0	0
OTHER - CONVENTION & TOURISM PROMOTION			
Salaries and wages	1,566,804	696,009	2,262,813
Employee benefits	936,957	260,028	1,196,985
Services and supplies	4,527,844	2,764,521	7,292,365
Capital outlay	0	0	0
Subtotal	7,031,605	3,720,557	10,752,162
OTHER - COMMUNITY GRANTS & MISCELLANEOUS			
Salaries and wages	0	0	0
Employee benefits	0	0	0
Services and supplies	732,618	894,318	1,626,936
Capital outlay	0	0	0
Subtotal	732,618	894,318	1,626,936
TOTAL COMMUNITY SUPPORT	16,673,775	4,614,875	21,288,650

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	3,088,747	838,813	3,927,560
Community Support	16,673,775	4,614,875	21,288,650
TOTAL EXPENDITURES - ALL FUNCTIONS	19,762,522	5,453,688	25,216,210
OTHER USES:			
Contingency	200,000	0	200,000
Residual Equity Transfer	0	0	0
Operating transfers	8,802,873	0	8,802,873
TOTAL EXPENDITURES AND OTHER USES	28,765,395	5,453,688	34,219,083
ENDING FUND BALANCE			
Reserved	0	0	0
Unreserved	1,552,874	2,110,884	3,663,758
TOTAL ENDING FUND BALANCE	1,552,874	2,110,884	3,663,758
TOTAL GENERAL FUND COMMITMENTS AND FUND BALANCE	30,318,269	7,564,572	37,882,842

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	0	0	0
Rents and royalties	0	0	0
Subtotal	0	0	0
OTHER FINANCING SOURCES			
Operating transfers In	240,000	750,000	990,000
Proceads from short-term financing	0	0	0
Proceeds from long-term debt	0	0	0
Beginning Fund Balance			
Reserved	677,878	0	677,878
Unreserved	0	0	0
Total Beginning Fund Balance	677,878	0	677,878
Prior Period Adjustments	0	0	0
Residual Equity Transfers	0	0	0
TOTAL AVAILABLE RESOURCES	917,878	750,000	1,667,878

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	240,000	750,000	990,000
Subtotal Expenditures	240,000	750,000	990,000
OTHER USES:			
Contingency	0	0	0
Operating Transfers (Schedule T)	0	0	0
Subtotal Other Uses			
ENDING FUND BALANCE:			
Reserved	677,878	0	677,878
Unreserved	0	0	0
TOTAL ENDING FUND BALANCE	677,878	0	677,878
TOTAL CAPITAL PROJECTS FUND COMMITMENTS AND FUND BALANCE	917,878	750,000	1,667,878

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

REVENUES	FINAL BUDGET	REVISIONS	REVISED REVENUE RESOURCES
Miscellaneous			
Room Tax	0	0	0
Interest Earnings	-	-	0
Other	0	0	0
Subtotal	-	-	0
Other Financing Sources			
Transfers In (Schedule T)	8,562,873	0	8,562,873
Proceeds of refinancing	0	-	0
Net Proceeds of Refunding	0	0	0
Beginning Fund Balance			
Reserved	13,258,203	0	13,258,203
Unreserved	0	0	0
Total Beginning Fund Balance	13,258,203	0	13,258,203
Prior Period Adjustments	0	0	0
Residual Equity Transfers	0	0	0
TOTAL AVAILABLE RESOURCES	21,821,076	-	21,821,076

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 - General Obligation			
Principal	5,710,000	0	5,710,000
Interest	3,071,196	0	3,071,196
Fiscal Agent Fees	43,150	-	43,150
Reserves - Increase or (Decrease)	0	0	0
Other - Defeasance	-	0	0
Other - Bond Closing Costs	0	-	-
SUBTOTAL EXPENDITURES	8,824,346	-	8,824,346
ENDING FUND BALANCE			
Reserved	13,258,203	80,000	13,338,203
Unreserved	0	0	0
TOTAL ENDING FUND BALANCE	13,258,203	80,000	13,338,203
TOTAL COMMITMENTS AND FUND BALANCE	22,082,549	80,000	22,162,549

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	863,469	76,296	939,765
Other Charges	0	0	0
Total Operating Revenue	863,469	76,296	939,765
OPERATING EXPENSE:			
Claims expense	805,185	62,840	868,025
Administrative expense	57,900	0	57,900
Supplies and services	0	0	0
Total Operating Expense	863,085	62,840	925,925
Operating Income or (Loss)	384	13,456	13,840
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	384	13,456	13,840
Operating Transfers			
In	0	0	0
Out	0	0	0
Net Operating transfers	0	0	0
NET INCOME	384	13,456	13,840

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
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from users	152,580	0	152,580
Cash received from quasi-external operating transactions with other funds	780,000	76,296	856,296
Cash paid to vendors for services and supplies	(863,085)	(62,840)	(925,925)
Net cash provided by operating activities	69,495	13,456	82,951
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash advanced to other funds	0	0	0
Cash received from other funds	0	0	0
Cash received from operating transfers	0	0	0
Operating transfers out	0	0	0
Net cash used by noncapital financing activities	0	0	0
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Cash advanced to other funds	0	0	0
Cash received from other funds	0	0	0
Cash received from operating transfers	0	0	0
Operating transfers out	0	0	0
Net cash used by noncapital financing activities	0	0	0
D. CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on Investments	0	0	0
Net cash provided by investing activities	0	0	0
Net increase (decrease) in cash and investments	69,495	13,456	82,951
Cash and investments July 1,	159,529	0	159,529
Cash and investments June 30,	229,024	13,456	242,480

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