



City of Reno, Nevada

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended
June 30, 2021



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Introductory Section



December 22, 2021

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Reno, Nevada:

The Annual Comprehensive Financial Report for the City of Reno for the fiscal year ended June 30, 2021 is hereby submitted. State law requires that local governments provide an annual audit of its financial statements by independent certified public accountants in accordance with generally accepted auditing standards.

This report consists of management's representations concerning the finances of the City of Reno. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Reno has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Reno's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Reno's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Reno's financial statements have been audited by Moss Adams LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Reno for the fiscal year ended June 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Reno's financial statements for fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and the two documents should be read in conjunction. The City of Reno's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Reno, Nevada, the largest community in Northern Nevada and the fourth largest city in the state, began as “Lake’s Crossing” in 1859 at a toll bridge for pioneers crossing the Truckee River on their way to California. In 1868, the Central Pacific Railroad established a town site in the area as a new stop in the growing transcontinental railroad. The City was incorporated in 1903. It is located in the southern part of Washoe County, nestled in the Sierra Nevada Mountains 35 miles northeast of Lake Tahoe, in the area called the Truckee Meadows. The City was named after Civil War General Jesse Reno.

The City has a Council-Manager form of government with six Council members elected for staggered terms of four years. The Mayor is the chief elected official and formal representative of the City. Elected at large, the Mayor serves for a four-year term. The City Manager is selected by the Council and is the City’s chief administrative official. The City Manager is responsible for all City business.

The City provides a full range of municipal services as established by statute or the City’s charter. These services include public safety (police, fire, dispatch, code enforcement and building inspection), public works, public improvements, planning and zoning, community development, parks and recreation, wastewater treatment, and general administrative services. In addition to general government activities, the City Council is financially accountable for the Redevelopment Agency of the City of Reno; therefore, the activities of the Agency are included in this report. The Housing Authority of the City of Reno is a related organization of the City of Reno but not a component unit because the City’s accountability does not extend beyond the appointment of board members.

The City of Reno maintains budgetary controls to ensure compliance with legal provisions as part of the annual appropriated budget, as augmented, that was approved by the City Council and the State of Nevada’s Department of Taxation. In April, the City Manager submits a tentative budget for the fiscal year to the City Council, the Nevada Department of Taxation, and the residents of Reno. The Nevada Department of Taxation notifies the City Council as to whether the budget is in compliance with the law and appropriate regulations. Public hearings, at which all changes to the tentative budget are discussed, must be held by the governing body not sooner than the third Monday in May and not later than the last day in May. The City Council adopts the budget prior to June 1st and submits it to the Department of Taxation for final approval no later than June 1st.

All amendments to the adopted budget are a matter of public record by actions of the City Council. Per Nevada law, the City Manager is authorized to transfer budgeted amounts within functions (General Fund) or funds if the City Council is notified at the next regular meeting and the action is noted in the official minutes. Revisions which affect the total fund appropriations or transfers between funds are accomplished through formal City Council approval. Various supplemental appropriations were approved for the year to reflect necessary changes in spending and the corresponding additional resources available.

Activities of the general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, and internal service funds are included in the annual budget. Budgetary control is exercised at the function level. Unencumbered amounts lapse at year end. However, encumbrances generally are re-appropriated as part of the following year’s first budget augmentation.

Local Economic Conditions

The region’s economy has long relied on consumption-related activities such as logistics, construction, tourism, and gaming, and the area, known as Truckee Meadows, offers an extensive array of hospitality and casino options as well as vast recreational opportunities. More recently, the economic structure of the region has been expanding and diversifying to include more technology based industries.

Employment in Reno and Washoe County has been impacted by the global COVID-19 pandemic. In the Reno-Sparks region, September’s unemployment count stood at 3.5%, which has decreased significantly since the height of the pandemic in September 2020 where the rate was 19.9%. Overall, Nevada had an

unemployment rate of 7.5%, exceeding the national average by 4.8% in September 2021 and is tied with California as the highest unemployment rate in the nation at this time. This is mainly due to the large gaming and tourism industries that support Nevada. While the state unemployment rate is 7.5%, unemployment in Reno has fared better at 3.5% or more than half the state average which is due to the diversified economy that Reno has been able to develop over the years.

The median price of residential properties sold in Reno, NV increased during 2021. City of Reno home values have gone up 19% over the past year, with the September 2021 median home value at \$518,000. Home sales for the month of October 2021 were 461, down 10.7% from October 2020 where 516 homes sold. Reno continues to see great progress in the housing market even during the pandemic. This is mainly due to the relocation and expansion of technology based businesses to the area.

In fiscal year 2020/21, property taxes increased 7.2% and for fiscal year 2021/22, the City budgeted for property taxes to increase 5.0%. Due to the formula in Nevada Revised Statutes, there is a cap on the increase allowed in property taxes except for taxes generated by new construction. For fiscal year 2021/22, the projected increase was estimated to be 3% from existing properties and the remaining 2.0% from growth. Prior to the COVID-19 pandemic, the Washoe County Assessor anticipated property taxes would continue to rise, though at a modest pace. The impact of the pandemic on future property taxes is unknown at this time. The City continues to see housing increases with record sales, and the median housing price continues to increase as well even through the pandemic. The City expects that much of the residential housing growth will offset expected declines in commercial property taxes due to reduced revenues during the pandemic.

The City continues to have steady increases in consolidated tax (CTAX) each year, even during the pandemic. Fiscal years 2010/11 through 2020/21 reflect those increases, from 1.20% in FY 2010/11 to 20.5% in FY 2020/21. For fiscal year 2021/22, the City budgeted a 4.0% increase over the prior fiscal year receipts and as of August 2021 CTAX receipts are exceeding budget for FY 2021/22 by 10%.

The State of Nevada, Washoe County and City of Reno continue to focus efforts on diversifying the regional economy. Although tourism still represents a key role in Reno's tax and employment base, the region has slowly diversified into other industries including high-tech and health care. While the number of tourism-and-leisure-related visitors has increased in calendar 2021 given the reopening of gaming casinos and other retail businesses, the overall visitor travel will likely remain lower than in previous years largely as a result of the still limited international travel. The City has benefitted from its growing local tax base and correlated operating revenues in the past several years, allowing the City to build up its accumulated general fund assigned and unassigned reserves

The Economic Development Association of Western Nevada (EDAWN) reports that Reno is ranked number 1 in the top 50 Small Cities to live in the United States in 2020 and ranked among the top U.S. cities for young professionals in 2021. This is due to the natural beauty of the region as well as the pro-business attitude of the area's leaders. Increasingly, technology companies and a highly educated workforce are driving Reno's popularity with companies like Tesla, Amazon, and Google. Other factors that increase the appeal of Reno are the thriving restaurants and many special events. The Reno Aces AAA baseball team, as well as the myriad of year-round outdoor activities from alpine skiing to hiking to kayaking, make Reno an attractive location.

The area climate offers four distinct seasons with few extremes. Average temperatures range from winter lows in the 20's to summer highs in the 90's. Low humidity characterizes the high-desert climate, making cold days seem not so cold and hot days not so hot. Cloudy days and rain are scarce with more than 250 days of sunshine each year and snow is a certainty, though it tends to melt by late afternoon in the valleys. All of this makes the area spectacular for enjoying the outdoors, including hunting, fishing, biking, hiking, skiing and many other activities.

The COVID-19 pandemic continues to change how residents work, shop, live, and gather. The pandemic response produced forced closure of many businesses and the cancellation of many of the special events that would normally bring in significant revenues to the City. City management continues to control

expenses given the continued uncertainty regarding future revenues. Restructuring has occurred at all levels in the organization to promote efficiencies in operations and service delivery, and additional opportunities are constantly being identified and analyzed. The City has continued using the Position Review Committee to review vacancies prior to recruitment to determine if there are opportunities to restructure or provide service differently.

Long-Term Financial Planning

The City continues to work with various community partners to recruit companies with high paying jobs in targeted industries, such as renewable energy and technology, to the area. Nevada has no corporate or personal income tax, and is a right-to-work state which provides the opportunity for Reno to present itself as a desirable location for corporate headquarters, manufacturing, and logistics facilities in a number of high tech and service industries.

Staff continues to monitor revenues and update projections as additional data becomes available. Although the revenue decline has not been as steep as originally projected, the future is still quite uncertain. The influx of federal stimulus funds along with reopening the economy has bolstered revenues. Because of the outside stimulus funds, the full impact is not predictable. The cushioning effect of stimulus money is not anticipated to have the same mitigating effect going forward. In addition, staff has developed a ten-year financial forecast to better project future resource needs, identify areas of concern and adjust operating programs to meet available resources. Staff has also created a 20+ year document that provides several data points that assist with future projections.

The City continues collaborating with other local agencies on analyzing opportunities for shared service and consolidation, as well as creating a regional approach to economic development. Partner organizations include Washoe County, the City of Sparks, University of Nevada – Reno, EDAWN, the Reno-Sparks Convention and Visitors Authority, the Regional Transportation Commission, Washoe County School District, and many others, both formally and informally. The community has a long history of successfully collaborating on regional approaches to issues, with over sixty services provided through interlocal agreements or as shared services. Additionally, the management team has begun deploying different tactics designed to increase efficiency and effectiveness, including updated policies, process improvement initiatives and increased transparency.

Relevant Financial Policies

Rainy Day Reserves — In compliance with state law, the General Fund Financial Policy requires unreserved fund balance to be budgeted at 4% of prior year expenditures, which was included in the fiscal year 2020/21 adopted budget. The City is in compliance with this requirement and has budgeted for an ending fund balance of 12% for fiscal year 2020/21. In fiscal year 2014/15, the City committed \$2.1 million of consolidated tax revenues to begin funding a Stabilization Special Revenue Fund. The balance at June 30, 2021 is approximately \$3.1 million. The goal is to reach \$19 million in stabilization reserves. The City recognizes the importance of these reserves, along with a conservative approach to spending, in giving the City a greater level of flexibility in responding to unforeseen revenue reductions. In addition, the City has funded a Contingency Account in the General Fund in the amount of \$1,000,000 for fiscal year 2020/21 to further fund unavoidable circumstances.

OPEB Funding — The City's past practice of funding primarily pay-as-you-go costs rather than the full annual other post-employment benefit (OPEB) costs has resulted in continued growth in the City's net liability. The City does not have the resources, at this time, needed to fully fund the annual OPEB expense, including interest on the liability, but has created an OPEB trust so amounts may be put aside to fund this growing liability. Through the adoption of the Budget Guiding Principles, Council has begun a funding program through the allocation of a portion property tax growth to the OPEB trust. For the year ended June 30, 2021, the City transferred \$2,218,752 to the trust.

Risk Management – In fiscal year 2021/21, the City implemented a more robust risk management program to help control exposure to potential claims, and reduce costs. The City strives to aggressively litigate and resolve high exposure claims.

Major Initiatives

Each year, the Reno City Council revisits Reno's purpose, vision, mission, and values; from that, Council identifies strategic priorities which establish the programs and services funded for current and future fiscal years. The City continues to build upon the Council initiatives of re-visioning Reno, focusing on long-term fiscal planning, and performance management strategies to determine what services our residents need and want, and to identify resources for those services.

The first half of fiscal year 2020/21, was focused on the fallout from the COVID-19 global pandemic. The pandemic brought a health crisis as well as a significant financial impact to the region. The City has partnered with other regional agencies to provide the resources necessary to support the community's needs during this unprecedented time. The City received \$46.7M in federal assistance funds through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The majority of these funds were put back into the community to support social distancing requirements, residential eviction relief programs, small business impact relief programs, food distribution, COVID-related mental health response, COVID contact tracing, COVID-related communications and education, socially distanced programming, and remote education relief. Funds were also used to reimburse the City for COVID-related expenses, the City's share of the Regional Emergency Center Operations (REOC), and enhance the City's ability to operate safely, work remotely, and maintain services throughout the pandemic.

For the second half of fiscal year 2020/21, most efforts were focused on addressing the challenges of unfunded liabilities, reallocation of resources, and reorganization of City operations. Throughout the year, management and Finance staff spent a great deal of time ensuring that the City's finances met all applicable standards and corrective actions were taken to ensure that all funds were brought into alignment with Council policies, state law, governmental accounting standards, and GAAP. A great deal of attention continues to be focused on managing the City's debt portfolio. A key emphasis was on making changes that would support long-term stability by restructuring bonds when fiscally prudent.

The City along with its regional partners, Washoe County and the City of Sparks, took on a major initiative to create the Nevada Cares Campus on East 4th Street. The campus is a central location for temporary housing for the unsheltered population. It includes 46,000 new square feet of housing at a cost of \$17 million. This large project was completed in the spring of 2021 and ongoing operations costs will be shared by the regional partners.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Reno for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 37th consecutive year that the City of Reno has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Due to the COVID-19 pandemic, associated social distancing, and other safety precautions taken by the City, the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020, was not submitted to the GFOA until March of 2021. To date, the City has not been notified of the results of the review but we believe that the fiscal year 2020 report will meet the Certificate of Achievement Program's requirements. We are submitting this fiscal year 2021 report to the GFOA to determine its eligibility for another certificate.

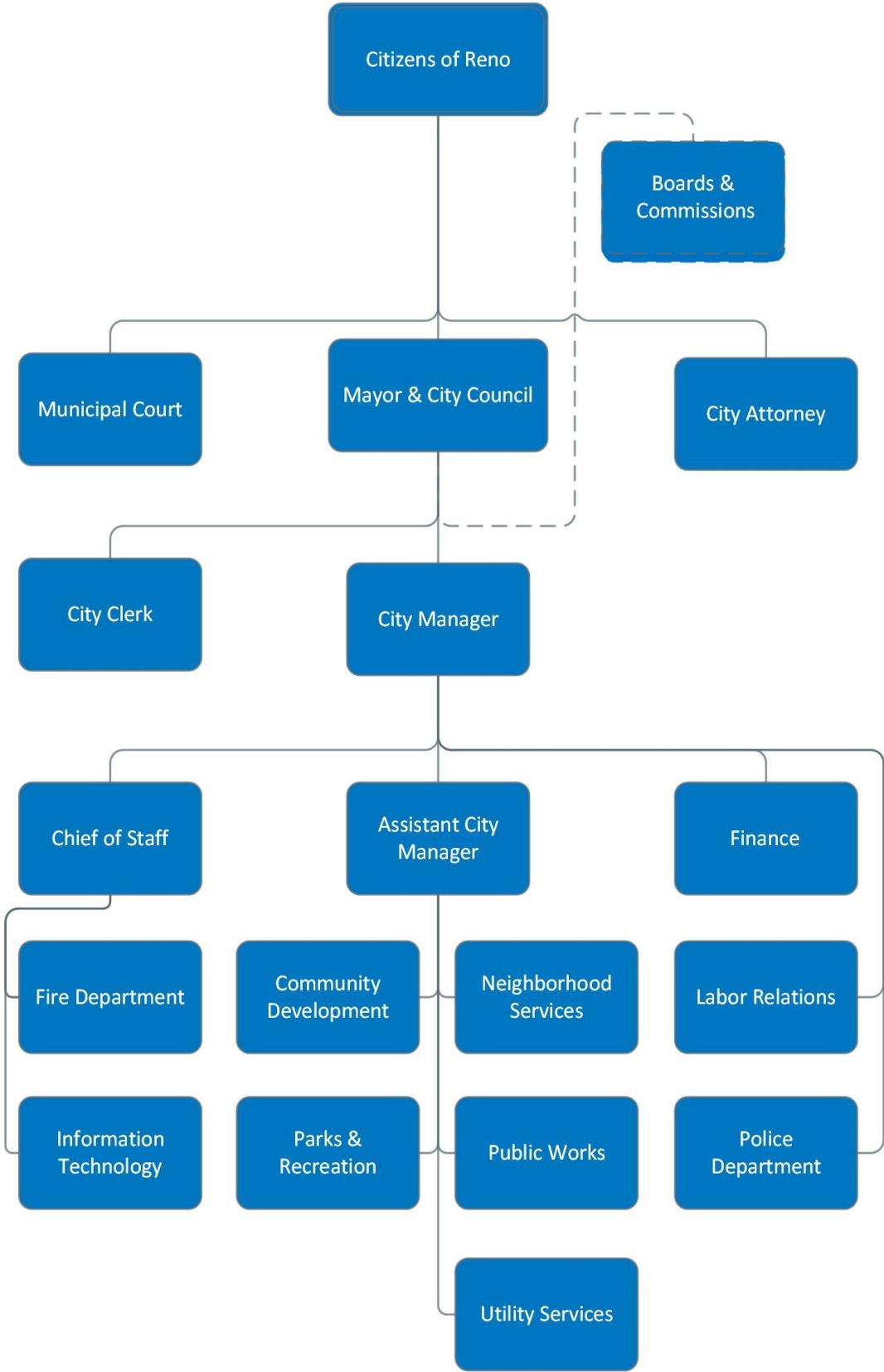
The preparation of this report on a timely basis would not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and Moss Adams LLP. We would like to express our appreciation to all persons who assisted and contributed to the preparation of this report. In closing, without the support and responsible leadership of the City Council of the City of Reno, preparation of this report would not have been possible.

Respectfully submitted;

A handwritten signature in blue ink, appearing to read "Deborah Lauchner", followed by a horizontal line extending to the right.

Deborah Lauchner
Finance Director

**City of Reno, Nevada
Organization Chart
For the Year Ended June 30, 2021**



City of Reno, Nevada
City Officials
For the Year Ended June 30, 2021

CITY COUNCIL

Hillary Schieve, Mayor
Jenny Brekhus, Councilmember, Ward 1
Naomi Duerr, Councilmember, Ward 2
Oscar Delgado, Councilmember, Ward 3
Bonnie Weber, Councilmember, Ward 4
Devon Reese, Councilmember, At Large

OTHER ELECTED OFFICIALS

Karl Hall, City Attorney
Gene Drakulich, Judge, Dept. 1
Shelly O'Neill, Judge, Dept. 2
Dorothy Nash Holmes, Judge, Dept. 3
Christopher Hazlett-Stevens, Judge, Dept. 4

CITY MANAGEMENT

(Appointed by the City Council)

Doug Thornley, City Manager
Ashley Turney, City Clerk

(Appointed by City Manager)

Arlo Stockham, Assistant City Manager
Jacqueline Bryant, Assistant City Manager
Deborah Lauchner, Finance Director
David Cochran, Fire Chief
Norma Santoyo, Human Resources Director (Appointed 07/19/21)
Kannaiah Vadlakunta, Information Technology Director
Rebecca Venis, Neighborhood Services Director
Jason Soto, Police Chief
JW Hodge, Director of the Office of Policy & Strategy
Jaime Schroeder, Parks & Recreation Director
John Flansberg, Public Works Director
Trina Magoon, Utilities Services Director (Appointed 08/06/21)

(Appointed by Judges)

Steve Tuttle, Municipal Court Administrator

Financial Section

Report of Independent Auditors

Honorable Mayor and City Council Members
City of Reno, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Reno (the "City") as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, postemployment benefits other than pension schedules, multiple-employer cost-sharing defined benefit plan schedules, and agent multiple-employer defined benefit pension plan schedules as listed in the table of contents, 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 City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, statistical section and schedule of business license fees are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and schedule of business license fees 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 combining and individual nonmajor fund financial statements and schedules and schedule of business license fees are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 City'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 City's internal control over financial reporting and compliance.

Mass Adams LLP

Medford, Oregon
December 22, 2021

Management's Discussion and Analysis

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

The following management discussion and analysis is presented to provide the reader with an overview of the financial activity and overall financial condition of the City of Reno (the City). The following document should be read in conjunction with the transmittal letter presented in the introductory section of this report to enhance the understanding of the financial information presented.

Financial Highlights

Summary of Selected Statement of Net Position Information

	Total Primary Government			
	2021	2020	Change	
Cash, cash equivalents and investments, unrestricted and restricted	\$ 427,926,559	\$ 352,295,245	\$ 75,631,314	21.47 %
Truckee Meadows Water Reclamation Facility	86,670,221	89,916,441	(3,246,220)	(3.61)%
Capital assets, net	1,399,366,438	1,333,161,985	66,204,453	4.97 %
Bonds and notes payable, net of unamortized premiums and discounts	464,731,245	491,519,705	(26,788,640)	(5.45)%
Net other post-employment benefits liability	147,020,971	168,272,737	(21,251,766)	(12.63)%
Net pension liability	252,369,268	249,852,734	2,516,534	1.01 %
Total net position	899,934,310	778,755,046	121,179,264	15.56 %

The increase experienced in the City's net position is largely attributable to an increase in cash due to 1) the receipt of \$25,759,999 in State and Local Fiscal Recovery Funds (SLFRF) appropriated under the American Recovery Plan Act (ARPA) funds, which are also reported in Unearned Revenue until the required spending plan can be finalized; 2) growth in consolidated tax revenues and other intergovernmental shared revenues; and 3) growth in charges for service, particularly in the enterprise funds.

The City's investment in the Truckee Meadows Water Reclamation Facility decreased due to new capital contributions being less than depreciation realized during the year.

Capital assets, net of depreciation increased primarily due to dedicated streets, sewer lines and storm drains, as well as new construction in progress related to infrastructure and the new Nevada Cares Campus for the unhoused population.

The City did not issue any new debt during the year, but recorded \$21.4 million in new draws on the \$55 million 2020 State Clean Water Revolving Loan Fund loan contract, the proceeds of which are being used to expand the Reno/Stead Water Reclamation Facility in the growing North Valleys. Once the project is complete, all of the funds are drawn, or three years have elapsed, whichever comes first, the loan contract will in effect convert to the 2020 bonds. Despite the additional draws, total bonds and notes payable declined as scheduled principal reductions exceeded proceeds bond proceeds. Furthermore, the City paid off the 2010 G.O. Sewer Refunding Bonds in the amount of \$17.9 million.

The City's other post-employment benefits other than pensions (OPEB) report for the fiscal year ending June 30, 2021, is based on a roll forward of the January 1, 2020, valuation. No benefit changes were reported, no new data was collected, and no plan experience was analyzed. Furthermore, no assumptions were changed other than to increase the discount rate from 4.5% to 5.5%, the effect of which was an 11% decrease in the total OPEB liability. Deferred inflows related to OPEB rose by \$6.1 million while deferred outflows declined by \$0.8 million, so the net impact on the Statement of Net Position was a \$14.2 million decrease.

The net pension liability increased slightly at 1.01%. Deferred outflows of resources related to were 12.4% lower, while deferred inflows were 27.7% lower. In accordance with generally accepted accounting principles, the City records its proportionate share of PERS' unfunded liability and related amounts, even though Nevada Revised Statutes state that the City is not liable for such amounts.

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Summary of Selected Statement of Activities Information

	Total Primary Government			
	2021	2020	Change	
Charges for services	\$ 180,147,039	\$ 161,650,132	\$ 18,496,907	11.44%
Operating grants and contributions	45,421,838	30,352,867	15,068,971	49.65%
Property taxes	84,269,593	77,331,482	6,938,111	8.97 %
Intergovernmental shared revenues, unrestricted	91,899,192	77,500,861	14,398,331	18.58%
Total expenses	402,429,362	365,774,923	36,654,439	10.02%
Change in net position	121,179,264	112,868,083	8,311,181	7.36 %

Property tax collections continued to increase due to new construction and the continued rebounding of property values although growth in assessed values is limited by caps established in 2005 by Nevada's State Legislature. Charges for service increased for business licensing activity, gaming licenses, and certain other activities, reflecting the effect of the reopening of businesses and State and local government offices allowed by Governor Sisolak during fiscal year 2021. The City also saw an increase in building permit activity. Intergovernmental shared revenues, led by consolidated tax revenues, rose 18.58% as consumer spending was aided by federal stimulus funds and housing assistance.

Expenses increased 10.02% as the City utilized CARES Act funds for pandemic mitigation measures for the unhoused population, distance learning and teleworking, small business assistance, and testing measures.

Financial Overview

The basic financial statements of the City are comprised of government-wide financial statements, fund financial statements, and notes to the basic 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 City that is similar to that of the private sector.

The statement of net position presents information on all assets and liabilities for the City. The difference between the total assets and total liabilities 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 reflects the changes which have occurred during the 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 fiscal periods, such as uncollected taxes.

Governmental activities, which are supported primarily by taxes and intergovernmental revenues, are distinguished from activities that are intended to recover all or a significant portion of costs through user fees and charges, as is the case with business-type activities. The City's governmental activities include those associated with general government; judicial operations; public safety (police, fire and dispatch); public works; community development and support; culture and recreation; and urban redevelopment. The business-type activities include sewer and building permit operations.

Fund Financial Statements

A fund is a legal and accounting entity with a self-balancing set of accounts to record activity involving assets and liabilities. The City, as with other governmental agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City are divided into governmental, proprietary, and fiduciary 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 the government-wide financial statements, however, governmental funds focus on the current inflows and outflows of resources. This information is useful in determining current financial requirements.

The City maintains 24 separate funds/fund groups 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 in the following four (4) funds because they qualify as major funds under the GASB 34 definition: General Fund, Street Special Revenue Fund, Cabela's Debt Service Fund, and the City of Reno Capital Project Fund. Information for the remaining funds, which did not meet the definition of a major fund, is aggregated for reporting purposes.

A separate budget is prepared annually for each governmental fund, reflecting anticipated resources and used of the collected resources. A budgetary comparison statement has been provided for each governmental fund to demonstrate budgetary compliance.

Proprietary Funds

The City maintains enterprise and internal service proprietary fund types. Enterprise funds are used to account for functions presented in the business-type section of the government-wide financial statements. Enterprise funds consist of sanitary sewer and building permit funds. Internal service funds are used to account for and allocate internal costs to the various City functions. The internal service funds include the motor vehicle, risk retention, self-funded medical plan, and self-funded workers compensation funds. The City's internal service fund functions primarily benefit governmental as opposed to business-type activities. Consequently, they have been included in governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the City government. These funds are not reflected in the government-wide financial statements because the resources are not available to support the City's programs.

Notes to the Basic Financial Statements

Notes to the basic 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

Combining and individual fund statements and schedules are presented immediately following the notes to the basic financial statement section of this report.

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Financial Statement Analysis

Government-wide Financial Statement Analysis

In order to enhance analysis and provide a means for evaluating the City's financial position, comparative summarized statements of net position information are presented in the following table.

Summary Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Assets						
Current, restricted and other assets	\$ 316,796,820	\$ 264,153,619	\$ 179,176,047	\$ 170,437,142	\$ 495,972,867	\$ 434,590,761
Investment in Truckee Meadows Water Reclamation Facility			86,670,221	89,916,441	86,670,221	89,916,441
Capital assets	976,556,310	945,873,407	422,810,128	387,288,578	1,399,366,438	1,333,161,985
Total Assets	1,293,353,130	1,210,027,026	688,656,396	647,642,161	1,982,009,526	1,857,669,187
Deferred Outflows of Resources						
Deferred amounts related to pensions	38,291,642	43,565,275	3,210,289	3,787,372	41,501,931	47,352,647
Deferred amounts related to OPEB	2,254,545	3,056,848	87,063	78,382	2,341,608	3,135,230
Deferred loss on debt refunding activity	19,424,043	20,302,300		262,927	19,424,043	20,565,227
Total Deferred Outflows of Resources	59,970,230	66,924,423	3,297,352	4,128,681	63,267,582	71,053,104
						(793,622)
Liabilities						
Current liabilities	56,556,350	24,593,251	22,386,891	16,645,163	78,943,241	41,238,414
Long-term liabilities	915,006,592	952,193,506	67,846,041	71,144,434	982,852,633	1,023,337,940
Total Liabilities	971,562,942	976,786,757	90,232,932	87,789,597	1,061,795,874	1,064,576,354
Deferred Inflow of Resources						
Deferred amounts related to pensions	19,210,474	26,493,546	1,609,428	2,299,769	20,819,902	28,793,315
Deferred amounts related to OPEB	60,302,995	52,051,899	2,424,027	4,545,677	62,727,022	56,597,576
Total Deferred Inflows of Resources	79,513,469	78,545,445	4,033,455	6,845,446	83,546,924	85,390,891
Net Position						
Net investment in capital assets	599,592,166	564,788,939	380,253,875	342,507,956	979,846,041	907,296,895
Restricted	92,968,067	81,364,743	31,929,920	32,962,201	124,897,987	114,326,944
Unrestricted	(390,313,284)	(424,534,435)	185,503,566	181,665,642	(204,809,718)	(242,868,793)
Total Net Position	\$ 302,246,949	\$ 221,619,247	\$ 597,687,361	\$ 557,135,799	\$ 899,934,310	\$ 778,755,046

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Summary Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	Change		Change		Change	
Assets						
Current, restricted and other assets	\$ 52,643,201	19.93 %	\$ 8,738,905	5.13 %	\$ 61,382,106	14.12 %
Investment in Truckee Meadows Water Reclamation Facility			(3,246,220)	(3.61) %	(3,246,220)	(3.61) %
Capital assets	30,682,903	3.24 %	35,521,550	9.17 %	66,204,453	4.97 %
Total Assets	\$83,326,104	6.89 %	\$41,014,235	6.33 %	124,340,339	6.69 %
Deferred Outflows of Resources	(6,954,193)	(10.39) %	(831,329)	(20.14) %	(7,785,522)	(10.96) %
Liabilities						
Current liabilities	31,963,099	129.97 %	5,741,728	34.49 %	37,704,827	91.43 %
Long-term liabilities	(37,186,914)	(3.91) %	(3,298,393)	(4.64) %	(40,485,307)	(3.96) %
Total Liabilities	(5,223,815)	(0.53) %	2,443,335	2.78 %	(2,780,480)	(0.26) %
Deferred Inflows of Resources	968,024	1.23 %	(2,811,991)	(41.08) %	(1,843,967)	(2.16) %
Net Position						
Net investment in capital assets	34,803,227	6.16 %	37,745,919	11.02 %	72,549,146	8.00 %
Restricted	11,603,324	14.26 %	(1,032,281)	(3.13) %	10,571,043	9.25 %
Unrestricted	34,221,151	(8.06) %	3,837,924	2.11 %	38,059,075	(15.67) %
Total Net Position	\$ 80,627,702	36.38 %	\$ 40,551,562	7.28 %	\$ 121,179,264	15.56 %

Governmental Activities

The increase experienced in the City's current, restricted, and other assets relates primarily to the receipt of \$25.8 million of SLFRF monies received in May of 2021; \$4.2 million of unspent Emergency Rental Assistance Program funding that will be used in fiscal year 2022; and an increase in consolidated tax revenues. All CARES Act funds were either spent or encumbered by December 31, 2021, and the encumbered funds were fully expended by the end of March 2021.

Investment in capital assets, net of depreciation increased primarily due to dedicated streets, as well as new construction in progress related to infrastructure and the acquisition of the former Reno Gazette-Journal building, which is to be converted into the new Public Safety Center. The City also expended over \$8 million on the Nevada Cares Campus, an expanded facility for the unhoused population, which will mitigate the need for temporary shelters and allow for better COVID-19 mitigation among that population.

The increase in currently liabilities is due to the reporting of the SLFRF as unearned revenue while the City develops its performance plan using the five major categories outlined by the U.S. Department of the Treasury.

A reduction in the net OPEB liability as previously discussed, along with repayment of long-term debt through scheduled, semi-annual debt service, contributed to the overall reduction in long-term liabilities.

Business-type Activities

Total assets for the City's business-type activities increased by 6.33%. The increase in current, restricted and other assets is due to an increase in cash and investments and a reduction in the note receivable between the City and the City of Sparks.

Net capital assets increased due to the number of sewer line rehabilitation projects in various stages of completion and the expansion in progress of the Reno-Sparks Water Reclamation Facility. The cost of these projects exceeded the effect of depreciation and asset disposals during the fiscal year. Other assets include a majority ownership interest in the Truckee Meadow Water Reclamation Facility (Facility).

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Statement of Changes in Net Position

In order to enhance analysis and provide a means for evaluating the City's operating activities, comparative statement of changes in net position information is summarized in the following table.

Summary Statement of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
<i>Program revenues:</i>						
Charges for services	\$ 91,735,005	\$ 79,589,048	\$ 88,412,034	\$ 82,061,084	\$ 180,147,039	\$ 161,650,132
Operating grants and contributions	45,416,199	30,299,717	5,639	53,150	\$45,421,838	30,352,867
Capital grants and contributions	70,185,512	63,775,489	18,958,091	21,682,897	\$89,143,603	85,458,386
Total Program Revenue	207,336,716	173,664,254	107,375,764	103,797,131	\$314,712,480	277,461,385
<i>General revenues:</i>						
Property taxes	84,269,593	77,331,482	-	-	\$84,269,593	77,331,482
Room taxes	8,602,326	8,713,540	-	-	8,602,326	8,713,540
Sales tax dedicated to debt	14,295,419	12,513,819	-	-	14,295,419	12,513,819
Other sales taxes	5,705,200	3,344,550	-	-	5,705,200	3,344,550
Consolidated tax revenue	85,628,594	71,946,998	-	-	85,628,594	71,946,998
Intergovernmental shared revenues, unrestricted	6,270,598	5,553,863	-	-	6,270,598	5,553,863
Investment income	1,427,622	7,787,304	(34,947)	5,627,143	1,392,675	13,414,447
Gain on disposal of capital assets	2,396,079	1,285	-	-	2,396,079	1,285
Miscellaneous	217,690	8,350,854	117,973	10,783	335,663	8,361,637
Total Revenues	416,149,837	369,207,949	107,458,790	109,435,057	523,608,627	478,643,006
Expenses						
General government	68,005,239	45,217,904	-	-	68,005,239	45,217,904
Judicial	8,025,002	8,143,954	-	-	8,025,002	8,143,954
Public Safety	136,326,145	130,320,615	-	-	136,326,145	130,320,615
Public works	55,350,681	53,686,101	-	-	55,350,681	53,686,101
Community devp't & support	20,632,518	13,671,197	-	-	20,632,518	13,671,197
Culture & recreation	16,555,698	16,725,753	-	-	16,555,698	16,725,753
Urban redevelopment	9,940,636	6,689,551	-	-	9,940,636	6,689,551
Debt service:						
Interest & fiscal charges	21,369,103	21,828,993	-	-	21,369,103	21,828,993
Sanitary sewer	-	-	59,047,828	59,110,441	59,047,828	59,110,441
Building permits	-	-	7,176,512	10,380,414	7,176,512	10,380,414
Total Expenses	336,205,022	296,284,068	66,224,340	69,490,855	402,429,362	365,774,923
Transfers	682,888	367,831	(682,888)	(367,831)	-	-
Change in net position	80,627,703	73,291,712	40,551,562	39,576,371	121,179,265	112,868,083
Net position, beginning of year	221,619,247	148,327,535	557,135,799	517,559,428	778,755,046	665,886,963
Net position, end of year	\$ 302,246,950	\$ 221,619,247	\$ 597,687,361	\$ 557,135,799	\$ 899,934,311	\$ 778,755,046

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

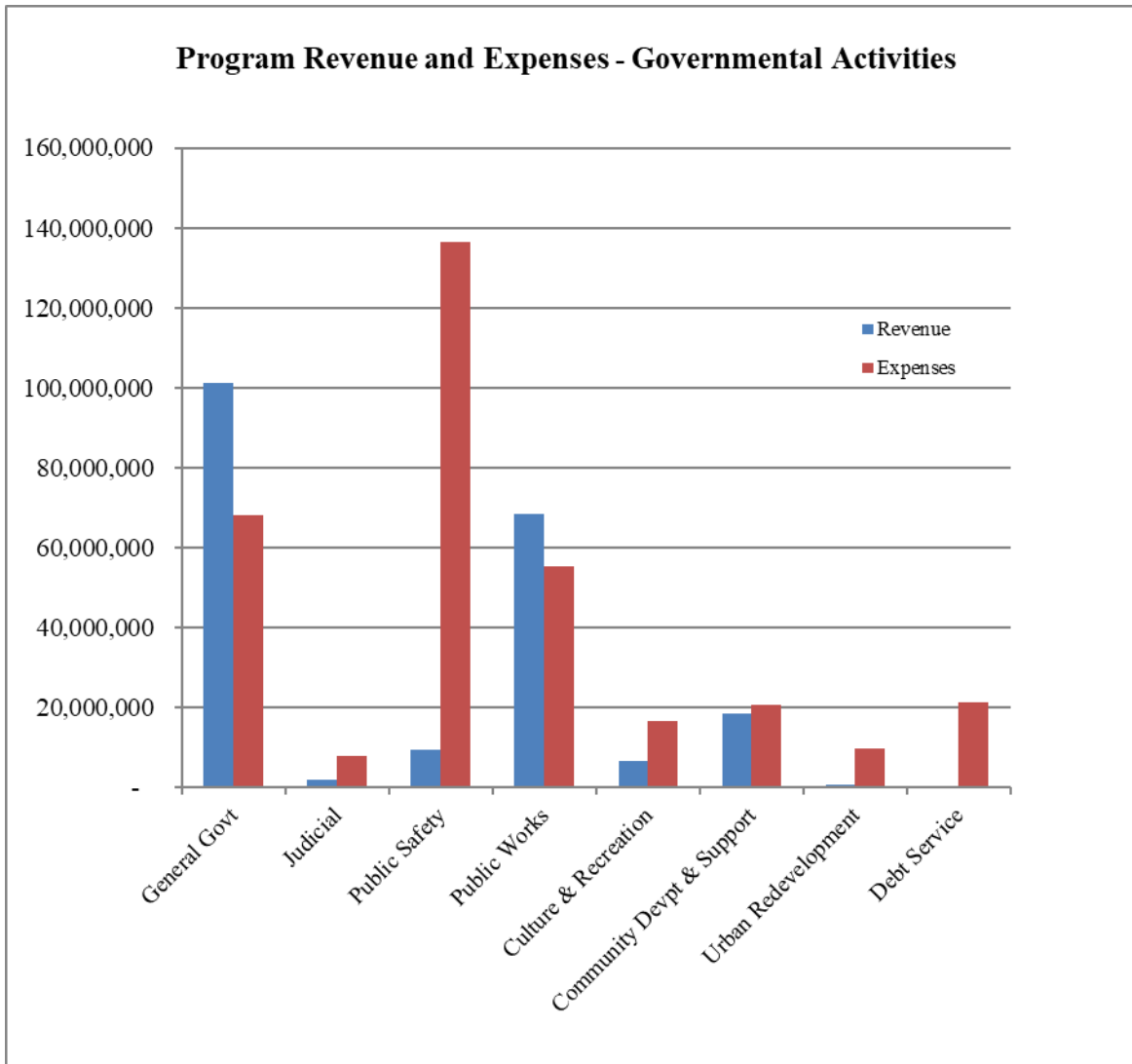
Summary Statement of Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>Change</u>		<u>Change</u>		<u>Change</u>	
Revenues:						
<i>Program revenues:</i>						
Charges for services	\$ 12,145,957	15.26 %	\$ 6,350,950	7.74 %	\$ 18,496,907	11.44 %
Operating grants and contributions	15,116,482	49.89 %	(47,511)	(89.39) %	\$15,068,971	49.65 %
Capital grants and contributions	6,410,023	10.05 %	(2,724,806)	(12.57) %	\$3,685,217	4.31 %
Total Program Revenue	<u>33,672,462</u>	<u>19.39 %</u>	<u>3,578,633</u>	<u>3.45 %</u>	<u>\$37,251,095</u>	<u>13.43 %</u>
<i>General revenues:</i>						
Property taxes	6,938,111	8.97 %	-	-	\$6,938,111	8.97 %
Room taxes	(111,214)	(1.28) %	-	-	(111,214)	(1.28) %
Sales tax dedicated to debt	1,781,600	14.24 %	-	-	1,781,600	14.24 %
Other sales taxes	2,360,650	70.58 %	-	-	2,360,650	70.58 %
Intergovernmental shared revenues, unrestricted	14,398,331	18.58 %	-	-	14,398,331	18.58 %
Investment income	(6,359,682)	(81.67) %	(5,662,090)	(100.62) %	(12,021,772)	(89.62) %
Gain on disposal of capital assets	2,394,794	186365.29 %	-	-	2,394,794	186365.29 %
Miscellaneous	(8,133,164)	(97.39) %	107,190	994.06 %	(8,025,974)	(95.99) %
Total Revenues	<u>46,941,888</u>	<u>12.71 %</u>	<u>(1,976,267)</u>	<u>(1.81) %</u>	<u>44,965,621</u>	<u>9.39 %</u>
Expenses:						
General government	22,787,335	50.39 %	-	-	22,787,335	50.39 %
Judicial	(118,952)	(1.46) %	-	-	(118,952)	(1.46) %
Public Safety	6,005,530	4.61 %	-	-	6,005,530	4.61 %
Public works	1,664,580	3.10 %	-	-	1,664,580	3.10 %
Community devp't & support	6,961,321	50.92 %	-	-	6,961,321	50.92 %
Culture & recreation	(170,055)	(1.02) %	-	-	(170,055)	(1.02) %
Urban redevelopment	3,251,085	48.60 %	-	-	3,251,085	48.60 %
Debt service:						
Interest & fiscal charges	(459,890)	(2.11) %	-	-	(459,890)	(2.11) %
Sanitary sewer		%	(62,613)	(0.11) %	(62,613)	(0.11) %
Building permits		%	(3,203,902)	(30.86) %	(3,203,902)	(30.86) %
Total Expenses	<u>39,920,954</u>	<u>13.47 %</u>	<u>(3,266,515)</u>	<u>(4.70) %</u>	<u>36,654,439</u>	<u>10.02 %</u>
Transfers	<u>315,057</u>	<u>85.65 %</u>	<u>(315,057)</u>	<u>(85.65) %</u>	<u>-</u>	<u>- %</u>
Change in net position	<u>7,335,991</u>	<u>10.01 %</u>	<u>975,191</u>	<u>2.46 %</u>	<u>8,311,182</u>	<u>7.36 %</u>
Net position, begin. of year	<u>73,291,712</u>	<u>49.41 %</u>	<u>39,576,371</u>	<u>7.65 %</u>	<u>112,868,083</u>	<u>16.95 %</u>
Net position, end of year	<u>\$ 80,627,703</u>	<u>36.38 %</u>	<u>\$ 40,551,562</u>	<u>7.28 %</u>	<u>\$ 121,179,265</u>	<u>15.56 %</u>

**City of Reno, Nevada
 Management’s Discussion and Analysis
 For the Year Ended June 30, 2021**

Governmental Activities

Program revenues are those revenues that are derived directly from the program itself or from parties outside of the City's taxpayers or citizenry. They reduce the net cost of the function to be financed from the City's general revenues which include property taxes and other taxes. The following chart compares the expenses for a particular program and the revenues generated by the program to defray those expenses.



As indicated in the chart, expenses exceeded program revenues for all functions except general government and public works. This indicates that services provided within those functions by the City are funded with tax dollars and other general revenues rather than from direct charges for those services. The gaps between expenses and program revenues for the public safety function and community development and support function are lessened due to the receipt of operating and capital grants from federal and state governments. The culture and recreation and judicial functions both generate a certain amount of charges for service that partially cover their operating expenses. Public works receives contributed capital from developers and at times from the Regional Transportation Commission (RTC), which is classified as capital grants and contributions.

While the major source of debt payments for the depressed railway and downtown events center projects are sales taxes and/or room taxes levied by ordinances specifically for these projects, because they are taxes by nature, they are reported under general revenues rather than as program revenues. This also holds true for debt that is repaid from ad valorem taxes.

For governmental activities, intergovernmental shares revenues became the largest revenue contributor at 22.08%, with charges for service a closed second at 22.04%. Property taxes were the third, contributing 20.25% of all revenues for governmental activities.

Charges for service rose by 15.26% compared to the prior fiscal year. Increases in revenue for business licenses and fire strike team receipts were both higher. County gaming taxes were also higher as casinos reopened, at first partially then fully, after the shutdown due to the pandemic from March through June of 2020.

The 49.89% increase in operating grants and contributions primarily relates to the receipt of the Emergency Rental Assistance Program Phase I funds. The City's Neighborhood and Housing Services Division also received additional Community Development Block Grants and Emergency Solutions Grants made available as part of the CARES Act. The Public Safety function also benefited from receiving additional grants related to the mitigation of the effects of the pandemic.

The increase in capital grants and contributions is the result of conversion of the \$9.57 million in Summit Sierra bonds to capital contributions. The debt was extinguished at the maturity date of the bonds due to the expiration of the Tourism Improvement District on October 1, 2020.

The increase in unrestricted intergovernmental shares revenues is related to surprisingly higher consolidated tax revenues that continue to grow despite the pandemic, perhaps partially due to additional stimulus payments distributed by the federal government.

Interest and investment earnings saw a large decline due to the drop in the change in value of the City's investment portfolio, while the City realized some significant revenue through the sale of certain real property, some of the proceeds of which will be used to pay off the outstanding 2014 Taxable Lease Revenue bonds in early fiscal year 2021/22.

Most governmental functions experienced an increase in overall expenses, primarily due to higher salaries and wages due to regularly scheduled merit increases and adjustments for compensated absences accruals. The City also experienced higher employee benefits as contributions to the State of Nevada's Public Employees Retirement System are based on salaries and wages.

The 50.39% change in expenses for the general government function is due to the use of CARES Act funds to assist small businesses and to provide additional computers and other equipment to City employees to enable them to work from home as much as possible to mitigate the spread of the coronavirus. Lastly, a \$3 million transfer was made to the Risk Retention Fund to improve its loss reserve.

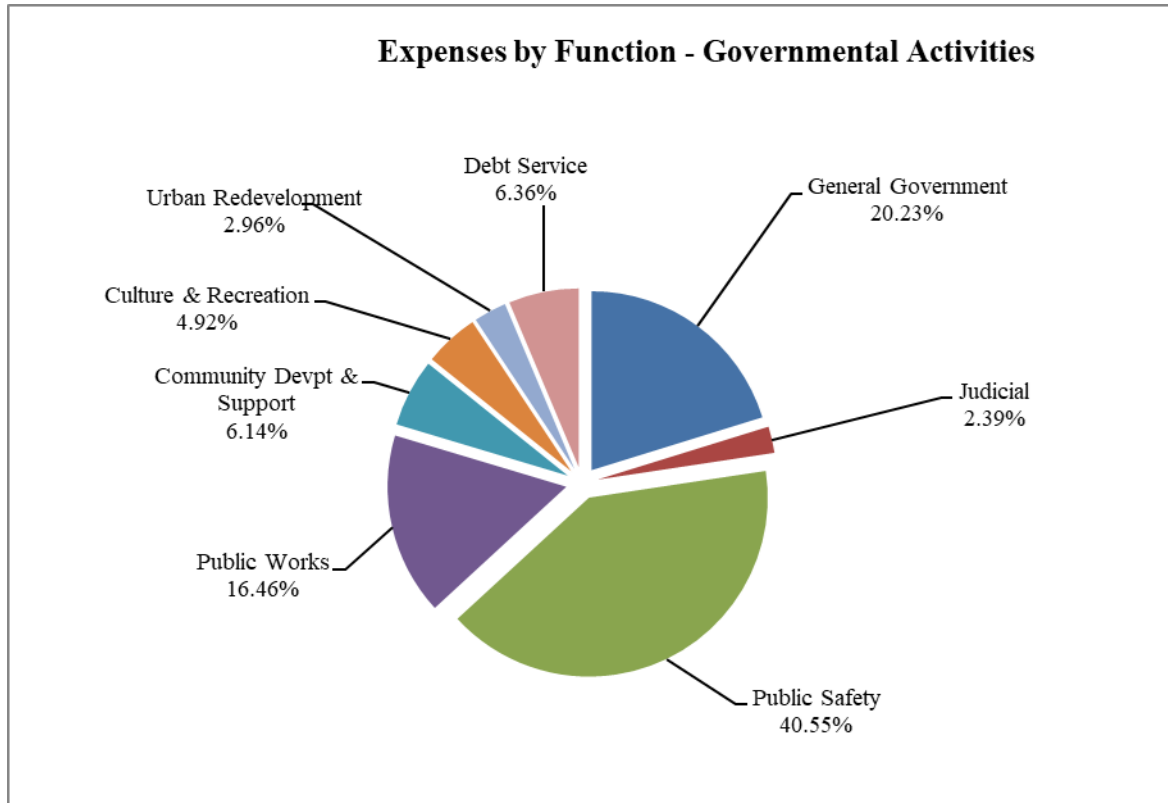
The increase in community development and support expense reflects the use of various grant money received for housing and utility assistance and to provide adequate shelter for the unhoused population.

The increase in urban redevelopment expenses is primarily due to the pass-through of sales tax increment received in the Tesser Tourism Improvement District to the business entitled to those funds. Those revenues saw a 70.58% increase.

The following chart provides a comparison of expenses by function/program as a percentage of total expenses for all governmental activities. The public safety function (police, fire and dispatch) continues to pose the largest cost to the City.

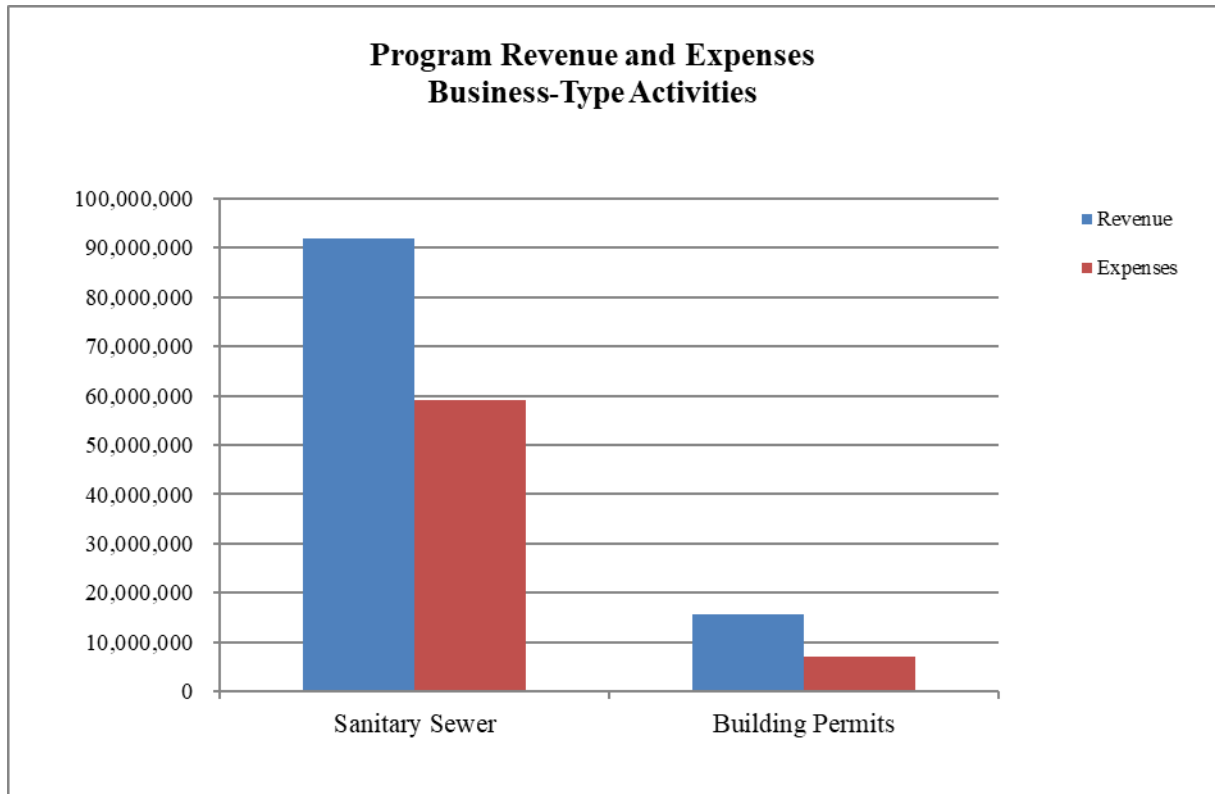
**City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021**

The general government function is second for reasons previously explained. The public works function is third as infrastructure depreciation will continue to keep public works as one of the most costly functions.



Business-type Activities

Business-type activities include sanitary sewer and building permit operations. The following chart presents each activity's contribution to these totals.



Business-type activities realized a 3.45% growth in program revenue but a negative 1.81% in overall revenue. Much of the reduction is due to lower capital grant revenue and a reduction in investment income due to the large, negative change in fair value of the investment portfolio. Expenses declined by 4.70%, resulting in 7.28% increase in net position for the business-type activities. Most of this decline in expenses was due to \$3.15 million in expense reductions related to OPEB and pension adjustments.

The building permit function experienced a 27.66% increase in overall building permits issued when compared to fiscal year 2019/20. This translated into a 35.77% increase in charges for service in the Building Permit Fund. Expenses were actually 5.09% lower than the (30.86%) shown on a previous chart after removing the effect of the \$2.68 million internal service funds' look-back adjustment true-up recorded in fiscal year 2019/20. The lower expense was due to the reductions previously mentioned related to OPEB and pension adjustments for fiscal year 2020/21.

The sanitary sewer function continues to be self-supporting, with program revenues exceeding operating expenses. This allows the function to continue funding its capital needs without relying upon the issuance of debt except for the planned Stead wastewater treatment plant expansion. Sewer connection fee revenue rose 33.09%, which is expected given the increase in building permits. Excluding the effect of the fiscal year 2019/20 true-up of internal balances owed by the Sanitary Sewer Fund to the various internal services funds, expenses actually rose 2.97%, which was almost fully offset by the 2.70% increase in charges for service.

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Financial Analysis of the Government's Funds

The financial information presented thus far has focused on government wide statements prepared using the full accrual method of accounting. As previously discussed, the focus of fund accounting is to measure inflows and outflows of current resources. Since the focus in governmental fund accounting is on current resources, the governmental funds balance sheet does not reflect long-term assets and liabilities. In particular, the governmental funds unassigned fund balance is useful in measuring resources available for spending at fiscal year-end, and the proprietary fund unrestricted net position is an important measure of working capital for use in providing services to City residents.

Total Assets - Governmental Funds				
	2021	2020	Change	
General Fund	\$ 67,800,461	\$ 74,550,328	\$ (6,749,867)	(9.05) %
Streets Special Revenue Fund	40,433,043	36,361,434	4,071,609	11.20 %
Cabela's Debt Service Fund	611,121	855,635	(244,514)	(28.58) %
City of Reno Capital Projects Fund	67,121,389	25,688,703	41,432,686	161.29 %
Non-major Governmental Funds	83,005,148	74,921,746	8,083,402	10.79 %

Total Liabilities - Governmental Funds				
	2021	2020	Change	
General Fund	\$ 14,859,703	\$ 13,350,492	\$ 1,509,211	11.30 %
Streets Special Revenue Fund	5,652,069	7,243,468	(1,591,399)	(21.97) %
Cabela's Debt Service Fund	11,069,475	9,290,988	1,778,487	19.14 %
City of Reno Capital Projects Fund	26,777,316	548,107	26,229,209	4785.42 %
Non-major Governmental Funds	8,367,881	3,650,494	4,717,387	129.23 %

Total Fund Balance - Governmental Funds				
	2021	2020	Change	
General Fund	\$ 51,289,698	\$ 59,793,269	\$ (8,503,571)	(14.22) %
Streets Special Revenue Fund	34,603,023	28,835,064	5,767,959	20.00 %
Cabela's Debt Service Fund	(10,458,354)	(8,435,353)	(2,023,001)	23.98 %
City of Reno Capital Projects Fund	40,342,092	25,140,596	15,201,496	60.47 %
Non-major Governmental Funds	68,539,400	63,455,055	5,084,345	8.01 %

Total Revenues - Governmental Funds				
	2021	2020	Change	
General Fund	\$ 262,109,594	\$ 233,895,911	\$ 28,213,683	12.06 %
Streets Special Revenue Fund	30,729,377	29,894,044	835,333	2.79 %
Cabela's Debt Service Fund	1,258,474	1,321,521	(63,047)	(4.77) %
City of Reno Capital Projects Fund	10,617,382	548,107	10,069,275	1837.10 %
Non-major Governmental Funds	53,425,591	49,210,004	4,215,587	8.57 %

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Total Expenditures - Governmental Funds

	2021	2020	Change	
General Fund	\$ 239,246,947	\$ 200,395,025	\$ 38,851,922	19.39 %
Streets Special Revenue Fund	25,123,492	27,289,061	(2,165,569)	(7.94) %
Cabela's Debt Service Fund	3,281,475	3,193,600	87,875	2.75 %
City of Reno Capital Projects Fund	25,456,364	14,721,256	10,735,108	72.92 %
Non-major Governmental Funds	52,382,973	43,322,688	9,060,285	20.91 %

Total Other Financing Sources (Uses) - Governmental Funds

	2021	2020	Change	
General Fund	\$ (31,366,217)	\$ (6,228,067)	\$ (25,138,150)	403.63 %
Streets Special Revenue Fund	162,074	53,217	108,857	204.55 %
Cabela's Debt Service Fund	-	-	-	- %
City of Reno Capital Projects Fund	30,040,478	15,086,568	14,953,910	99.12 %
Non-major Governmental Funds	4,041,728	(281,219)	4,322,947	(1537.22) %

Of the above fund balances, \$3.5 million is categorized as nonspendable, \$60.4 million as restricted, \$4.0 million as committed, \$83.7 million as assigned, and \$32.7 million as unassigned.

Major Governmental Funds

The primary operating fund of the City is the General Fund. At the end of the fiscal year presented, its unassigned fund balance was \$43.2 million, an increase of 49.13% over the previous fiscal year. The higher unassigned fund balance is due to conservative spending for services and supplies given the uncertainty surrounding the COVID-19 pandemic and whether future shutdowns (full or partial) will be mandated; higher than anticipated consolidated tax revenues, property tax revenues, and business licensing activity. One of the City's goals is to maintain a reserve in the general fund between 8.30% and 25.00% of the prior fiscal year's total operating expenditures. As of June 30, 2021, this calculation yielded a 25.59%.

The Streets Special Revenue Fund utilizes property tax overrides, motor vehicle fuel taxes and water toll fees to maintain arterial and neighborhood streets, as well as to perform neighborhood, street rehabilitation projects. Fund balance increased due to revenue growth in property taxes as well as in excavation/encroachment fees, which are construction growth driven, and motor vehicle taxes based on increased driving as more of the population returned to work.

The Cabela's Debt Service Fund is responsible for the payment of principal and interest on the outstanding 2007A and 2007B Sales Tax Increment (Cabelas) Bonds related to the construction of infrastructure assets installed as part of the construction of the Cabela's retail store. These bonds are paid solely from sales tax revenue collected in the City of Reno, Nevada Tourism Improvement District No. 2006-1 (Boomtown/Cabela's). Revenues have been insufficient to make timely debt service payments, causing matured principal and interest payable balances to rise, resulting in a negative fund balance. Prior to fiscal year 2019/2020 this debt service fund was included as part of the City Debt Service Fund.

The City of Reno Public Works Capital Project Fund met the criteria for a major fund in fiscal year 2020/21 for the first time due to the receipt of the first half of the State and Local Fiscal Recovery Fund (ARPA funds) allocation totaling \$25.76 million, which is reported as unearned revenue until such time as a formal, qualified spending plan is adopted by the City Council.

Non-major governmental funds consist primarily of special revenue and capital projects funds. Significant activities include the HUD and State housing grant fund created for the purpose of providing better housing, improved living conditions, and economic opportunities for persons of lower income; collecting room taxes dedicated to improving parks and recreation facilities and to promote tourism; the collection and expenditure of certain court collection and administrative fees to enhance judicial programs; and the maintenance of and repairs and improvements to City owned facilities.

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Major Proprietary Funds

The Sanitary Sewer Fund accounts for sewer services provided to Reno's citizens and some residents of Washoe County. The unrestricted net position at the end of the fiscal year amounted to \$171.7 million. Operating revenues were slightly higher at 3.34% from prior fiscal year level. Slightly higher charges for service due to a modest sewer rate increase and late penalties on delinquent sewer accounts were up from the prior fiscal year. Operating expenses decreased 6.81%, however, if the effect of the fiscal year 2019/20 true-up of internal service funds' internal balance are excluded, expenses actually rose 2.97%

The City contributed \$2.3 million to the Truckee Meadows Reclamation Facility for capital improvements, and its share of the joint venture's loss was \$5.6 million, which was made up primarily of depreciation expense.

The Building Permit Fund accounts for resources provided by the issuance of building permit fees and performing plan checks/reviews related to new construction and remodeling/structure rehabilitation projects. Operationally, the fund's revenues were 35.77% higher than fiscal year 2019/20 levels due to the growth in the various categories of building permits issued as previously discussed. Operating expenses declined by 43.52% due to lower OPEB and pension expenses, as well as the fact that the prior fiscal year included the true-up of the internal service fund-related internal balance.

Budgetary Highlights for General Fund

Summary of Selected General Fund Budget to Actual Information

	Original Budget	Final Budget	Actual	Variance
Total Revenues	\$ 220,642,281	\$ 253,828,213	\$ 262,109,594	\$ 8,281,281
Total Expenditures	217,736,900	253,795,253	239,246,947	12,921,640
Total Fund Balance	27,143,748	28,241,426	51,289,698	23,048,273

The functions represent the legal level of budgetary control. Budgeted revenues increased for reasons discussed previously. The expenditure budget for the general government function was increased to address the Information and Technology Department's need for temporary employees, additional funds for IT-related maintenance contracts, and laptops and other resources to enable employees to work from home to help mitigate the spread of the coronavirus. The City also used CARES Act funds for small business assistance. The public safety function specifically received budget increases related to grant-funded overtime and services and supplies, for payouts of compensated absences/leave balances upon retirement, and for coronavirus mitigation and vaccination administration. Other department's budgets were increased modestly for various reasons. However, due to the conservative spending measures taken, every function's actual expenditures were less than their respective final budgets and in some cases, less than their original budgets.

Capital Assets Activity

At June 30, 2021, the City had total capital assets net of depreciation and amortization of \$1,399.4 million, net of accumulated depreciation and amortization of \$1,262.5 million. This represents a 4.97% increase when compared to the prior year.

Major capital investment activities for fiscal year included:

- \$45.0 million increase in street infrastructure before depreciation, \$38.0 million of which was either contributed by developers or annexed;
- \$8.2 million land acquisition for the new Nevada Cares Campus to serve the unhoused population;
- \$21.5 million in new construction in progress, with completion of \$21.8 million of projects previously in construction in progress;

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2021

- \$31.9 million in new construction in progress related to the Reno/Stead Water Reclamation Facility
- \$13.6 million in new construction in progress in sewer line and storm drain rehabilitation and lift station improvement/replacement projects, and \$2.9 million in contributed sewer lines, storm drains, and other sewer improvements from developers.

Additional information on capital assets is presented in Note 4 in the Notes to the Financial Statements section of this report.

Long-term Debt Activity

Bonds and notes payable outstanding at June 30, 2021, totaled \$464.7 million, net of premiums and discounts, a 5.45% decrease when compared to the prior year. Debt for governmental activities represents 90.84% of total debt outstanding, with debt related to business type activities accounting for 9.16% of the total debt outstanding.

At June 30, 2021, the City had \$81.1 million of general obligation debt outstanding that is subject to the legal debt limit of \$1,415.4 million.

The City maintains an A1 rating from Moody's and an A+ rating from Standard and Poor's for its non-Sewer related general obligation bonds.

Known Economic Factors

For the first three months of fiscal year 2021/22, intergovernmental consolidated tax revenues have risen 17.29% over the first three months of fiscal year 2020/21. For June of 2021, statewide taxable sales were up 30.7% over June of 2020; whereas in Washoe County, taxable sales increased 30.1% for the same period. For the fiscal year as a whole, statewide taxable sales and Washoe County taxable sales for 2020/21 were 10.3% and 19.4%, respectively, higher over 2019/20 levels.

In June of 2021 the unemployment rate in the Reno-Sparks MSA was 4.9%, which is significantly lower than the state unemployment rate of 7.8% and lower than the national rate of 5.9%. This rate is significantly lower than the all-time high of 20.4% experienced in April of 2020, which was the first full month after the pandemic shutdown was instituted on March 17 by Nevada Governor Sisolak. The Reno MSA unemployment was 8.6% for the same time period one year ago.

The annual job growth rate for the Reno metropolitan area between June 2021 and June 2020 was 8.6% compared to the (7.5%) growth rate between June 2020 and June 2019. This percentage reflects a job recovery of 19,500. Statewide, job growth between June 2021 and June 2020 was 11.6%, or 138,700 jobs, with food service, hospitality, and leisure industries showing the strongest growth.

Requests for Information

This financial report is designed to provide a general overview of the financial activity and condition of the City to all having such an interest in the City. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Reno Finance Department, One East First Street, P. O. Box 1900, Reno, Nevada, 89505.

Basic Financial Statements

Government-Wide Financial Statements

City of Reno, Nevada
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash, cash equivalents, and investments	\$ 266,180,272	\$ 126,558,872	\$ 392,739,144
Cash, cash equivalents, and investments, restricted	-	35,187,415	35,187,415
Receivables:			
Accounts	7,350,418	10,774,683	18,125,101
Delinquent taxes	750,822	-	750,822
Special assessments	7,464,322	-	7,464,322
Long-term receivable		1,910,080	1,910,080
Accrued interest receivable	466,058	338,931	804,989
Due from other governments	30,094,857	2,725,381	32,820,238
Notes receivable, net	708,995	-	708,995
Inventories	1,649,267	569,934	2,219,201
Prepaid items	2,165,454	35,897	2,201,351
Property held for resale	1,041,209	-	1,041,209
Joint Venture in Truckee Meadows Water Reclamation Facility	-	86,670,221	86,670,221
Internal balances	(1,074,854)	1,074,854	-
Non-depreciated capital assets			
Construction in progress	12,554,708	61,945,936	74,500,644
Land	155,445,937	11,334,930	166,780,867
Water rights	1,125,000	1,812,114	2,937,114
Depreciable capital assets, net			
Buildings	155,615,867	6,551,505	162,167,372
Improvements other than buildings	257,288,462	333,200,906	590,489,368
Machinery, equipment and software	30,149,155	7,964,737	38,113,894
Infrastructure	361,707,036	-	361,707,036
Art and historical treasures	2,670,145	-	2,670,145
TOTAL ASSETS	1,293,353,130	688,656,396	1,982,009,528
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on debt refunding activity	19,424,043	-	19,424,043
Deferred amounts related to pensions	38,291,642	3,210,289	41,501,931
Deferred amounts related to OPEB	2,254,545	87,063	2,341,608
TOTAL DEFERRED OUTFLOWS OF RESOURCES	59,970,230	3,297,352	63,267,582

City of Reno, Nevada
Statement of Net Position (Continued)
June 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts payable	\$ 9,449,977	\$ 1,774,484	\$ 11,224,461
Accounts payable from restricted assets	-	77,244	77,244
Accrued salaries and benefits	8,807,954	584,651	9,392,605
Contracts payable	5,073,560	5,006,988	10,080,548
Contracts payable from restricted assets	-	3,631,200	3,631,200
Due to other governments	312,365	2,582,381	2,894,746
Deposits	1,651,056	7,224,307	8,875,363
Other liabilities	1,267,069	802,982	2,070,051
Unearned revenue	29,994,369	702,654	30,697,023
Long-term liabilities due within one year:			
Bonds and notes payable	20,276,466	5,440,444	25,716,910
Compensated absences	14,320,422	1,012,951	15,333,373
Self-insurance liability	9,411,634	-	9,411,634
Interest payable	5,537,708	245,066	5,782,774
Long-term liabilities due in more than one year:			
Bonds and notes payable	401,898,526	37,115,809	439,014,335
Compensated absences	12,211,218	744,572	12,955,790
Self-insurance liability	52,737,601	-	52,737,601
Interest payable	22,509,977	-	22,509,977
Net postemployment benefits other than pensions	143,312,640	3,708,331	147,020,971
Net pension liability	232,790,400	19,578,868	252,369,268
TOTAL LIABILITIES	<u>971,562,942</u>	<u>90,232,932</u>	<u>1,061,795,874</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	19,210,474	1,609,428	20,819,902
Deferred amounts related to OPEB	60,302,995	2,424,027	62,727,022
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>79,513,469</u>	<u>4,033,455</u>	<u>83,546,924</u>
NET POSITION			
Net investment in capital assets	599,592,166	380,253,875	979,846,041
Restricted for			
Capital projects	14,817,813	31,929,920	46,747,733
Debt service	43,621,987	-	43,621,987
Public safety programs	1,070,090	-	1,070,090
Cultural and community development	2,163,025	-	2,163,025
Risk claims	28,176,948	-	28,176,948
Other government programs	3,118,204	-	3,118,204
Unrestricted (deficit)	(390,313,284)	185,503,566	(204,809,718)
TOTAL NET POSITION	<u>\$ 302,246,949</u>	<u>\$ 597,687,361</u>	<u>\$ 899,934,310</u>

City of Reno, Nevada
Statement of Activities
For the Year Ended June 30, 2021

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT FUNCTIONS/PROGRAMS							
Governmental activities							
General government	\$ 68,005,239	\$ 74,437,953	\$ 26,790,882	\$ -	\$ 33,223,596	\$ -	\$ 33,223,596
Judicial	8,025,002	1,873,627	245,165	-	(5,906,210)	-	(5,906,210)
Public safety	136,326,145	6,013,460	2,590,832	827,978	(126,893,875)	-	(126,893,875)
Public works	55,350,681	3,991,568	134,995	64,454,978	13,230,860	-	13,230,860
Culture and recreation	16,555,698	2,493,223	512,068	3,775,290	(9,775,117)	-	(9,775,117)
Community development and support	20,632,518	2,297,189	15,014,233	1,127,266	(2,193,830)	-	(2,193,830)
Urban redevelopment	9,940,636	627,985	128,024	-	(9,184,627)	-	(9,184,627)
Debt service							
Interest	21,253,532	-	-	-	(21,253,532)	-	(21,253,532)
Administrative/fiscal charges	115,571	-	-	-	(115,571)	-	(115,571)
Total governmental activities	<u>336,205,022</u>	<u>91,735,005</u>	<u>45,416,199</u>	<u>70,185,512</u>	<u>(128,868,306)</u>	<u>-</u>	<u>(128,868,306)</u>
Business-type activities							
Sanitary sewer	59,047,828	72,855,628	5,639	18,958,091	-	32,771,530	32,771,530
Building permits	7,176,512	15,556,406	-	-	-	8,379,894	8,379,894
Total business-type activities	<u>66,224,340</u>	<u>88,412,034</u>	<u>5,639</u>	<u>18,958,091</u>	<u>-</u>	<u>41,151,424</u>	<u>41,151,424</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 402,429,362</u>	<u>\$ 180,147,039</u>	<u>\$ 45,421,838</u>	<u>\$ 89,143,603</u>	<u>(128,868,306)</u>	<u>41,151,424</u>	<u>(87,716,882)</u>

City of Reno, Nevada
Statement of Activities (Continued)
For the Year Ended June 30, 2021

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
GENERAL REVENUES			
Taxes			
Property taxes	\$ 84,269,593	\$ -	\$ 84,269,593
Sales taxes restricted for debt service	14,295,419	-	14,295,419
Other sales tax revenues	5,705,200		5,705,200
Room taxes	8,602,326	-	8,602,326
Unrestricted intergovernmental consolidated tax revenues	85,628,594	-	85,628,594
Unrestricted intergovernmental SCCR taxes (AB 104) tax revenues	5,004,314	-	5,004,314
Unrestricted County gaming contributions	1,266,284	-	1,266,284
Unrestricted investment and interest earnings	3,314,683	2,407,671	5,722,354
Change in fair value of investments	(1,887,061)	(2,442,618)	(4,329,679)
Miscellaneous	217,689	117,973	335,662
Gain on sale of capital assets	2,396,079	-	2,396,081
TRANSFERS	682,888	(682,888)	-
TOTAL GENERAL REVENUES AND TRANSFERS	<u>209,496,008</u>	<u>(599,862)</u>	<u>208,896,146</u>
CHANGE IN NET POSITION	<u>80,627,702</u>	<u>40,551,562</u>	<u>121,179,264</u>
NET POSITION, BEGINNING OF YEAR	<u>221,619,247</u>	<u>557,135,799</u>	<u>778,755,046</u>
NET POSITION, END OF YEAR	<u>\$ 302,246,949</u>	<u>\$ 597,687,361</u>	<u>\$ 899,934,310</u>

Fund Financial Statements

City of Reno, Nevada
Balance Sheet – Governmental Funds
June 30, 2021

	General Fund	Street Special Revenue Fund	Cabela's Sales Tax Increment Debt Service Fund	Public Works Capital Project Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 40,182,101	\$ 35,738,781	\$ 420,797	\$ 66,313,438	65,097,742	\$ 207,752,859
Receivables (net)						
Accounts	5,323,343	1,076,656	-	4,020	376,125	6,780,144
Accrued interest	92,474	77,482	-	86,423	93,928	350,307
Due from other governments	19,842,092	2,135,511	190,324	8,513	7,907,054	30,083,494
Taxes receivable	544,122	170,664	-	-	36,036	750,822
Special assessments						
Current	-	-	-	-	1,541,037	1,541,037
Delinquent	9,037	-	-	-	130	9,167
Deferred	-	-	-	-	5,914,118	5,914,118
Due from other funds	142,000	-	-	-	-	142,000
Advances to other funds	-	420,110	-	-	-	420,110
Inventories	693,981	808,737	-	-	-	1,502,718
Prepaid items	971,311	5,102	-	-	997,769	1,974,182
Property held for resale	-	-	-	-	1,041,209	1,041,209
Notes receivable, net	-	-	-	708,995	-	708,995
TOTAL ASSETS	\$ 67,800,461	\$ 40,433,043	\$ 611,121	\$ 67,121,389	\$83,005,148	\$ 258,971,162
LIABILITIES						
Accounts payable	\$ 3,791,893	\$ 600,723	\$ -	\$ 548,584	\$ 3,066,967	\$ 8,008,167
Accrued salaries and benefits	8,482,227	247,784	-	-	20,494	8,750,505
Contracts/retained percentage payable	103,803	4,396,237	-	407,931	165,589	5,073,560
Accrued interest payable	-	-	-	-	37,775	37,775
Due to other funds	-	-	-	-	142,000	142,000
Due to other governments	251,477	-	-	60,798	90	312,365
Deposits	970,846	407,090	-	-	273,120	1,651,056
Other liabilities	1,258,857	235	-	-	7,970	1,267,062
Advances from other funds	-	-	-	-	420,110	420,110
Unearned revenue	600	-	-	25,760,003	4,233,766	29,994,369
Interest payable	-	-	4,359,475	-	-	4,359,475
Debt obligations payable	-	-	6,710,000	-	-	6,710,000
TOTAL LIABILITIES	14,859,703	5,652,069	11,069,475	26,777,316	8,367,881	66,726,444
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, property taxes	544,122	170,664	-	-	36,036	750,822
Unavailable revenue, special assessments	9,037	-	-	-	5,960,559	5,969,596
Unavailable revenue, other	1,097,901	7,287	-	1,981	101,272	1,208,441
TOTAL DEFERRED INFLOWS OF RESOURCES	1,651,060	177,951	-	1,981	6,097,867	7,928,859

City of Reno, Nevada
Balance Sheet – Governmental Funds (Continued)
June 30, 2021

	General Fund	Street Special Revenue Fund	Cabela's Sales Tax Increment Debt Service Fund	Public Works Capital Project Fund	Other Governmental Funds	Total Governmental Funds
FUND BALANCES						
Nonspendable						
Inventories	\$ 693,981	\$ 808,737	\$ -	\$ -	\$ -	\$ 1,502,718
Prepaid items	971,311	5,102	-	-	997,769	1,974,182
Restricted						
Capital projects	54,762	646,164	-	35,646	14,500,998	15,237,570
Debt service	-	-	-	-	38,761,293	38,761,293
Public safety programs	305,905	-	-	-	764,185	1,070,090
Court programs	35,850	-	-	-	-	35,850
Cultural and community development programs	104,825	-	-	-	2,022,350	2,127,175
Other	-	-	-	-	3,118,204	3,118,204
Committed						
Other	4,043,500	-	-	-	-	4,043,500
Assigned						
Capital projects	98,871	33,143,020	-	40,306,446	65,646	73,613,983
Fire, police & other public safety programs	428,126	-	-	-	66,157	494,283
Cultural & community support programs	304,060	-	-	-	-	304,060
Public works	421,337	-	-	-	-	421,337
Other	674,921	-	-	-	8,242,798	8,917,719
Unassigned	43,152,249	-	(10,458,354)	-	-	32,693,895
TOTAL FUND BALANCES	<u>51,289,698</u>	<u>34,603,023</u>	<u>(10,458,354)</u>	<u>40,342,092</u>	<u>68,539,400</u>	<u>184,315,859</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 67,800,461</u>	<u>\$ 40,433,043</u>	<u>\$ 611,121</u>	<u>\$ 67,121,389</u>	<u>\$ 83,005,148</u>	<u>\$ 258,971,162</u>

City of Reno, Nevada
Reconciliation of the Balance Sheet – Governmental Funds to the
Statement of Net Position – Governmental Activities
June 30, 2021

FUND BALANCES, GOVERNMENTAL FUNDS		\$ 184,315,859
Amounts reported in the statement of net position are different because:		
Capital assets used in Governmental Activities are not financial resources; and, therefore, are not reported in the Governmental Funds:		
Capital assets	2,001,682,428	
Less accumulated depreciation	<u>(1,037,365,777)</u>	964,316,651
Long-term liabilities, including bonds payable, are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Bonds, notes, and installment purchase agreements payable	(405,204,513)	
Unamortized premiums and discounts	(10,260,479)	
Unamortized deferred refunding charges	19,424,043	
Compensated absences payable	(26,443,994)	
Net postemployment benefits other than pensions	(142,939,150)	
Net pension liability	(231,013,966)	
Deferred outflows related to other post-employment benefits	2,245,776	
Deferred inflows related to other post-employment benefits	(60,058,853)	
Deferred outflows related to pensions	38,000,365	
Deferred inflows related to pensions	<u>(19,064,447)</u>	(835,315,218)
Other liabilities are not due and payable in the current period; and, therefore, are not reported in governmental funds:		
Interest payable	<u>(23,650,435)</u>	(23,650,435)
Unavailable revenue represents amounts that were not available to fund current expenditures; and, therefore, are not reported in governmental funds:		
Unavailable revenue	<u>7,928,859</u>	7,928,859
Internal service funds are used by management to charge the costs of certain activities to individual funds:		
Internal service fund assets and liabilities included in governmental activities in the statement of net position	5,726,087	
Internal service fund balance receivable from business-type activities from cumulative prior years' activity	153,785	
Internal service fund balance receivable from business-type activities for current year activity	<u>(1,228,639)</u>	<u>4,651,233</u>
TOTAL NET POSITION FOR GOVERNMENTAL ACTIVITIES AS SHOWN ON THE STATEMENT OF NET POSITION		<u>\$ 302,246,949</u>

City of Reno, Nevada
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds
For the Year Ended June 30, 2021

	General	Street Special Revenue Fund	Cabela's Sales Tax Increment Debt Service Fund	Public Works Capital Project Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 61,017,108	\$ 19,117,815	\$ -	\$ -	\$ 4,157,963	\$ 84,292,886
Room and construction taxes	-	-	-	-	12,364,316	12,364,316
Special assessments	2,862,048	-	-	-	1,730,667	4,592,715
Franchise fees	26,738,063	3,218,897	-	-	-	29,956,960
Licenses and permits	23,795,623	657,897	-	494,692	218,694	25,166,906
Intergovernmental consolidated tax revenues	85,628,594	-	-	-	-	85,628,594
Intergovernmental SCCR (AB104) taxes	5,004,314	-	-	-	-	5,004,314
Intergovernmental marijuana fees	306,193	-	-	-	-	306,193
Motor vehicle taxes	-	7,044,842	-	-	128,024	7,172,866
Intergovernmental gaming licenses	1,266,284	-	-	-	-	1,266,284
Intergovernmental, other	6,863	-	-	-	673,079	679,942
Dedicated sales tax revenues	5,705,200	-	1,258,209	-	13,037,210	20,000,619
Grants and contributions	28,992,013	547,772	-	7,764,152	16,082,956	53,386,893
Charges for services	13,432,521	-	-	-	872,246	14,304,767
Fines and forfeitures	2,715,373	28,862	-	-	157,371	2,901,606
Private grants and contributions	643,252	-	-	892,891	67,309	1,603,452
Interest & investment earnings	910,457	500,728	265	463,486	1,237,407	3,112,343
Change in fair value of investments	(464,855)	(523,755)	-	(321,278)	(577,173)	(1,887,061)
Rents and royalties	407,236	-	-	35,000	1,609,008	2,051,244
Reimbursements and restitution	3,019,621	135,799	-	1,288,439	264,992	4,708,851
Miscellaneous	123,686	520	-	-	1,401,522	1,525,728
TOTAL REVENUES	262,109,594	30,729,377	1,258,474	10,617,382	53,425,591	358,140,418
EXPENDITURES						
CURRENT:						
General government	45,172,412	-	-	384,469	1,939,956	47,496,837
Judicial	7,757,690	-	-	-	117,920	7,875,610
Public safety	141,481,650	-	-	1,583,682	211,290	143,276,622
Public works	5,826,371	18,300,860	-	1,358,471	73,936	25,559,638
Community development and support	6,252,355	-	-	168,552	15,382,796	21,803,703
Culture and recreation	10,992,908	-	-	27,750	38,521	11,059,179
Urban redevelopment	-	-	-	-	1,861,228	1,861,228
Other	20,277,340	-	-	-	-	20,277,340
Capital outlay	1,027,198	6,822,632	-	21,933,440	5,332,857	35,116,127
Debt service:						
Principal	458,799	-	2,160,000	-	12,886,350	15,505,149
Interest	224	-	1,118,175	-	14,425,848	15,544,247
Fiscal charges	-	-	3,300	-	106,081	109,381
Bond issue costs	-	-	-	-	6,190	6,190
TOTAL EXPENDITURES	239,246,947	25,123,492	3,281,475	25,456,364	52,382,973	345,491,251
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	22,862,647	5,605,885	(2,023,001)	(14,838,982)	1,042,618	12,649,167
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	218,682	-	-	1,065,389	1,481,992	2,766,063
Transfers in	1,873,678	258,616	-	29,111,089	4,661,444	35,904,827
Transfers out	(33,458,577)	(96,542)	-	(136,000)	(2,101,708)	(35,792,827)
TOTAL OTHER FINANCING SOURCES (USES)	(31,366,217)	162,074	-	30,040,478	4,041,728	2,878,063
NET CHANGE IN FUND BALANCES	(8,503,570)	5,767,959	(2,023,001)	15,201,496	5,084,346	15,527,230
FUND BALANCES, BEGINNING OF YEAR	59,793,269	28,835,064	(8,435,353)	25,140,596	63,455,054	168,788,630
FUND BALANCES, END OF YEAR	\$ 51,289,698	\$ 34,603,023	\$ (10,458,354)	\$ 40,342,092	\$ 68,539,400	\$ 184,315,859

City of Reno, Nevada
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances – Governmental Funds to the Statement of
Activities – Governmental Activities
For the Year Ended June 30, 2021

NET CHANGE IN FUND BALANCES FOR GOVERNMENTAL FUNDS AS SHOWN ON THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES \$ 15,527,230

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and depreciated over estimated useful lives:

Expenditures for capital assets	35,116,127	
Less current year depreciation	(49,876,485)	
Disposition of capital assets	(1,920,724)	
Expense for staff engineering capitalized as part of infrastructure capital assets	7,003,938	
Expense of prior year construction in progress	<u>(1,528)</u>	(9,678,672)

Revenues in the Statement of Activities, which do not provide current financial resources, are not reported as revenues in governmental funds:

Change in unavailable revenue	(1,576,806)	
Capital contributions	<u>38,442,614</u>	36,865,808

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces liabilities in the statement of net position. This is the amount by which repayments exceeded debt issued:

Debt principal payments	15,505,149	
Debt extinguishment and conversion to contributed capital	<u>9,567,473</u>	25,072,622

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:

Change in post-employment benefits other than pensions	11,528,263	
Change in net pension liability	(860,109)	
Change in compensated absences payable	(2,539,834)	
Amortization of deferred refunding charges	(878,257)	
Change of debt premiums and discounts	603,541	
Change in accrued interest	<u>(5,434,569)</u>	2,419,035

Internal service funds are used by management to charge the costs of certain activities to individual funds:

Internal service fund change in net position included in governmental activities in the statement of activities	11,650,318	
The internal service funds change in net position related to business-type activities	<u>(1,228,639)</u>	<u>10,421,679</u>

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 80,627,702

City of Reno, Nevada
Statement of Net Position – Proprietary Funds
June 30, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Sanitary Sewer Fund	Building Permit Fund	Total Enterprise Funds	
ASSETS				
Current assets				
Cash, cash equivalents and investments	\$ 104,101,650	\$ 22,457,222	\$ 126,558,872	\$ 58,427,413
Receivables:				
Accounts Receivable	10,774,683	-	10,774,683	570,274
Accrued interest	292,958	45,973	338,931	115,751
Due from other governments	2,725,381	-	2,725,381	11,363
Inventory of supplies	569,934	-	569,934	146,549
Prepaid expenses	25,241	10,656	35,897	191,272
Restricted assets				
Cash, cash equivalents and investments	35,187,415	-	35,187,415	-
Total current assets	<u>153,677,262</u>	<u>22,513,851</u>	<u>176,191,113</u>	<u>59,462,622</u>
Noncurrent assets				
Long-term notes receivable	1,910,080	-	1,910,080	-
Investment in Truckee Meadows Water Reclamation Facility	<u>86,670,221</u>	<u>-</u>	<u>86,670,221</u>	<u>-</u>
Capital assets				
Land	11,334,930	-	11,334,930	-
Water rights	1,812,114	-	1,812,114	-
Buildings	12,275,043	2,021,775	14,296,818	-
Improvements other than buildings	526,957,741	-	526,957,741	-
Machinery and equipment	9,650,597	63,940	9,714,537	34,097,636
Construction in progress	61,945,936	-	61,945,936	-
Total	<u>623,976,361</u>	<u>2,085,715</u>	<u>626,062,076</u>	<u>34,097,636</u>
Less accumulated depreciation	<u>(202,884,788)</u>	<u>(367,160)</u>	<u>(203,251,948)</u>	<u>(21,857,977)</u>
Net capital assets	<u>421,091,573</u>	<u>1,718,555</u>	<u>422,810,128</u>	<u>12,239,659</u>
Total noncurrent assets	<u>509,671,874</u>	<u>1,718,555</u>	<u>511,390,429</u>	<u>12,239,659</u>
TOTAL ASSETS	<u>663,349,136</u>	<u>24,232,406</u>	<u>687,581,542</u>	<u>71,702,281</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred amounts related to pensions	2,043,068	1,167,221	3,210,289	291,277
Deferred amounts related to other post-employment benefits	55,904	31,159	87,063	8,769
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>2,098,972</u>	<u>1,198,380</u>	<u>3,297,352</u>	<u>300,046</u>

City of Reno, Nevada
Statement of Net Position – Proprietary Funds (Continued)
June 30, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Sanitary Sewer Fund	Building Permit Fund	Total Enterprise Funds	
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 1,693,924	\$ 80,560	\$ 1,774,484	\$ 1,441,810
Accounts payable from restricted assets	77,244	-	77,244	-
Accrued salaries and benefits	373,520	211,131	584,651	57,449
Contracts payable	4,876,454	130,534	5,006,988	-
Contracts payable from restricted assets	3,631,200	-	3,631,200	-
Accrued interest payable	245,066	-	245,066	-
Liability for self-insurance	-	-	-	9,411,634
Compensated absences payable	699,784	313,167	1,012,951	66,076
Due to other governments	2,513,115	69,266	2,582,381	-
Deposits	7,224,307	-	7,224,307	-
Unearned revenues	702,654	-	702,654	-
Bonds payable - current portion	5,440,444	-	5,440,444	-
Other liabilities	802,982	-	802,982	7
Total current liabilities	28,280,694	804,658	29,085,352	10,976,976
Long-term liabilities:				
Liability for self-insurance	-	-	-	52,737,601
Net postemployment benefits other than pensions	2,381,154	1,327,177	3,708,331	373,490
Net pension liability	12,460,242	7,118,626	19,578,868	1,776,434
Compensated absences payable	460,033	284,539	744,572	21,570
Notes & bonds payable, less current portion	37,115,809	-	37,115,809	-
Total Noncurrent Liabilities	52,417,238	8,730,342	61,147,580	54,909,095
TOTAL LIABILITIES	80,697,932	9,535,000	90,232,932	65,886,071
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to pensions	1,024,260	585,168	1,609,428	146,027
Deferred amounts related to other post-employment benefits	1,556,491	867,536	2,424,027	244,142
TOTAL DEFERRED INFLOWS OF RESOURCES	2,580,751	1,452,704	4,033,455	390,169
NET POSITION				
Net investment in capital assets	378,535,320	1,718,555	380,253,875	12,239,659
Restricted for				
Capital projects	31,929,920	-	31,929,920	-
Claims	-	-	-	28,176,948
Unrestricted (deficit)	171,704,185	12,724,527	184,428,712	(34,690,520)
TOTAL NET POSITION	\$ 582,169,425	\$ 14,443,082	596,612,507	\$ 5,726,087
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,074,854	
Net Position of Business-type Activities			\$ 597,687,361	

City of Reno, Nevada
Statement of Revenues, Expenses and Changes in Net Position –
Proprietary Funds
For the Year Ended June 30, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Sanitary Sewer	Building Permit Fund	Total Enterprise Funds	
OPERATING REVENUES				
Charges for services	\$ 70,480,392	\$ 15,550,930	\$ 86,031,322	\$ 50,286,708
Licenses and permits	366,836	-	366,836	-
Fines and forfeits	1,376,960	-	1,376,960	-
Miscellaneous	749,413	5,476	754,889	7,845,580
TOTAL OPERATING REVENUES	72,973,601	15,556,406	88,530,007	58,132,288
OPERATING EXPENSES				
Salaries and wages	7,172,038	4,153,675	11,325,713	1,162,206
Employee benefits	2,298,714	355,768	2,654,482	444,708
Services and supplies	18,647,664	2,754,620	21,402,284	43,268,891
Joint sewer plant	12,384,392	-	12,384,392	-
Depreciation	12,754,306	110,328	12,864,634	2,883,725
TOTAL OPERATING EXPENSES	53,257,114	7,374,391	60,631,505	47,759,530
OPERATING INCOME (LOSS)	19,716,487	8,182,015	27,898,502	10,372,758
NONOPERATING REVENUES (EXPENSES)				
Federal grants	5,639	-	5,639	-
Investment earnings	2,129,134	278,537	2,407,671	781,094
Change in fair value of investments	(2,200,530)	(242,088)	(2,442,618)	(736,318)
Gain on asset disposal	(570,888)	-	(570,888)	292,386
Debt service - interest	(1,230,887)	-	(1,230,887)	-
Net loss from Truckee Meadows Water Reclamation Facility	(5,590,587)	-	(5,590,587)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(7,458,119)	36,449	(7,421,670)	337,162

City of Reno, Nevada
Statement of Revenues, Expenses and Changes in Net Position –
Proprietary Funds (Continued)
For the Year Ended June 30, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Sanitary Sewer	Building Permit Fund	Total Enterprise Funds	
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	\$ 12,258,368	\$ 8,218,464	\$ 20,476,832	\$ 10,709,920
CAPITAL CONTRIBUTIONS IN (OUT)				
Federal and state grants	1,465,678	-	1,465,678	271,659
Connection charges	14,579,682	-	14,579,682	-
Contribution of assets	2,912,731	-	2,912,731	668,739
TRANSFERS IN	-	-	-	-
TRANSFERS OUT	(112,000)	-	(112,000)	-
CHANGE IN NET POSITION	31,104,459	8,218,464	39,322,923	11,650,318
NET POSITION, BEGINNING OF YEAR	551,064,966	6,224,618		(5,924,231)
NET POSITION, END OF YEAR	<u>\$ 582,169,425</u>	<u>\$ 14,443,082</u>		<u>\$ 5,726,087</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,228,639	
Change in Net Position of Business-type Activities			<u>\$ 40,551,562</u>	

City of Reno, Nevada
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Sanitary Sewer	Building Permit Fund	Total Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 73,805,048	\$ 15,550,930	\$ 89,355,978	\$ 50,111,274
Cash received from interfund services	-	-	-	100,000
Cash received from other sources	1,031,316	5,476	1,036,792	7,859,637
Cash payments for goods and services	(25,773,488)	(1,477,467)	(27,250,955)	(46,244,810)
Cash payments for employee services	(9,354,982)	(5,352,279)	(14,707,261)	(1,505,958)
Cash payments for interfund good and services	(2,816,956)	(1,134,117)	(3,951,073)	289,843
Cash payments for interfund employee benefits	(1,295,728)	(669,040)	(1,964,768)	(195,380)
Net cash provided by operating activities	35,595,210	6,923,503	42,518,713	10,414,606
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(112,000)	-	(112,000)	-
Cash received from grants	1,471,317	-	1,471,317	271,659
Net cash provided by (used in) noncapital financing activities	1,359,317	-	1,359,317	271,659
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(46,044,340)	-	(46,044,340)	(3,898,010)
Proceeds from debt issuance	21,366,201	-	21,366,201	-
Proceeds received from disposal of capital assets	-	-	-	56,453
Principal payments on debt	(23,799,371)	-	(23,799,371)	-
Interest payments on debt	(1,276,032)	-	(1,276,032)	-
Cash received from customers	14,579,682	-	14,579,682	-
Net cash provided by (used in) capital financing activities	(35,173,860)	-	(35,173,860)	(3,841,557)
CASH FLOWS FROM INVESTING ACTIVITIES				
Truckee Meadows Water Reclamation facility	(2,344,367)	-	(2,344,367)	-
Investment income received	2,325,678	290,338	2,616,016	834,193
Change in fair value of cash equivalent investments	(2,200,530)	(242,088)	(2,442,618)	(736,318)
Net cash provided by (used in) investing activities	(2,219,219)	48,250	(2,170,969)	97,875
NET INCREASE IN CASH AND CASH EQUIVALENTS	(438,552)	6,971,753	6,533,201	6,942,583
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	139,727,617	15,485,469	155,213,086	51,484,830
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 139,289,065</u>	<u>\$ 22,457,222</u>	<u>\$ 161,746,287</u>	<u>\$ 58,427,413</u>

City of Reno, Nevada
Statement of Cash Flows – Proprietary Funds (Continued)
For the Year Ended June 30, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Sanitary Sewer	Building Permit Fund	Total Enterprise Funds	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 19,716,487	\$ 8,182,015	\$ 27,898,502	\$ 10,384,295
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	12,754,306	110,328	12,864,634	2,883,725
(Increase) decrease in operating assets				
Accounts receivable	(1,218,204)	-	(1,218,204)	(75,434)
Notes receivable	791,262	-	791,262	-
Due from other government	(509,359)	-	(509,359)	14,058
Inventories	(273,226)	-	(273,226)	(19,354)
Prepaid items	25,116	(1,000)	24,116	(63,126)
Increase (decrease) in operating liabilities				
Accounts payable and accrued expenses	95,119	26,888	122,007	841,713
Accrued salaries and benefits	72,473	36,433	108,906	11,794
Due to other government	(485,000)	(13,386)	(498,386)	-
Contracts and retentions payable	3,079,603	130,534	3,210,137	-
Deposits	2,799,064	-	2,799,064	-
Compensated absences	190,902	157,308	348,210	1
Self-insurance liability	-	-	-	(3,445,309)
Postemployment benefits other than pensions	(1,444,626)	(1,152,421)	(2,597,047)	(203,388)
Postemployment pensions	1,293	(553,196)	(551,903)	85,631
Total adjustments	<u>15,878,723</u>	<u>(1,258,512)</u>	<u>14,620,211</u>	<u>30,311</u>
Net cash provided by operating activities	<u>\$ 35,595,210</u>	<u>\$ 6,923,503</u>	<u>\$ 42,518,713</u>	<u>\$ 10,414,606</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Contribution of capital assets	<u>\$ 2,912,731</u>	<u>\$ -</u>	<u>\$ 2,912,731</u>	<u>\$ -</u>

City of Reno, Nevada
Statement of Net Position – Fiduciary Funds
June 30, 2021

	Other Post- Employment Benefits Trust Fund	Special Assessment District Custodial Funds
	<u>Trust Fund</u>	<u>Funds</u>
ASSETS		
Cash, cash equivalents, and investments	\$ 17,293,548	\$ 6,546,554
Accrued interest receivable	-	11,407
Special assessments receivables	-	1,675,499
	<u>17,293,548</u>	<u>8,233,460</u>
LIABILITIES		
Accounts payable	-	6,212
Deposits	-	27,488
Debt obligation payable	-	1,325,000
	<u>-</u>	<u>1,358,700</u>
NET POSITION		
Assets held in trust for other postemployment benefits	17,293,548	-
Restricted for other governments and organizations	-	6,874,760
	<u>\$ 17,293,548</u>	<u>\$ 6,874,760</u>

City of Reno, Nevada
Statement of Changes in Net Position – Fiduciary Funds
For the Year Ended June 30, 2021

	Other Post- Employment Benefits Trust Fund	Special Assessment District Custodial Fund
ADDITIONS		
Contributions		
Employer	\$ 2,357,702	\$ -
Plan members	138,950	-
	2,496,652	-
Investment earnings		
Interest, dividends and other investment income	3,231,459	100,640
Net change in fair value of investment	-	(5,292)
Special assessment interest	-	163,835
Total investment earnings	3,231,459	259,183
Less investment expense	(3,895)	-
Net investment earnings	3,227,564	259,183
Miscellaneous	-	120,851
Total Additions	5,724,216	380,034
DEDUCTIONS		
Services and supplies	-	110,192
Interest and fiscal charges	-	103,628
Total Deductions	-	213,820
CHANGE IN NET POSITION	5,724,216	166,214
NET POSITION:		
NET POSITION Beginning of year, as previously reported	11,569,332	4,827,260
Restatement (NOTE 13)	-	1,881,286
NET POSITION, Beginning of year	11,569,332	6,708,546
NET POSITION, End of year	\$ 17,293,548	\$ 6,874,760

Notes to Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies

The financial statements of the City of Reno, Nevada (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant accounting policies consistently applied in the preparation of the accompanying basic financial statements follows.

Reporting Entity

The City of Reno, Nevada was incorporated on March 16, 1903. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: general government administration; public safety (police, fire, dispatch, and building inspection); public works; culture and recreation; community development and support; urban redevelopment; and other services.

The reporting entity is defined as the primary government and those component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the organization's governing board, and either the ability of the primary government to impose its will on the organization or the possibility that the organization will provide a financial benefit to or impose a financial burden on the primary government. In addition to financial accountability, component units can be other organizations in which economic resources received or held by that organization are entirely or almost entirely for the direct benefit of the primary government, the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by that organization and the resources to which the primary government is entitled or has the ability to otherwise access are significant to the primary government.

The City has determined that the Redevelopment Agency of the City of Reno (RACOR) should be presented as a blended component until and presented in the City's financial statements because of the significance of its operational and financial relationship with the City. RACOR is governed by a separate board, which is comprised of the members of the City Council, and is dependent upon the City's taxing authority.

Basic Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities and present consolidated information for the City's non-fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

Included in the statement of net position are capital assets and long-term liabilities including general payment obligations, revenue bonds and compensated absences. Net position is classified as 1) net investment in capital assets, 2) restricted net position, and 3) unrestricted net position.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment and include indirect expenses allocated to each 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 or business-type activity, and 2) grants and contributions, which are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other revenues not restricted for use by a particular function or segment are reported as general revenues.

Separate fund financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and proprietary funds are reported as separate columns on the fund financial statements. Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances with schedules presented to reconcile fund balances presented in the governmental fund financial statements to net position presented in the government-wide financial statements. Proprietary fund financial statements include a statement of net position; a statement of revenues, expenses and changes in net position; and a statement of cash flows.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements – The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide statements.

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the City considers revenues to be available as follows:

- A sixty-day availability period is used for revenue recognition for all revenues except grants and property (ad valorem) taxes.
- A ninety-day availability period is used for revenue recognition for grants.
- A thirty-day availability period is used for revenue recognition for property taxes. Anticipated refunds of property taxes are recorded as deferred inflows and reductions of revenue when they are measurable and their validity seems certain.
- Sales taxes are considered available when in the hands of the intermediary collecting government.
- All other revenue sources are considered to be available when cash is received.

Note 1 – Summary of Significant Accounting Policies (continued)

The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes and county and state shared revenues.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and self-insurance liabilities, are recorded only when payment is due.

The City reports the following major governmental funds:

- *General Fund* – Accounts for all financial resources not accounted for in some other fund.
- *Streets Special Revenue Fund* – Accounts for motor vehicle fuel taxes and street override property tax revenues restricted for street improvement expenditures.
- *Cabela's Debt Service Fund* – Accounts for the accumulation of resources for payment of the 2007A and 2007B Sales Tax Increment Bonds (and debt supported by dedicated revenue sources) issued for the purposes of constructing public improvements and a museum at the Cabela's Reno retail store.
- *City of Reno Capital Projects Fund* – accounts for reserves for safety improvements, public art maintenance, public building construction and maintenance, and designated capital expenditures relating to capital improvement projects that are not accounted for in other funds.

The City reports the following non-major governmental fund types:

- *Special Revenue Funds* – Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.
- *Debt Service Funds* – Account for the accumulation of financial resources that are restricted, committed or assigned for the repayment of debt principal and interest.
- *Capital Projects Funds* – Account for financial resources that are restricted, committed or assigned to the improvement, acquisition, or construction of capital assets.

Proprietary Fund Financial Statements – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges for goods and services and other user fees. Operating expenses include the cost of goods and services, administrative expenses, and capital asset depreciation. All revenues and expenses not meeting this definition are reporting as nonoperating revenues and expenses.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

The City reports the following major enterprise funds:

- *Sanitary Sewer Fund* – Accounts for the provision of sewer services and connection fee revenues restricted for capital projects.
- *Building Permits Fund* – Accounts for resources provided by the issuance of building permit fees.

The City reports the following non-major proprietary type:

- *Internal Service Funds* – Account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other governmental units on a cost-reimbursement basis.

Fiduciary Fund Financial Statements – Fiduciary fund financial statements, comprised of a statement of net position, report the City's activities that are custodial in nature (assets equal liabilities) and do not involve measurement of operational results. Fiduciary funds are excluded from the government-wide financial statements.

The City reports the following fiduciary fund types:

- *Custodial Funds* – Account for assets held by the City as an agent for individuals, private organizations, other governments or other funds including the collection and disbursement of special assessments.
- *Employee Benefit Trust Fund* – Accounts for assets held in an irrevocable trust fund, which are to be used for payment of postemployment benefits other than pensions. The assets are invested by the State of Nevada Retirement Benefit Investment Fund. To date, the City has elected not to pay benefits out of the fund until such time as the fund has sufficient financial resources to meet those obligations.

Assets and Liabilities

Cash, Cash Equivalents and Investments – The City's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds participate in the City's cash and investment pool (the Pool). The Pool has the general characteristics of a demand deposit account in that proprietary funds may effectively withdraw amounts from the Pool at any time. Accordingly, amounts invested in the Pool are considered to be cash equivalents. Monies that are not required for immediate obligations are invested.

Investments are reported at fair value, regardless of the length of time remaining to maturity. The fair values of investments are determined using quotations obtained from independent published sources.

Note 1 – Summary of Significant Accounting Policies (continued)

Receivables, Payables and Unearned Revenues – Property tax receivables that are not expected to be collected within thirty days of year end are recognized as unearned revenue in the fund financial statements, rather than revenue since the asset is not available to satisfy current obligations. Unearned revenues also arise when the City receives resources before it has a legal claim to them such as when property taxes for the following tax year are received before year end. At June 30, 2021, notes receivables are shown net of an allowance for uncollectible amounts totaling \$51,430,270.

Washoe County is responsible for the assessment, collection and subsequent distribution to the City of property taxes. Property tax rates are set in June of each year, and property tax bills are mailed out by August 1st of each year. They are due by the third Monday in August. If the property tax is greater than \$100, installments may be made and are due by the third Monday in August and the first Mondays in October, January and March.

Pursuant to NRS 361.483(7), the Washoe County Treasurer must assess a 4% penalty on any one installment that is delinquent, a 5% penalty on any two installments together with accumulated penalties that are delinquent, a 6% penalty on any three installments together with accumulated penalties that are delinquent, and a 7% penalty together with accumulated penalties if all four installments are delinquent. In the event of nonpayment, Washoe County files a lien against the property on the first Monday in June. If delinquent taxes and penalties are not paid after two years from the date of the lien, the Washoe County Treasurer obtains a deed to the property and sells the property to satisfy the lien.

Inventories and Prepaid Items – Inventories in the governmental funds are valued at cost, which approximates market, using the first-in/first-out method. Inventories in proprietary funds are valued at the lower of cost (first-in, first-out method) or market. Inventories in proprietary funds are valued at the lower of cost (first-in/first-out method) or market.

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both the government-wide and fund financial statements.

In the governmental fund financial statements, inventories and prepaid items are recorded as expenditures when consumed rather than when purchased.

Restricted Assets – The ordinance levying a connection fee for tapping into the City's sewer lines restricts all monies received for the construction of and improvements to the sewer plant and sewer line system. Accordingly, a portion of the assets in the sanitary sewer enterprise fund have been restricted for that purpose.

Property Held for Resale – Property held for resale represents land held by the RACOR for eventual resale and the proceeds of such sales must be used for future redevelopment projects.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Capital Assets – Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as those assets with an initial cost of \$10,000 or more and an estimated useful life of more than one year. All purchased capital assets are valued at cost or estimated historical cost, including capitalized interest incurred during the construction phase on debt-financed projects. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value on the date received.

The costs of normal maintenance and repairs that do not significantly increase the functionality of the assets or materially extend the assets' lives are not capitalized.

Depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings	10–50
Depressed railroad trench improvement	100
Other improvements other than buildings	10–30
Machinery, equipment and software	2–20
Infrastructure	10–60
Art and historical treasures	1–40

Long-Term Liabilities – In the government-wide and proprietary fund statements, long-term obligations are reported as liabilities on the statement of net position. Premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Debt issuance costs are reported as expenses in the period incurred. For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the defeased debt is deferred and amortized as a component of interest expense using the straight-line method, which also approximates the effective interest method.

In the governmental fund financial statements, premiums, discounts and debt issuance costs are recognized in the period they are paid or received. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual net proceeds received, are reported as debt service expenditures.

Compensated Absences – It is the City's policy to permit employees to accumulate earned vacation and sick leave benefits that would be paid to them upon separation from City service if not previously taken. Accumulated sick leave benefits are payable to terminated employees who have accumulated a set number of hours up to a specified maximum, depending on the particular employee association. A liability for these obligations is reported in the government-wide and proprietary fund statements as incurred. A liability for compensated absences is reported in the governmental fund financial statements only to the extent it is due and payable at year end. Expenditures for compensated absences are recognized by the applicable fund when paid.

Note 1 – Summary of Significant Accounting Policies (continued)

Deferred Compensation Plan – In addition to the retirement plan disclosed in Note 10, the City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, which is available to all City employees, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The City may be required to, depending on the particular employee association, contribute up to 5% to the deferred compensation plan.

The assets of these plans are held in trust outside the control of the City. Since the assets and income of these plans are not considered assets of the City and are not subject to the claims of the City's general creditors, these plans are not reported in the government-wide or fund financial statements.

Postemployment Benefits Other Than Pensions (OPEB) – For the purposes of measuring the City's OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of the City's OPEB Plans, and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the City's OPEB Plans. For this purpose, the City recognizes benefit payments when due and payable in accordance with the benefit terms, and investments are reported at estimated fair value.

Multiple-Employer Cost-Sharing Defined Benefit Pension Plan – The City uses the same basis used in the Public Employees' Retirement System of Nevada's (PERS) Annual Comprehensive Financial Report for reporting its proportionate share of the PERS collective net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, including information related to PERS fiduciary net position and related additions to/deductions. Benefit payments (including refunds of employee contributions) are recognized by PERS when due and payable in accordance with the benefit terms. PERS investments are reported at fair value.

Agent Multiple-Employer Defined Benefit Pension Plan – The City uses the same basis used in the Judicial Retirement System of Nevada's (JRS) Annual Financial Report for reporting its proportionate share of the JRS net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, including information related to JRS fiduciary net position and related additions to/deductions from. Benefit payments (including refunds of employee contributions) are recognized by JRS when due and payable in accordance with the benefit terms. JRS's investments are reported at fair value.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position or fund balance that applies to future periods; and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The government-wide and proprietary funds statement of net position reports deferred refunding charges (the difference between the reacquisition price and the net carrying amount of the defeased debt), which will be amortized over the life of the related debt; and amounts related to pensions and other post-employment benefits, including 1) the changes in proportion and differences between actual contributions and proportionate share of contributions related to pensions, which will be amortized over the average expected remaining service life of all employees that are provided with pension benefits, and 2) contributions made subsequent to the measurement date, which will be recognized in the subsequent year.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The governmental funds balance sheets report unavailable property tax revenues and special assessment revenues, which will be recognized as revenue in the period that the amounts become available. The government-wide and proprietary funds statement of net position reports amounts related to pensions and other post-employment benefits, including 1) the differences between expected and actual experience and changes of assumptions, which will be amortized over the average expected remaining service life of all employees that are provided with pension benefits, and 2) the net difference between projected and actual earnings on investments, which will be amortized over five years.

Stabilization Arrangements

The stabilization fund was created in October 2014 by the City Council under Resolution No. 8015 for the purpose of stabilizing the City's operations and mitigating the effects of a natural disaster.

Resources for the stabilization fund include committed revenue from the general fund in an amount determined to be available for this purpose. The balance in the stabilization fund is limited to 10% of prior year general fund expenditures, excluding expenditure of federal funds. Cash, cash equivalents and investments, investment income, and fund balance in the stabilization fund may not revert to any other fund or be used as a surplus for any purpose other than specified in the foregoing paragraph.

Expenditures from this fund may only be made if the total actual revenue falls short of the total anticipated revenue in the general fund for the fiscal year in which the City uses that money; or to pay expenses incurred by the local government to mitigate the effects of a natural disaster.

Net Position

In the government-wide statements and proprietary fund statements, net position is reported as 1) net investment in capital assets, 2) restricted, or 3) unrestricted. Net position is reported as restricted when constraints placed on it are either 1) imposed by external parties (such as creditors, grantors, contributors, or other governments), or 2) imposed by law through a constitutional provision or enabling legislation.

Fund Balance

Fund balances of governmental funds are classified in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as follows:

Nonspendable fund balances include items that cannot be spent. This includes amounts that are not in a spendable form (for example, inventories and prepaid items) and amounts that are legally or contractually required to remain intact, such as permanent fund principal balance.

Restricted fund balances have constraints placed upon the use of resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Note 1 – Summary of Significant Accounting Policies (continued)

Committed fund balances can only be used for specific purposes pursuant to constraints imposed by a formal action (resolution or ordinance) of the City Council, which is the City's highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner used to create the constraints.

Assigned fund balances include amounts that are constrained by the City's intent to be used for specific purpose, but are neither restricted nor committed. Such intent should be expressed by the City Council or appropriately authorized officials. The City Council has set forth by resolution the manner of making fund balance assignments. Constraints imposed on the use of assigned fund balance mirror the requirements set forth in the applicable GASB statement for all funds except the general fund. The City Manager was given authority under the same resolution to determine assigned fund balances in the general fund. For governmental funds, other than the general fund, this is the classification for residual amounts that are not restricted, committed or nonspendable.

Unassigned fund balance is the classification used by the general fund for residual amounts not included in the four categories described above.

Prioritization and Use of Available Resources

When both restricted resources and other resources (i.e., committed, assigned and unassigned) can be used for the same purpose, it is the City's policy to use restricted resources first. Furthermore, when committed, assigned and unassigned resources can be used for the same purpose, it is the City's policy to use committed resources first, assigned second, and unassigned last.

Interfund Activity

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The resulting payables and receivables, which are outstanding at year end, are referred to as due to or due from other funds in the fund financial statements. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Any residual balances between the governmental activities and business-type activities are reported in government-wide financial statements as internal balances.

Use of Estimates

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect reported amounts. Accordingly, these estimates may require revision in future periods. Significant estimates include compensated absences, other post employment benefits, pension liability, and useful lives of capital assets.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 2 – Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

The City adopts annual budgets, in accordance with Nevada Revised Statutes (NRS) and the City's Charter, for all governmental and proprietary fund types, which are formally integrated and employed as a management control device. These budgets were amended for certain funds during the year. All budget augmentations made during the current year were as prescribed by law. All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States and used by the City for financial reporting.

The City follows the following procedures to establish, modify, and control budgetary data:

Prior to April 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. These operating budgets include proposed expenditures and expenses and the means of financing them. Appropriations are required to be detailed by type (salaries and wages, employee benefits, services and supplies, or capital outlay) within a department, function, and fund.

The budget for all funds is filed as a tentative budget with the State of Nevada (the State or Nevada) Department of Taxation, and public hearings are conducted prior to the adoption of the budget to obtain taxpayer comment.

On or before June 1, the budget is legally adopted by a majority vote of the City Council members.

The NRS require budget controls to be exercised at the function level. The City Manager is authorized under the NRS to amend the budget by transferring appropriations within a function or program. Transfers between any function or program within a fund or transfers of appropriations between funds and the contingency account, may be authorized subject to subsequent approval by the City Council.

Revisions that alter the total appropriations of a function or fund must be approved in advance by the City Council in the form of a resolution. If the fund being augmented receives property tax revenue, notice is published in the local newspaper three working days in advance of the public meeting.

All unencumbered appropriations lapse at the fiscal year end.

The City cannot expend any money, incur any liability, or enter into any contract, which by its term involves the expenditure of money in excess of the amount appropriated for a given function, except for bond payments, short-term financing payments, and any other long-term contracts expressly authorized by law. In addition, net position in proprietary funds may not be a deficit.

Excess of Expenditures over Appropriations

For the year ended June 30, 2021, total expenditures/expenses exceeded appropriations for the following funds and/or functions, which are potential violations of NRS 354.626:

Railroad Debt Service Fund, Debt Service Function – \$(3,443)

Note 2 – Stewardship, Compliance and Accountability (continued)

For the year ended June 30, 2021, total expenditures exceed appropriations for the following funds and/or functions, which are exempt from the provisions of NRS 354.626:

Community Assistance Special Revenue Fund, Community Development & Support Function – \$(7,342,484)

These over expenditures were funded by available assets in excess of liabilities as presented by fund balance or net position in the respective funds.

Deficit Fund Balances or Net Position

At June 30, 2021, the Self-Funded Workers Compensation Internal Service Fund had a net position deficit of \$41,637,581. The deficit is expected to remain until such time as the State Legislature provides a solution to the heart/lung presumptive liability issue. The \$10,458,354 negative fund balance in the Cabela's Debt Service Fund is due to insufficient pledged revenues for the 2007A & B Sales Tax Increment Revenue Bonds.

Tax Abatements

All tax abatement agreements/programs, entered into by the State of Nevada, have been summarized by type of agreement/program and the gross, accrual basis reduction of the City's taxes for the year ended June 30, 2021, and are aggregated as follows:

Agreement/program description – Nevada Revised Statutes 360.753 – Partial abatement of certain taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft

Amount abated during the year ended June 30, 2021	\$69,430
Specific tax being abated – Personal property taxes and/or sales and use taxes	

Agreement/program description – Nevada Revised Statutes 360.754 – Partial abatement of certain taxes imposed on new or expanded data center

Amount abated during the year ended June 30, 2021	\$73,266
Specific tax being abated – Property taxes and/or sales and use taxes	

Agreement/program description – Nevada Revised Statutes 374.357 – Abatement for eligible machinery or equipment used by certain new or expanded businesses

Amount abated during the year ended June 30, 2021	\$2,763,572
Specific tax being abated – Sales and use taxes	

Agreement/program description – Nevada Revised Statutes 701A.370 – Partial abatement of certain taxes imposed on renewable energy facilities

Amount abated during the year ended June 30, 2021	\$713,325
Specific tax being abated – Property taxes and/or sales and use taxes	

City of Reno, Nevada

Notes to Basic Financial Statements

Note 2 – Stewardship, Compliance and Accountability (continued)

Adoption of New GASB Pronouncements

During the fiscal year ended June 30, 2021, the City implemented the following GASB Pronouncements:

GASB Statement No. 90, Majority Equity Interests. Issued August 2018, the primary objective of this statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization; and to improve the relevance of financial statement information for certain component units. Implementation had no material effect on the City's financial statements.

GASB Statement No. 98, The Annual Comprehensive Financial Report. This statement replaces an existing term but does not otherwise establish new accounting and financial reporting requirements.

New Accounting Pronouncements (not yet adopted)

The following GASB pronouncements have been issued, but are not effective as of June 30, 2021:

GASB Statement No. 87, Leases. Issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. and increases the usefulness of governments' financial statements. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB Statement No. 87 will be effective for the City for fiscal year ending June 30, 2022.

GASB Statement No. 91, Conduit Debt Obligations. Issued May 2019, the primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement No. 91 will be effective for the City for fiscal year ending June 30, 2023.

GASB Statement No. 92, Omnibus 2020. Issued January 2020, the primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of GASB Statements. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, postemployment benefits (pensions and other post-employment benefits [OPEB]), asset retirement obligations, risk pool and fair value measurements. GASB Statement No. 92 will be effective for the City of Fiscal years ending June 30, 2022 (for paragraphs 6 and 7) and June 30, 2023 (paragraphs 8, 9 and 12). In addition, paragraph 10 will be effective for government acquisitions occurring in reporting periods ending in fiscal year June 30, 2022. Paragraphs 6 and 7 of the Statement are effective immediately, however, the City has determined it has no such transactions that meet the definitions of these paragraphs.

Note 2 – Stewardship, Compliance and Accountability (continued)

GASB Statement No. 93, Replacement of Interbank Offered Rates. Issued March 2020, the primary objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. GASB statement No. 93 will be effective for the City for fiscal year ending June 30, 2022.

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. Issued March 2020, the primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). It also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). GASB Statement No. 94 will be effective for the City for fiscal year ending June 30, 2023.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). Issued May 2020, the primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscriptions asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA, GASB Statement No. 96 will be effective for the City for fiscal year ending June 30, 2023.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of the fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component unit in fiduciary fund financial statement; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. GASB No. 97 will be effective for the City for the fiscal year ending June 30, 2022. Paragraphs 4 and 5 of the Statement are effective immediately, however, the City has determined that it has no component units that meet the definitions of these paragraphs.

The City will implement new GASB pronouncements no later than the required effective date. The City is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact on the City's financial statements.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 3 – Cash, Cash Equivalents and Investments

At June 30, 2021, the City's cash, cash equivalents and investments (including restricted amounts) were as follows:

Pooled cash, cash equivalents and investments	
Cash in bank	\$ 22,550,981
Cash equivalents	44,733,370
Investments	345,002,227
Total pooled cash, cash equivalents and investments	<u>412,286,578</u>
Non-pooled cash, cash equivalents and investments	
Petty cash	25,550
Cash in bank	426,108
Cash equivalents	21,734,877
Investments	17,293,548
Total non-pooled cash, cash equivalents and investments	<u>39,480,083</u>
Total pooled and non-pooled cash, cash equivalents and investments	<u>\$ 451,766,661</u>

At June 30, 2021, total cash, cash equivalents and investments (including restricted amounts) were presented on the City's financial statements as follows:

Total governmental activities	\$ 266,180,272
Total business-type activities	161,746,287
Total fiduciary funds	<u>23,840,102</u>
Total cash, cash equivalents and investments	<u>\$ 451,766,661</u>

When investing monies, the City is required to comply with the Nevada Revised Statutes (NRS). City monies must be deposited with federally insured banks. The City is authorized to use demand accounts, time accounts and certificates of deposit. The NRS do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible State investments. Permissible State investments are similar to allowable City investments, described above, except that some State investments are for longer terms and include securities issued by municipalities outside of the State.

At year end, the City's carrying amount of deposits for cash in bank was \$22,977,088 and the bank balance was \$30,620,028. As of June 30, 2021, the City's bank balance was either insured by the Federal Depository Insurance Corporation (FDIC) or fully collateralized in accordance with the NRS as discussed in the following paragraph.

The City manages its custodial credit risk related to deposits by participating in the State's Pooled Collateral Program, which was created during the 2003 legislative session to monitor collateral maintained by depositories for local government agency deposits. This program provides for centralized processing and management of all pledging and maintenance of collateral by the State Treasurer's Office rather than each local agency and eliminates the need for the City to establish separate custodial agreements with each financial institution.

Note 3 – Cash, Cash Equivalents and Investments (continued)

The City’s authorized investment types, maximum maturities, portfolio concentration limits, and minimum credit ratings are as follows:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer	Minimum Rating	
				Standard & Poor’s	Moody’s
Banker’s acceptances	180 days	20%	5%	A-1	P-1
Commercial paper	270 days	20%	None	A-1	P-1
Money market mutual funds	None	None	None	AAA	Aaa
Negotiable certificates of deposit	None	None	None	N/A	N/A
Collateralized nonnegotiable certificates of deposit	None	None	None	N/A	N/A
Negotiable notes and medium-term obligations of					
local governments within the State of Nevada	5 years	None	None	N/A	N/A
Notes and Bonds issued by U.S. Corporations	5 years	20%	None	A	A-2
Repurchase agreements	90 days	None	10%	N/A	N/A
U.S. Treasury obligations	10 years	None	None	N/A	N/A
U.S. Agency securities					
Federal National Mortgage	10 years	None	None	N/A	N/A
Federal Agricultural Mortgage Corporation	10 years	None	None	N/A	N/A
Federal Farm Credit Bank	10 years	None	None	N/A	N/A
Federal Home Loan Bank	10 years	None	None	N/A	N/A
Federal Home Loan Mortgage Corporation	10 years	None	None	N/A	N/A
Government National Mortgage Association	10 years	None	None	N/A	N/A
Local government and trust investment pools	None	None	None	N/A	N/A

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of fair value hierarchy are as follows:

Level 1 – Inputs are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs are other observable inputs.

Level 3 – Inputs are unobservable.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 3 – Cash, Cash Equivalents and Investments (continued)

The fair value measurement level within the hierarchy is based on the lowest level of any input that is deemed significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The estimated fair values of the City's U.S. Treasury obligations, commercial paper, notes, bonds and other obligations issued by U.S. Corporations are based on quoted market prices provided by recognized broker dealers (Level 1 inputs). The estimated fair value of its U.S. Agency securities is based on matrix pricing model that maximizes the use of observable inputs for similar securities as provided by recognized broker dealers (Level 2 inputs). The estimated fair value of the City's Local Government Investment Pool and Nevada RBIF Retirement System investments are based on the City's proportionate share of the value of the pooled investments (Level 3 inputs).

At June 30, 2021, the City had the following cash equivalents and investments:

	Interest Rate	Maturity	Par	Cost	Fair Value	Weighted Average Maturity (Years)
Pooled cash equivalents and investments						
U.S. Treasury obligations	0.25% - 2.88%	11/30/2021 to 5/31/2026	\$ 159,820,000	\$ 165,809,333	\$ 165,654,567	2.65
Commercial paper	0.5%	7/12/2021 to 4/11/2022	8,707,000	8,702,708	8,706,620	0.10
U.S. Agency securities						
Federal National Mortgage Association	2.5% - 4%	12/1/2027 to 7/1/2035	5,746,547	5,950,325	6,098,257	11.76
Federal Home Loan Bank	1.25% - 5%	9/25/2027 to 11/25/2046	8,100,770	8,401,650	8,408,178	13.24
Federal Agency Bond / Note	.25% - 2.74%	10/7/2021 to 8/15/2027	47,804,088	48,022,177	48,077,107	3.26
Local Government Investment Pool	Variable	On demand	-	44,731,997	44,733,370	N/A
Notes, bonds and other obligations issued by U.S. Corporations						
Asset-backed Securities	0.32% - 4.1%	7/19/2021 to 11/13/2025	52,549,022	53,338,148	54,463,309	2.16
Foreign Issues	0.34% - 2.64%	12/15/2022 to 2/17/2026	11,821,128	11,819,422	11,911,381	0.80
	0.13% - 0.88%	4/7/2022 to 4/20/2026	21,415,000	21,355,914	21,341,555	1.27
Money Market	Variable	On demand	-	20,341,253	20,341,253	
Total pooled cash equivalents and investments			<u>315,963,555</u>	<u>388,472,927</u>	<u>389,735,597</u>	
Non-pooled cash equivalents and investments						
Money market mutual funds	Variable	On demand	-	21,734,877	21,734,877	N/A
Nevada RBIF Retirement System Trust Units	Variable	On demand	-	17,293,548	17,293,548	N/A
Total non-pooled cash equivalents and investments			<u>-</u>	<u>39,028,425</u>	<u>39,028,425</u>	
Total cash equivalents and investments			<u>\$ 315,963,555</u>	<u>\$ 427,501,352</u>	<u>\$ 428,764,022</u>	

* Certain U.S. Agency securities have call provisions, which, if exercised, would shorten the maturity of these investments

Note 3 – Cash, Cash Equivalents and Investments (continued)

The State of Nevada, Local Government Investment Pool is an external investment pool administered by the State Treasurer, with oversight provided by the Board of Finance. The fair value of the City's position in the pool is the same as the value of the pool shares.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. This risk can be reduced by diversifying the durations of the fixed-income investments that are held at a given time. The City manages its exposure to declines in fair values by limiting its weighted average maturity of its investment portfolio to three years or less in accordance with its investment policy.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of their respective investment pool:

<u>Pooled Investments</u>	Standard & Poor's	Moody's	Percent of Portfolio
U.S. Treasury Notes	*	*	42.50%
Commercial paper	AAA	Aa1	2.23%
U.S. Agency Securities			
Federal National Mortgage Association	AA+	Aaa	1.57%
Federal Home Loan Bank			2.16%
Federal Agency Bond/Note	AA+	Aaa	12.34%
Local government investment pool	N/A	N/A	11.48%
Notes, bonds and other obligations issued by U.S. Corporations	BBB+ to AA+	Baa1 to Aa2	13.97%
Asset-Backed Securities	AAA	Aaa	3.06%
Foreign Issues	AAA	Aaa	5.47%
Money Market accounts			5.22%
Total Pooled Investments			<u>100.00%</u>
 <u>Non-Pooled Investments</u>			
Money Market accounts	AAA	Aaa	100.00%
Total Non-Pooled Investments			<u>100.00%</u>

* The requirement to disclose credit ratings does not apply to debt securities of the United States government, or obligations of United States government agencies that are explicitly guaranteed by the United States government.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. The NRS helps protect against this potential loss by setting limits on the maximum percentage that can be invested in a single issuer.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 3 – Cash, Cash Equivalents and Investments (continued)

Investments in any one issuer that represent 5% or more of total investments at June 30, 2021, were as follows:

	Percentage of Portfolio
U.S. Treasury Obligations	32.50 %
Federal Agency Bond/Note	12.34 %
Local Government Investment Pool	11.48 %
Corporate Issues	13.97 %

Custodial credit risk related to investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the City's investment pool and specific investments had no securities exposed to custodial credit risk.

Note 4 – Capital Assets

For the year ended June 30, 2021, capital asset activity was as follows:

	BALANCE AT JUNE 30, 2020	INCREASES	DECREASES	TRANSFERS	BALANCE AT JUNE 30, 2021
Governmental activities:					
Capital assets not being depreciated or amortized					
Construction in progress	\$ 12,806,161	\$ 21,531,635	\$ (1,500)	\$ (21,781,587)	\$ 12,554,708
Land	148,683,614	8,675,032	(1,912,709)	-	155,445,937
Water rights	1,125,000	-	-	-	1,125,000
Total capital assets not being depreciated or amortized	<u>162,614,775</u>	<u>30,206,667</u>	<u>(1,914,209)</u>	<u>(21,781,587)</u>	<u>169,125,645</u>
Capital assets being depreciated or amortized					
Buildings	242,747,272	993,333	-	8,108,068	251,848,673
Improvements other than buildings	370,127,096	-	-	4,555,147	374,682,243
Machinery, equipment and software	80,826,403	9,062,412	(5,298,070)	136,937	84,727,682
Infrastructure	1,097,877,213	44,988,347	(64,338)	8,981,435	1,151,782,658
Art and historical artifacts	3,465,663	147,500	-	-	3,613,163
Total capital assets being depreciated or amortized	<u>1,795,043,647</u>	<u>55,191,592</u>	<u>(5,362,408)</u>	<u>21,781,587</u>	<u>1,866,654,419</u>
Accumulated depreciation and amortization					
Buildings	(89,572,437)	(6,660,369)	-	-	(96,232,806)
Improvements other than buildings	(109,966,281)	(7,427,500)	-	-	(117,393,781)
Machinery, equipment & software	(54,616,372)	(5,219,288)	5,257,133	-	(54,578,527)
Infrastructure	(756,728,165)	(33,411,795)	64,338	-	(790,075,622)
Art and historical artifacts	(901,760)	(41,257)	-	-	(943,018)
Total accumulated depreciation and amortization	<u>(1,011,785,015)</u>	<u>(52,760,209)</u>	<u>5,321,471</u>	<u>-</u>	<u>(1,059,223,754)</u>
Total Government Activities	<u>\$ 945,873,407</u>	<u>\$ 32,638,050</u>	<u>\$ (1,955,146)</u>	<u>\$ -</u>	<u>\$ 976,556,310</u>

City of Reno, Nevada
Notes to Basic Financial Statements

Note 4 – Capital Assets (continued)

	BALANCE AT JUNE 30, 2020	INCREASES	DECREASES	TRANSFERS	BALANCE AT JUNE 30, 2021
Business-type activities:					
Capital assets not being depreciated or amortized					
Construction in progress	\$ 25,197,145	\$ 45,544,815	\$ (325,064)	\$ (8,470,959)	\$ 61,945,936
Land	11,334,930	-	-	-	11,334,930
Water rights	1,812,114	-	-	-	1,812,114
Total capital assets not being depreciated or amortized	<u>38,344,189</u>	<u>45,544,815</u>	<u>(325,064)</u>	<u>(8,470,959)</u>	<u>75,092,980</u>
Capital assets being depreciated or amortized					
Buildings	14,176,569	-	-	120,249	14,296,818
Improvements other than buildings	515,680,821	2,926,211	-	8,350,710	526,957,741
Machinery & equipment	9,474,317	240,220	-	-	9,714,537
Total capital assets being depreciated or amortized	<u>539,331,707</u>	<u>3,166,431</u>	<u>-</u>	<u>8,470,959</u>	<u>550,969,096</u>
Accumulated depreciation and amortization					
Buildings	(7,380,912)	(364,401)	-	-	(7,745,313)
Improvements other than buildings	(181,760,346)	(11,996,489)	-	-	(193,756,835)
Machinery & equipment	(1,246,056)	(503,744)	-	-	(1,749,800)
Total accumulated depreciation and amortization	<u>(190,387,314)</u>	<u>(12,864,634)</u>	<u>-</u>	<u>-</u>	<u>(203,251,948)</u>
Total business-type activities	<u>\$ 387,288,582</u>	<u>\$ 35,846,612</u>	<u>\$ (325,064)</u>	<u>\$ -</u>	<u>\$ 422,810,128</u>

For the year ended June 30, 2021, charges, by function, for depreciation expense were as follows:

Government Activities:	Total
General government	\$ 1,625,902
Judicial	476,937
Public safety	2,362,212
Public works	37,775,919
Community development and support	160,084
Culture and recreation	6,169,143
Urban redevelopment	1,306,287
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	2,883,725
Total depreciation expense - governmental activities	<u>\$ 52,760,209</u>
Business-Type Activities:	
Sanitary Sewer Fund	\$ 12,754,306
Building Permit Fund	110,328
Total depreciation expense - business-type activities	<u>\$ 12,864,634</u>

City of Reno, Nevada
Notes to Basic Financial Statements

Note 5 – Advances To and From Other Funds

Due to and From Other Funds

At June 30, 2021, amounts due to and from other funds resulting from the time lag between the dates that reimbursable transactions occur and payment between funds are made, were as follows:

	<u>Receivable</u>	<u>Payable</u>
General fund	\$ 142,000	\$ -
Non-major governmental funds	-	142,000
	<u>\$ 142,000</u>	<u>\$ 142,000</u>

Advances to and From Other Funds

At June 30, 2021, advances to and from other funds resulting from lending or borrowing transactions, were as follows:

	<u>Receivable</u>	<u>Payable</u>
Streets special revenue fund	\$ 420,110	\$ -
Non-major governmental funds	-	420,110
	<u>\$ 420,110</u>	<u>\$ 420,110</u>

The purpose of the advances in the following schedule, which summarized the related annual debt service requirements, was to internally finance sidewalk, curb and gutter improvements owed to the streets special revenue fund for the 2013 and 2019 SAD improvements.

	<u>Special Assignment</u>	
	<u>Principal</u>	<u>Interest</u>
<u>For the year ended June 30,</u>		
2022	\$ 54,167	\$ 8,725
2023	55,936	6,957
2024	57,790	5,103
2025	34,488	3,533
2026	34,990	3,031
2027	35,500	2,521
2028	36,016	2,005
2029	36,540	1,481
2030	37,072	949
2031	37,611	409
	<u>\$ 420,110</u>	<u>\$ 34,714</u>

Note 5 – Advances To and From Other Funds (continued)

Interfund Transfers

Interfund transfers for the year ended June 30, 2021, consisted of the following:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
General Fund	Non-major Governmental Funds	\$ 1,867,136
General Fund	Street Fund	6,542
Streets Fund	Non-major Governmental Funds	220,572
Streets Fund	General Fund	38,044
Public Works Capital Projects Fund	General Fund	29,111,089
Nonmajor Governmental Funds	General Fund	4,309,444
Nonmajor Governmental Funds	Street Fund	90,000
Nonmajor Governmental Funds	Nonmajor Governmental Funds	150,000
Nonmajor Governmental Funds	Sanitary Sewer Enterprise Fund	<u>112,000</u>
Total interfund transfers		<u><u>\$ 35,904,827</u></u>

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

Note 6 – Long-term Debt Obligations

General Obligation Bonds, Tax Allocation Bonds and Notes Payable

The City issues general obligation bonds, tax allocation bonds and notes payable to finance the improvement, acquisition or construction of capital assets including, but not limited to, downtown redevelopment, street and other infrastructure rehabilitation, sewer plant expansion, homeless shelters, low-income housing and other building projects. These bonds and notes constitute general obligations of the City, and the full faith and credit of the City are pledged for the payment of the principal and interest.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

Pledge Revenue Bonds

The City issues revenue bonds to finance the improvement, acquisition or construction of capital assets including, but not limited to, the downtown events center and ballroom facilities, the new city hall building, multi-purpose bowling facility, infrastructure improvements and other building projects and has pledged specific revenue to repay these bonds.

Governmental Activities

Pledged revenue - Up to 15% of consolidated tax revenues

Total revenue bond principal and interest remaining to be paid at June 30, 2021	\$	215,788,300
Total revenue bond principal and interest paid during the year ending June 30, 2021	\$	7,618,313
Total pledge revenue for the year ended June 30, 2021	\$	12,844,289
Revenue Bonds issued and revenue pledge maturity		
2013 A Capital Improvement Refunding (previously 2002 Capital Improvement Revenue Bonds)		June 1, 2032
2019A-1 Capital Improvement Revenue Refunding Bonds ¹		June 1, 2046
2019A-2 Capital Improvement Revenue Refunding Bonds ²		June 1, 2024

1. These bonds are also secured by room taxes, which was the primary bond repayment source for the fiscal year.

2. Bonds were issued to partially advance refund the 2005C Capital Improvement Refunding Bonds.

Pledge revenue - 1% tax on the gross receipts received from the rental of transient lodging throughout the Downtown Police Protection District

Total revenue bond principal and interest remaining to be paid at June 30, 2021	\$	9,443,348
Total revenue bond principal and interest paid during the year ending June 30, 2021	\$	628,240
Total pledge revenue for the year ended June 30, 2021	\$	559,093
Revenue Bonds issued and revenue pledge maturity		
2006 Taxable Senior Lien Room Tax Revenue Refunding Bonds		June 1, 2036

1. There were insufficient revenues during the fiscal year to make scheduled and matured debt service payments totaling \$69,147. The difference was paid using bond reserves.

Note 6 – Long-term Debt Obligations (continued)

Pledged revenue – 1% tax on the gross receipts received from the rental of transient lodging throughout Washoe County, its 1% tax on gross receipts received from the rental of transient lodging throughout Washoe County except in the Downtown Police Protection District (up to \$1.5 million), and its 1.5% tax on the gross receipts received from the rental of transient lodging throughout the Downtown Improvement Area and a pledge of up to 15% of consolidated tax revenues

Total revenue bond principal and interest remaining to be paid at June 30, 2021	\$	215,788,300
Total revenue bond principal and interest paid during the year ending June 30, 2021	\$	7,618,313
Total pledge revenue for the year ended June 30, 2021	\$	5,938,294
2013 A Capital Improvement Refunding (previously 2002 Capital Improvement Revenue Bonds)		June 1, 2032
2019A-1 Capital Improvement Revenue Refunding Bonds ¹		June 1, 2046
2019A-2 Capital Improvement Revenue Refunding Bonds ²		June 1, 2024

1. Bonds were issued to refund the 2005A and 2005B Capital Improvement Refunding Bonds

2. Bonds were issued to partially advance refund the 2005C Capital Improvement Refunding Bonds

Pledged revenue – Up to 75% of the sales tax increment generated in the Nevada Tourism District No. 2006-1 (Cabela's/Boomtown)

Total revenue bond principal and interest remaining to be paid at June 30, 2021	\$	34,050,988
Total revenue bond principal and interest paid during the year ending June 30, 2021	\$	1,499,688
Total pledge revenue for the year ended June 30, 2021	\$	1,258,209
2007 A Sales Tax Increment Bonds ¹		June 29, 2027
2007 B Sales Tax Increment Bonds ¹		June 29, 2027

1. There were insufficient revenues during the fiscal year to make scheduled and matured debt service payments totaling \$11,069,475

Pledged revenue – Up to 1/8 of 1% of sales tax revenues generated in Washoe County

Total revenue bond principal and interest remaining to be paid at June 30, 2021	\$	1,142,133,647
Total revenue bond principal and interest paid during the year ending June 30, 2021	\$	11,323,754
Total pledge revenue for the year ended June 30, 2021	\$	13,037,210
Revenue Bonds issued and revenue pledge maturity		
2018A 1st Lien Sales Tax Revenue Refunding Bonds		June 1, 2058
2018B 2nd Lien Sales Tax Revenue Refunding Bonds		June 1, 2058
2018C 1st Subordinate Sales Tax Revenue Refunding Bonds		June 1, 2047
2018D 2nd Subordinate Sales Tax Revenue Refunding Bonds		July 1, 2059

City of Reno, Nevada
Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

Pledged revenue - Lease revenues

Total revenue bond principal and interest remaining to be paid at June 30, 2021	\$	3,651,966
Total revenue bond principal and interest paid during the year ending June 30, 2021	\$	828,315
Total pledge revenue for the year ended June 30, 2021	\$	2,300,221
UPRR lease income, muni billings	\$	994,675
Property sales revenue	\$	1,305,546
Revenue Bonds issued and revenue pledge maturity		
2014 Taxable Lease Revenue Bonds (Previously 2006 Taxable Lease Revenue Bond (ReTRAC))		June 1, 2024

Pledged revenue - Sewer fees

Total revenue bond principal and interest remaining to be paid at June 30, 2021	\$	82,884,928
Total revenue bond principal and interest paid during the year ending June 30, 2021	\$	24,874,260
Total pledge revenue for the year ended June 30, 2021	\$	45,368,111
Revenue Bonds issued and revenue pledge maturity		
2010 Sewer General Obligation Sewer Refunding Bonds		August 1, 2040
2016 Sewer General Obligation Sewer Refunding Bonds		July 1, 2025
2020 Sewer General Obligation CWSRL Revenue Bonds		July 1, 2039

Special Assessment Bonds

The City has issued special assessment bonds, the proceeds of which have been used to fund specific infrastructure improvements. These bonds do not constitute debt of the City within the meaning of any constitutional or statutory provision or limitation, are not considered a general obligation of the City, and are considered special obligations payable solely from assessment levied in the Districts. However, in case of payment deficiencies, the bonds are further secured by the City's general fund, then by general property (as valorem) taxes.

Installment Purchase Agreements

The City entered into installment purchase agreements to finance solar panel installation, other clean energy conservation projects and parking meters. These agreements constitute general obligations of the City, and the full faith and credit of the City are pledged for payment of the principal and interest.

City of Reno, Nevada
Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

Outstanding long-term debt obligations at June 30, 2021, were as follows:

	Maturity Date	Interest Rates	Original Amount	Balance June 30, 2021
<u>Governmental Activities</u>				
Tax Allocation Bonds:				
2007A Tax Increment Senior Lien (Taxable)	6/1/23	6.10%	\$ 4,000,000	\$ 1,470,000
2007B Tax Increment Senior Lien (Tax-exempt)	6/1/27	5.00%	4,000,000	3,850,000
2007C Tax Increment Subordinate Lien (Tax-exempt)	6/1/27	5.40%	12,690,000	9,100,000
Total Tax Allocation Bonds			<u>20,690,000</u>	<u>14,420,000</u>
General Obligation Bonds:				
2013A Capital Improvement Refunding Bonds	6/1/32	4.00% - 5.00%	36,115,000	30,665,000
2013B Medium-term Various Purpose Bonds	6/1/23	2.00% - 5.00%	32,995,000	200,000
Total General Obligation Bonds			<u>69,110,000</u>	<u>30,865,000</u>
Revenue Bonds:				
2005C Capital Improvement Bonds	6/1/37	5.78%	9,192,402	5,694,977
2006 Taxable Room Tax Revenue Bonds	6/1/36	5.91%	8,720,000	6,150,000
2018A 1st Lien ReTRAC Refunding Bonds	6/1/58	4.00 - 5.00%	123,275,000	120,030,000
2018B 2nd Lien ReTRAC Refunding Bonds	6/1/58	4.00 - 5.00%	32,680,000	31,805,000
2018C Subordinate Lien ReTRAC Refunding Bonds	7/1/58	6.150%	58,659,820	53,740,980
2018D 2nd Subordinate Lien ReTRAC Refunding Bonds	7/1/58	6.750%	16,115,490	16,115,490
2019A-1 Capital Improvement Refunding Bonds	6/1/46	3.75 - 5.00%	79,920,000	79,920,000
2019A-2 Taxable Capital Improvement Refunding Bonds	6/1/24	3.750%	5,245,000	3,340,000
Total Revenue Bonds			<u>333,807,712</u>	<u>316,796,447</u>
Special Assessment Bonds:				
1999 Special Assessment District No. 3	2/1/22	4.50-5.60%	1,763,728	45,000
1999 Special Assessment District No. 2, Series 2016	6/1/25	1.45-3.00%	6,640,000	2,990,000
2001 Stead Special Improvement District No. 2	6/1/23	2.75-5.00%	2,470,000	70,000
2002 Special Improvement District No. 5	12/1/25	5.7-7.25%	7,500,000	2,855,000
Total Special Assessment Bonds			<u>18,373,728</u>	<u>5,960,000</u>
Direct Borrowings and Direct Placements				
2017 Tax Increment Refunding (Taxable) Bonds	6/29/35	2.46%	655,000	574,000
2019 Medium-term Fire Apparatus Bonds	6/1/2029	1.70%	6,327,000	5,098,000
2007A Sales Tax Increment Bonds (Cabela's)	6/29/27	4.00%	16,525,000	11,925,000
2007B Sales Tax Increment Bonds (Cabela's)	6/29/27	6.50%	18,175,000	14,015,000
2014 Taxable Lease Refunding Bonds	6/1/24	Variable	9,188,000	3,611,000
2008B NV Taxable Local Improvement	5/1/26	7.010%	1,115,000	77,000
2010 Special Assessment District No. 2	11/1/41	4.00%	939,800	764,290
Axon Enterprise	7/1/21	0.00%	1,765,105	428,776
Clean Energy Renewable IPA	12/15/23	1.000%	2,340,000	468,000
Qualified Energy Conservation Bond IPA	6/1/25	6.45%	2,261,000	727,000
Recovery Zone Economic Devpt Bond IPA	6/1/27	6.45%	10,860,000	6,185,000
Total Direct Borrowings and Direct Placements			<u>80,451,127</u>	<u>43,873,066</u>
Total Governmental Activities				<u>\$ 411,914,513</u>

City of Reno, Nevada

Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

Business-Type Activities

Direct Borrowings and Direct Placements					
2016 Sewer Revenue Refunding Bonds	7/1/25	1.610%	\$	41,245,638	\$ 18,573,501
2020 Sewer Revenue Bonds		1.420%		55,000,000	<u>23,982,752</u>
Total Business-type Activities					<u>\$ 42,556,253</u>

At June 30, 2021, annual debt service requirements to maturity were as follows:

For the Year Ending June 30,

Governmental activities

General Obligation Bonds

2022	\$	1,880,000	\$	1,491,963
2023		2,050,000		1,397,963
2024		2,130,000		1,295,463
2025		2,320,000		1,188,963
2026		2,530,000		1,072,963
2027-2031		15,980,000		3,410,438
2032		<u>3,975,000</u>		<u>198,750</u>
Total General Obligation Bonds		<u>30,865,000</u>		<u>10,056,500</u>

Tax Allocation Bonds

2022		2,095,000		773,570
2023		2,215,000		655,655
2024		2,335,000		531,000
2025		2,460,000		408,370
2026		2,590,000		279,170
2027-2031		<u>2,725,000</u>		<u>143,130</u>
Total Tax Allocation Bonds		<u>14,420,000</u>		<u>2,790,895</u>

Revenue Bonds

2022		2,890,000		10,468,246
2023		3,055,000		10,334,397
2024		3,225,000		10,193,037
2025		3,400,000		10,043,807
2026		3,595,000		9,870,940
2027-2031		21,315,000		46,391,447
2032-2036		23,699,051		61,531,454
2037-2041		47,200,926		39,168,667
2042-2046		61,140,000		23,852,344
2047-2051		27,810,000		13,561,394
2052-2056		34,010,000		7,355,781
2057-2059		<u>85,456,470</u>		<u>767,090,833</u>
Total Revenue Bonds		<u>316,796,447</u>		<u>1,009,862,347</u>

City of Reno, Nevada
Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

Special Assessment Bonds		
2022	\$ 1,290,000	\$ 280,804
2023	1,300,000	221,713
2024	1,325,000	158,394
2025	1,390,000	93,000
2026	655,000	23,744
Total Special Assessment Bonds	<u>5,960,000</u>	<u>777,654</u>
Direct Borrowings and Direct Placements		
2022	12,121,465	5,963,887
2023	5,334,660	1,396,536
2024	6,585,670	1,170,498
2025	5,075,710	921,334
2026	5,442,810	654,875
2027-2031	8,650,000	502,446
2032-2036	375,770	87,518
2037-2041	234,240	34,721
2042	52,740	1,055
Total Direct Borrowings and Direct Placements	<u>43,873,065</u>	<u>10,732,870</u>
Total Governmental Activities	<u>\$ 411,914,513</u>	<u>\$ 1,023,487,396</u>
Business-Type Activities		
Direct Borrowings and Direct Placements**		
	<u>Principal</u>	<u>Interest</u>
2022	\$ 5,440,444	\$ 277,290
2023	5,595,843	189,078
2024	5,755,694	98,346
2025	1,496,965	18,893
2026	284,555	2,291
Total Direct Borrowings and Direct Placements	<u>18,573,501</u>	<u>585,896</u>
Total Business-type Activities	<u>\$ 18,573,501</u>	<u>\$ 585,896</u>

**Excludes the 2020 Clean Water State Revolving Loan Fund for which advances are still being made and a final amortization schedule has not been established.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

Long-term liabilities activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Due within One Year
Governmental Activities					
Tax Allocation Bonds:					
2007A Tax Increment Senior Lien (Taxable)	\$ 2,145,000	\$ -	\$ (675,000)	\$ 1,470,000	\$ 715,000
2007B Tax Increment Senior Lien (Tax-exempt)	3,900,000	-	(50,000)	3,850,000	55,000
2007C Tax Increment Subordinate Lien (Tax-exempt)	10,360,000	-	(1,260,000)	9,100,000	1,325,000
Total Tax Allocation Bonds	<u>16,405,000</u>	<u>-</u>	<u>(1,985,000)</u>	<u>14,420,000</u>	<u>2,095,000</u>
General Obligation Bonds:					
2013A Capital Improvement Refunding Bonds	32,285,000	-	(1,620,000)	30,665,000	1,780,000
2013B Medium-term Various Purpose Bonds	295,000	-	(95,000)	200,000	100,000
Total General Obligation Bonds	<u>32,580,000</u>	<u>-</u>	<u>(1,715,000)</u>	<u>30,865,000</u>	<u>1,880,000</u>
Revenue Bonds:					
2005C Capital Improvement Bonds	5,694,977	-	-	5,694,977	-
2006 Taxable Room Tax Revenue Bonds	6,400,000	-	(250,000)	6,150,000	265,000
2018A 1st Lien ReTRAC Refunding Bonds	121,215,000	-	(1,185,000)	120,030,000	1,245,000
2018B 2nd Lien ReTRAC Refunding Bonds	32,125,000	-	(320,000)	31,805,000	335,000
2018C Subordinate Lien ReTRAC Refunding Bonds	56,444,570	-	(2,703,590)	53,740,980	-
2018D 2nd Subordinate Lien ReTRAC Refunding Bonds	16,115,490	-	-	16,115,490	-
2019A-1 Capital Improvement Refunding Bonds	79,920,000	-	-	79,920,000	-
2019A-2 Taxable Capital Improvement Refunding Bonds	4,325,000	-	(985,000)	3,340,000	1,045,000
Total Revenue Bonds	<u>322,240,037</u>	<u>-</u>	<u>(5,443,590)</u>	<u>316,796,447</u>	<u>2,890,000</u>
Special Assessment Bonds:					
1999 Special Assessment District No. 3	90,000	-	(45,000)	45,000	45,000
1999 Special Assessment District No. 2, Series 2016	3,715,000	-	(725,000)	2,990,000	715,000
2001 Stead Special Improvement District No. 2	125,000	-	(55,000)	70,000	35,000
2002 Special Improvement District No. 5	3,315,000	-	(460,000)	2,855,000	495,000
Total Special Assessment Bonds	<u>7,245,000</u>	<u>-</u>	<u>(1,285,000)</u>	<u>5,960,000</u>	<u>1,290,000</u>
Direct Borrowings and Direct Placements					
2017 Tax Increment Refunding (Taxable) Bonds	608,000	-	(34,000)	574,000	34,000
2019 Medium-term Fire Apparatus Bonds	5,688,000	-	(590,000)	5,098,000	600,000
2006 Sales Tax Increment Sub Bonds	9,567,473	-	(9,567,473)	-	-
2007A Sales Tax Increment Bonds (Cabela's)	12,310,000	-	(385,000)	11,925,000	4,265,000
2007B Sales Tax Increment Bonds (Cabela's)	14,415,000	-	(400,000)	14,015,000	4,825,000
2014 Taxable Lease Refunding Bonds	4,415,000	-	(804,000)	3,611,000	870,000
2008B NV Taxable Local Improvement	101,000	-	(24,000)	77,000	26,000
2010 Special Assessment District No. 2	787,050	-	(22,760)	764,290	23,690
Washoe County Note Payable	30,022	-	(30,022)	-	-
Axon Enterprise Note Payable	857,553	-	(428,777)	428,776	428,776
Clean Energy Renewable IPA	624,000	-	(156,000)	468,000	156,000
Qualified Energy Conservation Bond IPA	898,000	-	(171,000)	727,000	175,000
Recovery Zone Economic Devpt Bond IPA	6,841,000	-	(656,000)	6,185,000	718,000
Total Direct Borrowings and Direct Placements	<u>57,142,098</u>	<u>-</u>	<u>(13,269,032)</u>	<u>43,873,066</u>	<u>12,121,466</u>
Unamortized premiums and discounts, net	10,864,020	-	(603,541)	10,260,479	-
Compensated absences	23,980,269	16,603,372	(14,052,000)	26,531,641	14,320,422
Self-insurance liability	65,594,544	35,554,673	(38,999,982)	62,149,235	9,411,634
Net postemployment benefits other than pensions	164,097,690	7,722,705	(28,507,755)	143,312,640	-
Net pension liability	229,835,221	20,315,161	(17,359,982)	232,790,400	-
Total Governmental Activities	<u>\$ 929,983,879</u>	<u>\$ 80,195,911</u>	<u>\$ (123,220,882)</u>	<u>\$ 886,958,908</u>	<u>\$ 44,008,522</u>

City of Reno, Nevada
Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Due within One Year
Business-Type Activities					
General Obligation /Pledged Revenue Bonds					
2010 Sewer (Limited Tax) Refunding Bonds	\$ 18,510,000	\$ -	\$ (18,510,000)	\$ -	\$ -
Total General Obligation/Pledged Revenue Bonds	<u>18,510,000</u>	<u>-</u>	<u>(18,510,000)</u>	<u>-</u>	<u>-</u>
Direct Borrowings and Direct Placements					
2016 Sewer Revenue Refunding Bonds	23,862,872	-	(5,289,371)	18,573,501	5,440,444
2020 Sewer Revenue Bonds	2,616,551	21,366,201	-	23,982,752	-
Total Direct Borrowings and Direct Placements	<u>26,479,423</u>	<u>21,366,201</u>	<u>(5,289,371)</u>	<u>42,556,253</u>	<u>5,440,444</u>
Unamortized premiums and discounts, net	54,126	-	(54,126)	-	
Compensated absences	1,409,313	1,341,141	(992,931)	1,757,523	1,012,951
Net postemployment benefits other than pensions	4,175,047	2,175,299	(2,642,015)	3,708,331	-
Net pension liability	20,017,513	1,074,733	(1,513,378)	19,578,868	-
	<u>25,655,999</u>	<u>4,591,173</u>	<u>(5,202,450)</u>	<u>25,044,722</u>	<u>1,012,951</u>
Total Business-type Activities	<u>\$ 70,645,422</u>	<u>\$ 25,957,374</u>	<u>\$ (29,001,821)</u>	<u>\$ 67,600,975</u>	<u>\$ 6,453,395</u>

Unamortized deferred refunding charges

Pursuant to GASB No. 65, for current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as either a deferred inflow or outflow of resources, and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. Prior to adoption of GASB No. 65, unamortized deferred refunding gains/losses were reported as a component of debt.

For the year ended June 30, 2021, activity related to the City's unamortized deferred refunding charges was as follows:

	Government Activities	Business-type Activities	Total
Balance June 30, 2020	\$ 20,302,300	\$ 262,927	\$ 20,565,227
Reductions	<u>(878,257)</u>	<u>(262,927)</u>	<u>(1,141,184)</u>
Balance June 30, 2021	<u>\$ 19,424,043</u>	<u>\$ -</u>	<u>\$ 19,424,043</u>

Variable Rate Debt

At June 30, 2021, debt obligations that include demand clauses and/or variable interest rates were as follows:

Series 2014 Taxable Lease Revenue Refunding Bonds

The interest rate is equal to One-Month LIBOR plus 0.40% per annum and is adjusted on the first business day of each month. The interest rate has a maximum cap of 12%.

Debt Covenants and Legal Debt Margin

Certain long-term liabilities are subject to restrictive debt covenants with which management believes the City to be in compliance.

The amount of general obligation, long-term debt that can be incurred by the City is limited by the NRS, and the City's charter for the City limits the total outstanding long-term liabilities (debt principal) during a year to no more than 15% of the assessed value of taxable property at the beginning of the fiscal year. Management believes the City to be in compliance with this limitation.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 6 – Long-term Debt Obligations (continued)

Debt Defeasance

In February of 2019, the City defeased a certain portion of the 2005C Taxable Capital Improvement Refunding Bonds by placing the proceeds of 2019A-2 Capital Improvement Refunding Bond in an irrevocable trust to provide for all future debt service payments on the partially defeased bond. Accordingly, the trust account assets and liabilities for the defeased bond are not included in the City's financial statements. As June 30, 2021, \$3,497,425 of the \$3,497,425 in defeased debt remained outstanding, and the carrying value in the trust account is \$11,610,596. The market value in the trust account is \$14,303,056.

New Debt Issued

There was no new debt issued by the City of Reno in fiscal year 2021.

Lines of Credit

The City does not have any lines of credit.

Arbitrage Rebate Requirement

The Federal Tax Reform Act of 1986 imposes a rebate requirement with respect to certain long-term debt obligations. Under this Act, an arbitrage amount may be required to be rebated to the United States Treasury for interest on bonds to qualify for exclusion from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date. As of the most recent date, management believes that there is no rebatable arbitrage amount due. Future calculations might result in adjustments to this determination.

Conduit Debt Obligations

The City has in the past provided third-party borrowers conduit debt to finance the improvement, acquisition or construction of capital assets, which are deemed to be in the public interest, including, but not limited to, industrial and commercial facilities and equipment. The conduit debt obligations are secured by the pledged revenues of the third-party borrowers, and the City has no obligations or commitments with respect to the conduit debt after its issuance. Furthermore, a third-party trustee services the debt. The conduit debt, issued pursuant to NRS 268, is not, and shall never become, an obligation of the City.

There was no outstanding conduit debt obligations as of June 30, 2021, as the debt previously reported for the Renown Regional Medical Center was refinanced through another governmental entity.

Custodial Fund Special Assessment Debt

The City has issued various special assessment bonds, the proceeds of which have been used to fund specific infrastructure improvements. These bonds do not constitute debt of the City within the meaning of any constitutional or statutory provision or limitation, are not considered a general obligation of the City, and are considered special obligations payable solely from assessment levied in the Districts. Furthermore, the City is not secondarily liable in the case of payment deficiencies. The City uses a fiduciary (custodial) fund to account for special assessment revenue collections and repayment of the related debt.

Note 6 – Long-term Debt Obligations (continued)

Outstanding special assessment debt obligations accounted for in a fiduciary fund at June 30, 2021, were as follows:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2021</u>
2002 Special Assessment District No. 4 Bonds (Somerset Parkway Project)	December 1, 2014 – December 1, 2022	2.00% - 4.20%	\$ 5,535,000	\$ 515,000
2002 Special Assessment District No. 3 Bonds (Double R Boulevard Project)	December 1, 2004 – December 1, 2023	2.00% - 6.10%	<u>7,100,000</u>	<u>810,000</u>
			<u>\$12,635,000</u>	<u>\$ 1,325,000</u>

Segment Information

The City has issued long-term debt (in some cases revenue supported) to finance the improvement, acquisition, or construction of capital assets. This debt has historically been paid from the revenues of the City's Sanitary Sewer Fund. The financial position, results of operations and cash flows of this enterprise fund are presented separately in the accompanying proprietary fund financial statements and no additional segment information disclosure is considered necessary.

Note 7 – Other Information

Risk Management

The City is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these and other risks, the City established the risk retention and workers compensation internal service funds and purchases commercial insurance coverage.

The risk retention and self-funded workers compensation internal service funds provide coverage up to \$2,500,000 for each worker's compensation claim, \$1,000,000 for each general liability claim, and \$50,000 for each property damage claim (except for flood and earthquake occurrences).

The City purchases commercial insurance for claims in excess of coverage provided by the risk retention and self-funded workers compensation internal service funds and for other insurable risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The City's cash and cash equivalents on deposit with financial institutions are often in excess of federally-insured limits, and the risk of losses related to such concentrations may increase as changes occur in the national economy and Nevada's economy. The extent of a future loss to be sustained as a result of uninsured deposits in the event of a future failure of a financial institution, if any, however, is not subject to estimation at this time.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 7 – Other Information (continued)

Risk Retention and Self-Funded Workers Compensation Funds

All City funds participate in and make payments to the risk retention and self-funded workers compensation internal service funds based on actuarial estimates of the amounts needed to pay documented claims and establish a reserve for unknown claims.

For the fiscal years ended June 30, 2021, 2020, and 2019, changes in unknown claims liability amounts and claims liability as June 30, 2021, included in self-insurance liability were as follows:

	Risk Retention Fund	Self-funded Workers Compensation Fund
Claims liability, July 1, 2019	\$ 4,109,012	\$ 57,678,558
Claims and changes in estimates	1,762,675	5,117,390
Claims payments	<u>(521,952)</u>	<u>(6,433,449)</u>
Claims liability, July 1, 2020	5,349,735	56,362,499
Claims and changes in estimates	802,149	6,409,475
Claims payments	<u>(3,814,915)</u>	<u>(6,236,908)</u>
Claims liability, June 30, 2021	<u>\$ 2,336,969</u>	<u>\$ 56,535,066</u>
Claims liability, due within one year	<u>\$ 574,577</u>	<u>\$ 5,982,979</u>
Claims liability, due in more than one year	<u>\$ 1,762,392</u>	<u>\$ 50,552,087</u>

Self-Funded Medical Plan Internal Service Fund

The City offers health care, dental, vision and life insurance coverage under a plan offered by the City, which offers three plan options -- The City of Reno Group Health Plan, the Hometown Health Plan (the City Plan), or The City of Reno High Deductible Health Plan -- to eligible City employees and their dependents. Eligibility, benefits and employee cost are dependent upon the applicable bargaining unit contract. The City maintains stop-loss coverage in the amount of \$400,000 per employee per year. With the implementation of the Affordable Healthcare Act of 2010, the City no longer has a maximum payment per individual per lifetime.

The City reports activity related to the City Plan in the self-funded medical plan internal service fund, and payments received for coverage are accounted for as operating revenues in the self-funded medical plan internal service fund and as expenditures/expenses, as appropriate, in the paying fund. Claims under Hometown Health Plan are administered by Hometown Health Providers, Inc.

An actuarial determined liability amount for claims incurred but not reported has been recorded in the self-funded medical plan internal service fund.

Note 7 – Other Information (continued)

For the fiscal years ended June 30, 2021, 2020, and 2019, changes in unknown claims liability amounts were as follows:

	<u>Self-funded Medical Plan Fund</u>
Claims liability, July 1, 2019	\$ 2,289,294
Claims and changes in estimates	27,325,771
Claims payments	<u>(25,732,755)</u>
Claims liability, July 1, 2020	3,882,310
Claims and changes in estimates	28,343,049
Claims payments	<u>(28,948,159)</u>
Claims liability, June 30, 2021	<u>\$ 3,277,200</u>
Claims liability, due within one year	<u>\$ 2,854,078</u>
Claims liability, due in more than one year	<u>\$ 423,122</u>

Note 8 – Commitments

Operating Lease Commitments

The City has entered into various noncancelable leases, primarily for real property. Such leases expire at various times through June 2051. For the year ended June 30, 2021, lease expense totaled \$438,923. At fiscal year end, the City's future minimum lease payments under these non-cancelable operating leases were as follows:

For the Year Ended June 30,

2022	\$	408,084
2023		385,305
2024		212,640
2025		218,817
2026		225,179
2027-2031		1,062,153
2032-2036		1,230,472
2037-2041		1,426,225
2042-2046		1,653,385
2047-2051		<u>1,916,727</u>
Total	<u>\$</u>	<u>8,738,988</u>

Commitments Related to Contracts

Commitments outstanding for construction and construction-related services at June 30, 2021, for the City's non-enterprise funds totaled approximately \$10.4 million. Commitments were \$4.4 million for non-construction related services.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 8 – Commitments (continued)

Enterprise fund construction in progress at June 30, 2021, primarily represents progress on sewer projects, including sewer and storm drain rehabilitations, construction of interceptors, and treatment plant improvements. Outstanding commitments totaled \$42.3 million for City of Reno enterprise fund projects. Of this amount, outstanding non-construction related commitments totaled \$2.5 million for these funds.

In addition to the above, commitments outstanding for construction, construction-related services, and certain non-construction-related services totaled \$2.4 million for the Truckee Meadows Water Reclamation Facility improvements. Of this amount, the City's share is \$1.6 million.

Commitment Related to the P25 System

On June 23, 2020, the City of Reno became a partner agency in an interlocal agreement that provides for the financing, development, operation and management of the Washoe County Regional Communications P25 System, a regional emergency response system. The P25 System will be part of the Nevada Shared Radio System (NSRS) that includes the State of Nevada Department of Transportation and Nevada Energy and is replacing the current statewide 800MHz System. The P25 System Joint Operating Committee (Committee), which was formed under the provisions of the interlocal agreement, services as the executive committee. The City Managers of Reno and Sparks, the Washoe County Manager, and the Washoe County School District Superintendent or the designee service on the Committee. Other partner agencies are entitled to one representative of their own choosing to serve on the Committee.

To fulfil Washoe County's duties under the NSRS agreement, the initial cost of the P25 System was financed by Washoe County with a combination of cash and the issuance of municipal bonds. The partner agencies are invoiced for their share of the cost based on the number of radios they utilize, which can be paid in a lump sum or over the life of the bonds issued by Washoe County. Therefore, the City's portion is subject to change annually based on the participation and usage levels of other regional partners.

Washoe County Technology Services (WCTS) will maintain, operate, and repair the Radio Frequency and Microwave Backbone of the P25 system and will bill the partner and sponsored agencies on a monthly basis for operating costs related to the P25 system based on the number of radios utilized by those agencies. The cost of maintaining the actual radios will be borne by the partner and sponsored agencies.

Litigation

In the ordinary course of its operations, claims are filed against the City including, but not limited to, those arising from alleged improper actions by employees, police actions and negligence. City management intends to vigorously defend each claim and, although total damages claimed are substantial, believes that most of these claims will settle for substantially less than the claimed amount and may be partially offset by payments from the City's liability insurance policies, discussed below under "Risk Management," and will not result in any material adverse future effect on the City's financial position, results of operation, or cash flows.

The City does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such period costs when the services are rendered.

Note 9 – Joint Ventures

Truckee Meadows Water Reclamation Facility

Pursuant to an agreement dated March 24, 1980, the Cities of Reno and Sparks (the Cities) jointly own and operate the wastewater treatment facility commonly known as the Truckee Meadows Water Reclamation Facility (TMWRF or Facility). A committee known as the Reno-Sparks Coordinating Committee advises the Cities' Councils on matters relating to TMWRF. The Cities have joint control in approving budgets for the Facility and providing financing for the operations thereof. As of June 30, 2021, approximately 68.63% of the Facility's capacity was owned by Reno.

The City of Sparks is responsible for administration and daily operations of the Facility. The City of Reno is responsible for TMWRF's construction-related contracts. The cost of operating and maintaining TMWRF is divided in proportion to the volume of sewage entering from each City. It has historically been the Cities' policy not to fund depreciation on TMWRF's capital assets, thereby creating an accumulative deficit.

The City uses the equity method to account for its investment in TMWRF. At June 30, 2021, its investment as reported in its sanitary sewer enterprise fund totaled \$86,670,221, which represents 69.43% of TMWRF's net position. The City's share of TMWRF's net costs for the year ended June 30, 2021, was \$5,590,587, reported as non-operating expense.

The City obtained a loan from the State of Nevada Revolving Loan Fund to finance an expansion project at TMWRF. At June 30, 2021, the City of Reno has recorded \$1,910,080 as a receivable from the City of Sparks for the City of Sparks' share of the amount drawn on the loan. The City of Sparks' payments on the liability to the City of Reno, including interest, coincide with the City of Reno's payment to the State of Nevada on the loan.

Commitments outstanding for construction projects and for non-construction contracts at TMWRF at June 30, 2021, totaled \$929,578, respectively. These commitments will be shared by the City and the City of Sparks based upon their respective allocations related to the associated contracts.

Separate audited financial statements for the Facility are available by contacting the Truckee Meadows Water Reclamation Facility.

Local Government Oversight Committee Joint Venture (Truckee River Water Quality Settlement)

On October 10, 1996, the City, the City of Sparks, and Washoe County (the Joint Venture Participants) entered into a joint venture to purchase water rights pursuant to a 1998 settlement agreement with the Pyramid Lake Paiute Tribe of Indians, U.S. Departments of Justice and the Interior (DOI), the U.S. Environmental Protection Agency (EPA), and the Nevada Division of Environmental Protection. The settlement allowed the Joint Venture Participants to use the full capacity of the Truckee River Valley Water Quality Facility for a one-time cost of \$24,000,000, 50% payable by the DOI and 50% payable by the Joint Venture Participants. The Joint Venture has fulfilled its obligation. The "no equity" Joint Venture is administered by Washoe County and jointly managed by Washoe County, the City of Sparks, and DOI. Each Joint Venture Participant owns an undivided and equal interest in the property and water rights purchased.

Separate financial statements and information for the Joint Venture are available by contacting the Washoe Department of Water Resources, 4930 Energy Way, Reno, Nevada 89502.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 9 – Joint Ventures (continued)

Truckee Meadows Water Authority

The Truckee Meadows Water Authority (the Authority), is a joint powers authority formed in November 2000 pursuant to a Cooperative Agreement (the Agreement) among the Cities of Reno and Sparks and Washoe County (the Participants), for the purpose of purchasing the water assets and undertaking the water utility operations of Sierra Pacific Power Company (SPPCo), a Nevada corporation, and to develop, manage and maintain supplies of water for the benefit of the Truckee Meadows community. The Authority issued bonds to purchase the water system and do not constitute an obligation of the Participants or the State of Nevada. The arrangement is considered a joint venture with no equity interest because no explicit and measurable equity interest is deemed to exist. The Authority has a seven-member governing board consisting of director appointments by the City (3), the City of Sparks (2), and Washoe County (1), plus one elected at-large director.

The City provides the Authority with certain services related primarily to employee benefit administration for a monthly fee of \$4,806 for the year ended June 30, 2021. The City also provides maintenance services and fuel for the Authority's vehicles for a fee which totaled \$40,847 during fiscal year 2021.

Separate financial statements and information for the Joint Venture are available by contacting the Authority at 1355 Corporate Blvd., P.O. Box 30013, Reno, Nevada 89520 3013.

Truckee River Flood Management Authority

The Truckee River Flood Management Authority (TRFMA) is a joint powers authority formed in March 2011, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (members). The governing body of each Member appoints two directors who must be elected officials of the Member's governing body. The TRFMA was formed in order to regulate and control waters of the Truckee River that flow through their territories to reduce or mitigate flooding for the ongoing benefit of the Truckee Meadows community and is authorized to issue bonds that do not constitute an obligation of the City of Reno, City of Sparks, Washoe County, or State of Nevada. Under the terms of the Cooperative Agreement, the TRFMA Board of Directors has the power to periodically impose, assess, levy, collect, and enforce fees, rates, and charges in an amount sufficient for services or facilities, or both services or facilities and also to discharge any debt instruments or financial agreements. No such assessments have been made since the TRFMA's formation. The arrangement is considered a joint venture with no equity interest recorded on the City of Sparks' balance sheet as of June 30, 2021, because no explicit and measurable equity interest is deemed to exist.

Separate financial statements and information for this joint venture are available by contacting the Truckee River Flood Management Authority's Finance Department at 9390 Gateway Drive, Suite 230, Reno, NV 89521.

Note 10 – Defined Benefit Pension Plans

Aggregate Balances – At June 30, 2021, the City's aggregate pension plan balances were as follows:

	Public Employees' Retirement System of Nevada	Judicial Retirement System of Nevada	Aggregated Total
Net deferred outflows of resources related to pensions	\$ 41,348,088	\$ 40,196	\$ 41,388,284
Net pension liability	252,173,208	196,060	252,369,268
Net deferred inflows of resources related to pensions	20,729,203	90,699	20,819,902
Pension expense	20,421,334	39,943	20,461,277

Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

The City's employees are covered by the Public Employees' Retirement System of Nevada (PERS), which was established by the Nevada Legislature in 1947, effective July 1, 1948, and is governed by the Public Employees Retirement Board (the PERS Board) whose seven members are appointed by the governor. The City does not exercise any control over PERS.

PERS is a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both regular and police/fire members. 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, as required by NRS, are determined by the number of 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 the system 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 as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the system on or after January 1, 2010, there is a 2.5% multiplier. 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 optional monthly payments to a named beneficiary after his or her death.

Post-retirement increases are provided by authority of NRS 286.575 - .579, which for members entering the system before January 1, 2010, is equal to the lesser of:

1. 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or

City of Reno, Nevada

Notes to Basic Financial Statements

Note 10 – Defined Benefit Pension Plans (continued)

2. The average percentage increase in the Consumer Price Index (or other PERS Board approved index) for the three preceding years.

In any event, a member's benefit must be increased by the percentages in paragraph 1, above, if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (All Items) (or other PERS Board approved index) for the period between retirement and the date of increase.

For members entering the system on or after January 1, 2010, the post-retirement increases are the same as above, except that the increases do not exceed 4% per year.

For members with an effective date of membership on or after July 1, 2015, the post-retirement increases are 2% per year following the third anniversary of the commencement of benefits, 2.5% per year following the sixth anniversary, the lesser of 3% or the CPI for the preceding calendar year following the ninth anniversary.

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, or any age with thirty years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

Police/fire members 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 the system on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at age 50 with twenty years of service, or at any age with thirty years of service. Police/fire members entering the system 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, or at any age with 33 1/3 years of service. Only service performed in a position as a police officer or firefighter may be counted toward the eligibility for retirement as police/fire accredited service.

The normal ceiling limitation on the monthly benefit 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.

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS. 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 alternative contribution plans. Contributions are shared equally by employer and employee in which employees can take a reduced salary and have contributions made by the employer or can make contributions by a payroll deduction matched by the employer.

Note 10 – Defined Benefit Pension Plans (continued)

PERS's 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 for determining the prospective funding contribution rates required to fund the system on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by NRS. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450. The actuary funding method used is the entry age normal cost method. It is intended to meet the funding objective and results in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2021 and 2020, the required contribution rates for regular members is 15.25% and 22% for police/fire members. The EPC rate was 29.25% for regular and 42.5% for police/fire members.

Effective July 1, 2020, the required employer/employee match rates increased to 15.5% for regular and 22.75% for police/fire members. The EPC rates also increase to 29.75% for regular and 44% for police/fire members.

PERS issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplemental information. This report is available on the PERS's website, www.nvpers.org under publications.

PERS collective net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

The following actuarial assumptions were applied to all periods included in the measurement and based on the results of an experience review completed in October 2017:

Actuarial valuation date	June 30, 2020
Inflation rate	2.75%
Payroll growth	5.00%, including inflation
Investment rate of return	7.50%
Discount rate	7.50%
Productivity pay increase	0.50%
Consumer price index	2.75%
Actuarial cost method	Entry age normal and level percentage of payroll
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.90%, depending on service Rates include inflation and productivity increases

City of Reno, Nevada

Notes to Basic Financial Statements

Note 10 – Defined Benefit Pension Plans (continued)

These mortality rates and projected life expectancies are based on the following:

Age	Mortality Rates		Expected Years of Life Remaining	
	Males	Females	Males	Females
40	0.20%	0.14%	40.4	43.6
50	0.49%	0.38%	31.4	34.5
60	0.90%	0.59%	23.2	25.9
70	1.81%	1.26%	15.6	17.7
80	4.55%	3.42%	9.1	10.5

Healthy: 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.

Disabled: Headcount-Weighted RP-2014 Disabled Retiree Table, set forward four years.

Pre-retirement: Headcount-Weighted RP-2014 Employee Table, projected to 2020 with Scale MP-2016.

The RP-2014 Headcount-Weighted Mortality Tables, set forward one year for spouses and beneficiaries, reasonably reflect the projected mortality experience of the Plan as of the measurement date. The additional projection of 6 years is a provision made for future mortality improvement.

PERS's 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 PERS. The following target asset allocation policy was adopted as of June 30, 2020:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return
U.S. stocks	42%	5.50%
International stocks	18%	5.50%
U.S. bonds	28%	0.75%
Private markets	12%	6.65%

* As of June 30, 2020, PERS' long-term inflation assumption was 2.75%.

Note 10 – Defined Benefit Pension Plans (continued)

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified by NRS. Based on that assumption, PERS's fiduciary net position at June 30, 2020, was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.50%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2020.

The City's proportionate share of the net pension liability at the actuarial valuation date using the selected discount rate of 7.50% and the estimated liability if the rate varied by 1% follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 393,292,774	\$ 252,173,208	\$ 134,842,775

Detailed information about PERS fiduciary net position is available in the PERS Annual Comprehensive Financial Report, available on the PERS website, www.nvpers.org under publications. PERS fiduciary net position and additions to/deductions from it have been determined on the same basis used in the PERS Annual Comprehensive Financial Report. PERS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental accounting for fiduciary funds. 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.

The City's 1.81050% proportionate share of PERS' collective net pension liability at the actuarial valuation date was \$252,173,207. The City's relative contributions for the related fiscal year was used to determine its proportionate share. Contributions for employer pay dates within the fiscal year ended June 30, 2020, were used as the basis for determining each employer's proportionate share. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2020.

For the period ending on the actuarial valuation date, the City's pension expense was \$20,421,334 and its reported deferred outflows and inflows of resources were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,834,847	\$ 3,256,168
Changes of assumptions	7,083,273	-
Net difference between projected and actual earnings on investments	-	9,526,038
Changes in proportion and differences between actual contributions and proportionate share of contributions	6,470,549	7,946,997
Contributions made subsequent to the measurement date	19,959,419	-
	\$ 41,348,088	\$ 20,729,203

City of Reno, Nevada

Notes to Basic Financial Statements

Note 10 – Defined Benefit Pension Plans (continued)

At June 30, 2020, the average expected remaining service life is 6.13 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the actuarial valuation date totaling \$19,959,419 will be recognized as a reduction of the net pension liability in the year beginning July 1, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending June 30,	2022	\$ (1,232,570)
	2023	613,015
	2024	707,958
	2025	495,314
	2026	70,744
	Thereafter	<u>5,005</u>
		<u>\$ 659,466</u>

Changes in the City's net pension liability were as follows:

Net pension liability, beginning of year	\$ 249,638,697
Pension expense	20,421,334
Employer contributions	(18,867,734)
Net change in deferred inflows and outflows of resources	<u>980,911</u>
Net pension liability, end of year	<u>\$ 252,173,208</u>

At June 30, 2021, accrued salaries and benefits included \$3,088,182 payable to PERS for required contributions relating to the last month of the fiscal year.

Agent Multiple-Employer Defined Benefit Pension Plan

The City's municipal court judges and justices of the peace may, in certain circumstances, elect to be covered by the Judicial Retirement System of Nevada (JRS), an agent multiple employer defined benefit public employees' retirement system. JRS was established by the Nevada Legislature in July 2001, effective January 1, 2003, to provide a reasonable base retirement income to justices of the Supreme Court and district judges and was amended in 2005 to allow municipal court judges and justices of the peace to participate. JRS is administered and governed by the Public Employees Retirement Board (the JRS Board) whose seven members are appointed by the governor. The City does not exercise any control over JRS.

Benefits are paid according to various options contained in the NRS, dependent upon whether a member was serving as a Supreme Court justice or district judge before November 5, 2002. Retiring members who were serving as a judge before November 5, 2002, may select among the two benefit options below. Retiring members who began serving as a justice or judge on or after November 5, 2002, are only eligible for the first option below.

Note 10 – Defined Benefit Pension Plans (continued)

2003 Benefit Plan: Benefits, as required by NRS, are computed at 3.4091% per year of accredited service at the time of retirement times the member's highest average compensation in any 36 consecutive months, to a maximum of 75%. Benefit payments to which participants may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Previous Benefit Plan: Retiring members who were serving as a Supreme Court justice or district judge prior to November 5, 2002, may select benefit payments computed at 4.1666% for the first five years of service and 4.1666% for each year of service beyond five years, up to a total maximum of 22 years, times the member's compensation for their last year of service.

Members who retired under the Previous Benefit Plan (plan in effect before November 5, 2002) and are appointed as senior judges can earn service credit while receiving their pension payments. They are eligible to have their benefit recalculated each time they earn an additional year of service credit.

Members enrolled in the JRS on or after July 1, 2015, will receive 3.1591% for each year of service. Each member is entitled to a benefit of not more than 75% and must contribute 50% of the contribution rate through payroll deductions.

JRS members become fully vested after five years of service. A member is eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with 30 years of service. For those members who were serving as a Supreme Court justice or district judge prior to November 5, 2002, and selected the second benefit option, eligibility for retirement is at age 60 with five years of service.

JRS members enrolled on or after July 1, 2015, become fully vested after five years of service and is eligible for retirement at age 65 with five years of service, at age 62 with 10 years of service, at age 55 with 30 years of service, and at any age with 33 1/3 years of service.

Post-retirement increases are provided by authority of the NRS, which for members entering the system before January 1, 2010, is equal to the lesser of:

1. 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or
2. The average percentage increase in the Consumer Price Index (or other JRS Board approved index) for the three preceding years.

In any event, a member's benefit must be increased by the percentages in paragraph 1, above, if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (All Items) (or other JRS Board approved index) for the period between retirement and the date of increase.

A JRS member's benefit must be increased by the percentages in paragraph 1, above, if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (All Items) (or other JRS Board approved index) for the period between retirement and the date of increase.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 10 – Defined Benefit Pension Plans (continued)

For JRS members entering the system on or after January 1, 2010, and prior to July 1, 2015, the post-retirement increases are the same as paragraph 1 above, except that the increases do not exceed 4% per year.

For JRS members entering the system on or after July 1, 2015, the post-retirement increases will be 2.0% per year following the third through fifth anniversaries of the commencement of benefits and 2.5% per year following the sixth through eighth anniversaries. On succeeding anniversaries, the annual increase shall be the lessor of 3.0% or the Consumer Price Index (All Items) for the preceding calendar year.

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS 1A.180(1). Participating employers pay JRS a contribution rate, which is actuarially determined to be sufficient to enable JRS to pay all liabilities for current benefits for their members and retirees. JRS administrative expenses are the responsibility of the participating employers and are included as a component of JRS contribution rate.

At June 30, 2020, JRS membership consisted of:

Active members	112
Inactive vested members	2
Retired members and beneficiaries	<u>82</u>
	<u><u>196</u></u>

The amount of annual contribution required to fund JRS is comprised of a normal cost payment and a payment on the Unfunded Actuarial Accrued Liability (UAAL). Effective January 1, 2009, UAAL is amortized over a year-by-year closed amortization period as a level percent of pay (3% payroll growth assumed) where each amortization period will be set at 30 years for Supreme Court justices and district judges and 20 years for municipal court judges and justices of the peace. The payment to amortize the UAAL is paid annually for Supreme Court justices and district judges and monthly for municipal court judges and justices of the peace.

In addition, effective with the January 1, 2009 valuation, assets are valued using five-year smoothing. The Actuarial Value of Assets (AVA) is further limited to not less than 70% or greater than 130% of market value.

For the fiscal year ended June 30, 2021, the required employer/employee matching rate was 25.25%.

The JRS net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Note 10 – Defined Benefit Pension Plans (continued)

The total JRS pension liability was determined using the following actuarial assumptions (based on the results of an experience study dated October 16, 2017):

Actuarial valuation date	June 30, 2020
Inflation rate	2.75%
Payroll growth	3.00% to 8.00%
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Discount rate	7.50%
Consumer price index	2.75%
Asset valuation method	The actuarial value of assets is equal to the prior year's actuarial value of assets plus contributions and net transfers, less benefit payments and expenses, plus expected investment return, and 20% of each of the previous five years' gain/(loss) due to investment return greater/(less) than expected. The actuarial value of assets is further limited to not less than 70% or greater than 130% of the market value of assets.
Actuarial cost method	Entry age normal
Amortization method	Year-by-year closed amortization period as a level percent of pay (3% payroll growth assumed) where each amortization period will be set at 30 years for Supreme Court justices and district judges and 20 years for each non-state agency)
Mortality rates	<p>Post-retirement: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Tables, projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries.</p> <p>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 members at age 50 to the mortality rate at age 50 from the Employee Mortality Tables listed above. The mortality rates are then projected to 2020 with Scale MP-2016.</p> <p>Pre-retirement: Headcount-Weighted RP 2014 Employee Mortality Tables, projected to 2020 with Scale MP-2016.</p>

JRS policies which determine the investment portfolio target asset allocation are established by the JRS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of JRS. The following target asset allocation policy was adopted as of June 30, 2020:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	49%	6.60%
International equity	21%	7.37%
Domestic fixed income	30%	0.36%

City of Reno, Nevada

Notes to Basic Financial Statements

Note 10 – Defined Benefit Pension Plans (continued)

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2020 and 2019. The projection of cash flows used to determine the discount rate assumed that contributions will be made monthly at the actuarially determined contribution rates and the payment to amortize the unfunded actuarial liability is assumed to be paid annually, at the end of the year, for Supreme Court justices and district judges and monthly for municipal court judges and justices of the peace. Based on those assumptions, JRS's fiduciary net position at June 30, 2020, was projected to be available to make all projected future benefit payments of current active and inactive JRS members. Therefore, the long-term expected rate of return on pension plan investments (7.50%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2020.

The City's JRS net pension liability at June 30, 2020, calculated using the discount rate of 7.50%, as well as what the City's JRS net pension liability would be if it were calculated using a discount rate that is 1% lower (6.50%) or 1% higher (8.50%) than the current discount rate was as follows:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Net pension liability (asset)	\$ 520,084	\$ 196,060	\$ (79,342)

JRS issues a publicly available Annual Financial Report that includes financial statements and required supplemental information. This report is available by writing to JRS at 693 West Nye Lane, Carson City, Nevada 89703. In addition, JRS is classified as a component unit of the State of Nevada, and as such JRS financial information is included in the State of Nevada's Comprehensive Annual Financial Report. JRS fiduciary net position and related additions to/deductions from it have been determined on the same basis used in the JRS Annual Financial Report. JRS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental accounting for fiduciary funds. 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.

At June 30, 2020, the City reported a net pension liability of \$196,060, for the JRS plan. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the period ended June 30, 2020, the City's JRS pension expense was \$39,943 and its reported deferred outflows and inflows of resources related to JRS pensions as of June 30, 2020, were as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,309	\$ 85,066
Changes of assumptions	161	-
Net difference between projected and actual earnings on investments	-	3,910
Other changes	37,726	1,723
Contributions made subsequent to the measurement date	113,647	-
	<u>\$ 153,843</u>	<u>\$ 90,699</u>

Note 10 – Defined Benefit Pension Plans (continued)

At June 30, 2020, the average expected remaining service life is 4.52 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended June 30,	2022		\$	(28,218)
	2023			(16,362)
	2024			(5,206)
	2025			(717)
				(717)
			\$	(50,503)

At June 30, 2021, approximately \$10,974 was payable to JRS, for the June 2021 required contribution.

Note 11 – Postemployment Benefits Other Than Pensions (OPEB) and OPEB Trust Fund

Aggregate Balances – At June 30, 2021, the City's aggregate OPEB plan balances were as follows:

	Public Employee Benefit Program	City of Reno Plan	Aggregate Total
Net OPEB asset administered through an irrevocable employee benefit trust fund	\$ -	\$ 17,293,549	\$ 17,293,549
Net deferred outflows of resources related to OPEB	-	2,341,608	2,341,608
Total OPEB liability	3,272,398	161,042,122	164,314,520
Net OPEB liability	3,272,398	143,748,573	147,020,971
Net deferred inflows of resources related to OPEB	-	62,727,022	62,727,022
OPEB expense	90,734	(4,407,699)	(4,316,965)

Plan Information – In accordance with NRS, the City provides other postemployment benefits to eligible retirees through the following plans:

The Nevada Public Employee Benefit Program (PEBP), a multiple-employer cost sharing plan, administered by a ten member governing board appointed by the Governor, including an Executive Officer who directs the program and serves at the pleasure of the Board.

The City of Reno Plan (City Plan), a single-employer defined benefit plan, administered by City management.

Both plans provide healthcare, dental, vision and life insurance benefits. Eligible pre-Medicare retirees that are not eligible for PEBP, can receive coverage through the City Plan. Coverage begins on the date of retirement from City services until age 65 or eligibility for Medicare, whichever comes first, with the exception of police which receive coverage for life.

City of Reno, Nevada
Notes to Basic Financial Statements

Note 11 – Postemployment Benefits Other Than Pensions (OPEB) and OPEB Trust Fund (continued)

PEBP issues a publicly available financial report that includes financial statements and required supplemental information. This report may be obtained by writing or calling the following:

Public Employee Benefit Plan
 901 South Stewart Street, Suite 101
 Carson City, NV 89701
 (775) 684-7000

The City Plan does not issue a separate financial report; however, additional information may be obtained by writing or calling the following:

City of Reno
 Finance Department
 One East First Street, P.O. Box 1900
 Reno, Nevada, 89505
 (775) 334-2080

PEBP eligibility and subsidy requirements are governed by the NRS and can only be amended through legislation. In 2008, the NRS were amended and as a result of this amendment, the number of retirees for whom the City is obligated to provide postemployment benefits is limited to eligible employees who retired from City service prior to December 1, 2008. No future retirees are eligible for this benefit.

The City is required to provide a subsidy, based on years of service for a closed group of its retirees that have enrolled in PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. For 2020, this subsidy ranged from \$398 to \$766 per retiree, per month.

Eligibility and subsidy requirements for the City Plan are dependent upon the applicable bargaining unit contract. Coverage begins on the date of retirement from City services until age 65 or eligibility for Medicare, whichever comes first, with the exception of police which receive coverage for life.

At June 30, 2021, employees covered by OPEB benefit terms consisted of:

	Public Employee Benefit Program	City of Reno Plan	Aggregate Total
Active members	-	1,221	1,221
Inactive employees currently receiving benefit payments	139	736	875
Inactive employees entitled to, but not yet receiving benefit payments	-	3	3
	<u>139</u>	<u>1,960</u>	<u>2,099</u>

Note 11 – Postemployment Benefits Other Than Pensions (OPEB) and OPEB Trust Fund (continued)

The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement:

	Public Employee Benefit Program	City of Reno Plan
Actuarial valuation date	January 1, 2020	January 1, 2020
Measurement date	June 30, 2021	June 30, 2021
Inflation rate	2.50% per year	2.50% per year
Salary changes	N/A	City Plan – 3.5% per year, since benefits do not depend on pay, this is used only to allocate the cost of benefits between service years PEBP – not applicable, there are no active employees in this plan
Discount rate	2.21% as of June 30, 2020 2.16% as of June 30, 2021	4.50% as of June 30, 2020 5.50% as of June 30, 2021
Discount rate source	Bond Buyer General Obligation 20-Bond Municipal Bond Index	Bond Buyer General Obligation 20-Bond Municipal Bond Index
Postemployment benefit changes	None	Monthly premium rates are the same for actives and retirees
Actuarial cost method	Entry Age Normal Cost, closed group, level percent of pay	Entry Age Normal Cost, closed group, level percent of pay
Healthcare cost trend rates	5.4%, decreasing to an ultimate rate of 4.0% for 2075 and subsequent years	5.4%, decreasing to an ultimate rate of 4.0% for 2076
Asset valuation method	N/A	Market value of assets
Long-term return on assets		7.0% as of June 30, 2021, net of plan investment changes

For 2021, the monthly premium rates for retirees were made the same as for active employees for all but the Hartford Plan, which is currently available only to police and fire post-65 retirees.

The City Plan mortality rates were based on the following:

MacLeod Watts Scale 2020 applied generationally from 2018. The MacLeod Watts Scale 2020 was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2019 Report, published in October 2019 and (2) the demographic assumptions used in the 2019 Annual Report of the board of trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published April 2019.

MacLeod Watts Scale 2020 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2019 which has two segments – (1) historical improvement rates for the period of 1951-2015 and (2) an estimate of future mortality improvement for years 2016-2018 using the Scale MP-2019 methodology but utilizing the assumptions obtained from Scale MP-2015. The MacLeod Watts scale then transitions for the 2018 improvement rate to the Social Security Administration (SSA) Intermediate Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2028-2042. The SSA's Intermediate Scale has a final step down in 2043 which is reflected in MacLeod Watts scale for years 2043 and thereafter. Over the ages of 95 to 115, the SSA improvement rate is graded to zero.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 11 – Postemployment Benefits Other Than Pensions (OPEB) and OPEB Trust Fund (continued)

The City's total OPEB liability at June 30, 2021, calculated using the discount rate at 5.50%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% high than the current discount rate was as follows:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Total OPEB liability	\$ 182,374,539	\$ 161,042,122	\$ 143,510,240
Net OPEB liability	165,080,990	143,748,573	126,216,691

The City's total OPEB liability at June 30, 2021, calculated using the healthcare trend rate of 7.0%, decreasing to 4.0% by 2076, as well as what the City's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1.00% lower or 1% higher than the current healthcare trend rate was as follows:

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
Total OPEB liability	\$ 139,795,720	\$ 161,042,122	\$ 187,685,132
Net OPEB liability	122,502,171	143,748,573	170,391,583

At June 30, 2021, changes in the City's total OPEB liability were as follows:

	<u>Public Employee Benefit Program</u>	<u>City of Reno Plan</u>	<u>Aggregate Total</u>
Service cost	\$ -	\$ 5,218,217	\$ 5,218,217
Interest on total OPEB liability	72,501	8,010,998	8,083,499
Changes in benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions or other inputs	18,233	(21,332,417)	(21,314,184)
Benefit payments	(197,839)	(7,317,242)	(7,515,081)
Net change in total OPEB liability	(107,105)	(15,420,444)	(15,527,549)
Total OPEB liability, beginning of year	<u>3,379,503</u>	<u>176,462,566</u>	<u>179,842,069</u>
Total OPEB liability, end of year	3,272,398	161,042,122	164,314,520
Net OPEB assets administered through an irrevocable employee benefit trust fund	<u>-</u>	<u>17,293,549</u>	<u>17,293,549</u>
Net OPEB liability, end of year	<u>\$ 3,272,398</u>	<u>\$ 143,748,573</u>	<u>\$ 147,020,971</u>

Note 11 – Postemployment Benefits Other Than Pensions (OPEB) and OPEB Trust Fund (continued)

For the period ended June 30, 2021, the City's OPEB expense was \$(4,316,965) and its reported deferred outflows and inflows of resources related to OPEB were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 27,608,170
Changes of assumptions	2,341,608	33,338,450
Differences in investment earnings	-	1,780,402
	\$ 2,341,608	\$ 62,727,022

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

For the year ended June 30,	2022	\$ (15,100,878)
	2023	(12,826,459)
	2024	(11,590,615)
	2025	(6,414,196)
	2026	(5,424,616)
	Thereafter	(9,028,650)
		\$ (60,385,414)

Employee Benefit Trust Fund

In a prior fiscal year, the City approved the creation of an employee benefit trust fund. The trust fund is intended to qualify as a government irrevocable trust established to provide an essential governmental function (to fund future OPEB obligations) under IRS Code Section 115 and pursuant to NRS 287.017. The trust fund assets are separate from the City's, are held for the future payment of OPEB plan obligations and is invested in the Retirement Benefits Investment Fund (RBIF), which is managed through an intrastate interlocal agreement with the Retirement Benefits Investment Board, located at 693 W. Nye Lane, Carson City, Nevada.

During fiscal year 2021, the City made contributions to the trust fund totaling \$9,813,894. Contributions to are determined at the City's discretion through its annual budget process to be paid from the City's general, internal service and enterprise funds.

City of Reno, Nevada

Notes to Basic Financial Statements

Note 12 – Other Information

Special Ad Valorem Capital Projects Fund

For the year ended June 30, 2021, pursuant to NRS 354.598155 the Special Ad Valorem Capital Projects Fund expended \$221,387 on the following projects:

Machinery and equipment	\$	221,387
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Note 13 – Accounting Changes

Restatement

With the implementation of GASB Statement No. 84 for fiduciary funds in FY 2020, it was determined that the Agency Special Assessment Districts Fund qualified as a custodial fund and as such, should be accounted for using the full accrual basis of accounting. However, in reviewing the published Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020, it was discovered that the older version of the Statement of Changes in Net Position was used, which did not account for adjustment needed to clear the unavailable revenue liability account resulting in revenue showing for collections from special assessment districts. To correct for this error, the Statement of Net position balance of July 1, 2020, has been retroactively adjusted as follow:

	Special Assessment District Custodial Fund
Net position or fund balance, as previously reported	\$ 4,827,260
Adjustment - Cumulative effect of implementation of GASB Statement No. 84 related to the Agency Special Assessment District Custodial Funds	<u>1,881,286</u>
Net position or fund balance, as restated	<u><u>\$ 6,708,546</u></u>

Note 14 – Other Information

Subsequent Events

On August 11, 2021, the Reno City Council passed Resolution No. 8951 authorizing a medium-term obligation (MTO) with Axon Enterprise, Inc. in an amount of up to \$1.2 million to purchase and maintain in-car video recording devices for police vehicles. The MTO is for a period of five years at zero percent interest and will be repaid with E911 surcharge fees and/or available general revenues.

On September 22, 2021, the Reno City Council passed Resolution No. 8966 authorizing an installment purchase agreement with Artown in an amount of up to \$875,000 for the purchase of the Lear Theater. The agreement calls for seven, annual principal-only payments of \$125,000.

Required Supplementary Information

City of Reno, Nevada
Postemployment Benefits Other Than Pensions (OPEB)
Schedule of Changes in Total OPEB Liability
For the Year Ended June 30, 2021 and Last Nine Fiscal Years¹

	Service Cost	Interest on Total OPEB Liability	Changes in Benefit Terms	Differences Between Expected and Actual Experience	Changes in Assumptions or Other Inputs	Benefit Payments	Net Change in Total OPEB Liability	Total OPEB Liability, Beginning of Year	Total OPEB Liability, End of Year	Covered Employee Payroll	Total OPEB Liability, End of Year as a Percentage of Covered Employee Payroll
Public Employee Benefit Program											
2018	\$ 2	\$ 83,677	\$ -	\$ -	\$ 55,285	\$ (203,156)	\$ (64,194)	\$ 2,774,952	\$ 2,710,758	\$ 2	2
2019		76,343	-	-	221,622	(192,534)	105,431	2,710,758	2,816,189		
2020		95,137			679,646	(211,469)	563,314	2,816,189	3,379,503		
2021		72,501			18,233	(197,839)	(107,105)	3,379,503	3,272,398		
City of Reno Plan											
2018	7,838,012	6,869,650	-	-	6,955,870	(7,631,378)	14,032,154	215,455,315	229,487,469	96,695,325	237.33%
2019	8,593,105	6,837,082	-	-	(4,406,354)	(7,867,859)	3,155,974	229,487,469	232,643,443	110,713,117	210.13%
2020	8,103,033	8,335,903	-	(43,466,542)	(22,640,530)	(6,512,741)	(56,180,877)	232,643,443	176,462,566	113,794,793	155.07%
2021	5,218,217	8,010,998			(21,332,417)	(7,317,242)	(15,420,444)	176,462,566	161,042,122	118,531,405	135.86%

1. Information for Postemployment Benefits Other Than Pensions is not available for year prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent years.

2. The Public Employee Benefit Plan is a closed plan; therefore, there are no current covered employees.

City of Reno, Nevada
Postemployment Benefits Other Than Pensions (OPEB)
Actuarially Determined Contribution Information
For the Year Ended June 30, 2021 and Last Nine Fiscal Years¹

	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
Public Employee Benefit Program					
2018	\$	² \$ 203,156	\$ 203,156	\$	³
2019		² 192,534	192,534		³
2020		² 211,469	211,469		³
2021		² 197,839	197,839		³
City of Reno Plan					
2018	11,798,534	8,886,036	(2,912,498)	106,539,966	8.34057%
2019	12,790,212	8,857,110	(3,933,102)	110,713,117	8.00005%
2020	11,584,067	8,046,690	(3,537,377)	113,794,793	7.07123%
2021	12,166,696	9,813,894	(2,352,802)	118,531,405	8.27957%

1. Information for the Postemployment Benefits Other Than Pensions plans is not available for the years prior to the fiscal year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information of the ten most recent fiscal years.
2. The Public Employee Benefit Program is funded on a pay-as-you-go basis. Therefore, the actuary did not determine contributions for this plan.
3. The Public Employee Benefit Program is a closed plan. Therefore, there are no currently covered employees.

City of Reno, Nevada
Multiple-Employer Cost-Sharing Defined Benefit Pension Plan
Proportionate Share of the Collective Net Pension Liability Information
For the Measurement Year Ended June 30, 2021 and Last Nine Fiscal Years¹

For the Year Ended June 30,	Proportion of the Collective Net Pension Liability	Proportion of the Collective Net Pension Liability	Covered Payroll	Proportion of the Collective Net Pension Liability as a Percentage of Covered Payroll	PERS Fiduciary Net Position as a Percentage of Total Pension Liability
2014	1.88407%	\$ 247,751,652	\$ 93,801,378	264.12368%	76.31210%
2015	1.80849%	207,243,295	81,971,840	252.82255%	75.12612%
2016	1.76966%	238,145,028	86,413,601	275.58744%	72.20000%
2017	1.86301%	247,778,053	96,062,490	257.93424%	74.41654%
2018	1.80951%	246,776,316	96,221,810	256.46609%	75.23537%
2019	1.83074%	249,638,697	101,018,373	247.12207%	76.45733%
2020	1.81050%	252,173,208	104,227,808	241.94427%	77.03999%

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for the years prior to the fiscal year ended June 30, 2014. As information becomes available, this schedule will ultimately present information of the ten most recent fiscal years.

City of Reno, Nevada
Multiple-Employer Cost-Sharing Defined Benefit Pension Plan
Proportionate Share of Statutorily Required Contribution Information
For the Year Ended June 30, 2021 and Last Nine Fiscal Years¹

For the Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll ²	Contributions as a Percentage of Covered Payroll
2015	\$ 28,070,303	\$ 28,070,303	\$ -	81,971,840	34.24384%
2016	29,918,043	29,918,043	-	86,413,601	34.62191%
2017	32,030,815	32,030,815	-	96,062,490	33.34373%
2018	33,581,449	33,581,449	-	96,221,810	34.90004%
2019	35,247,737	35,247,737	-	101,018,373	34.89240%
2020	37,737,169	37,737,169	-	104,227,808	36.20643%
2021	39,918,838	39,918,838	-	109,254,447	36.53749%

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for the years prior to the fiscal year ended June 30, 2015. As information becomes available, this schedule will ultimately present information of the ten most recent fiscal years.
2. Covered employee payroll has been corrected for prior years to meet the definition stated in GASB Statement No. 82.

City of Reno, Nevada
Agent Multiple-Employer Defined Benefit Pension Plan
Schedule of Changes in Net Pension Liability
For the Measurement Year Ended June 30, 2021 and Last Nine Fiscal Years¹

<u>For the Year Ended June 30,</u>	<u>Net Pension Liability, Beginning of Year</u>	<u>Pension Expense</u>	<u>Employer Contributions</u>	<u>Change in Net Deferred Outflows and Inflows</u>	<u>Net Pension Liability, End of Year</u>
2014	\$ 633,551	\$ 81,208	\$ (137,885)	\$ (197,401)	\$ 379,473
2015	379,473	89,094	(140,414)	147,846	475,999
2016	475,999	51,209	(96,710)	(51,041)	379,457
2017	379,457	34,038	(92,679)	(15,485)	305,331
2018	305,331	23,832	(88,617)	(17,585)	222,961
2019	222,961	42,297	(89,120)	37,899	214,037
2020	214,037	39,943	(102,356)	44,436	196,060

1. Information for the agent multiple-employer defined benefit pension plan is not available for the years prior to the fiscal year ended June 30, 2014. As information becomes available, this schedule will ultimately present information of the ten most recent fiscal years.

City of Reno, Nevada
Agent Multiple-Employer Defined Benefit Pension Plan
Pension Plan Information
For the Measurement Year Ended June 30, 2021 and Last Nine Fiscal Years¹

For the Year Ended June 30,	Total Pension Plan Liability	Pension Plan Fiduciary Net Position	Net Pension Plan Liability	Pension Plan Fiduciary Net Position as a Percentage of Total Pension Plan Liability	Pension Plan Covered Payroll	Net Pension Plan Liability as a Percentage of Pension Covered Payroll
2014	\$ 108,630,337	\$ 92,113,212	\$ 16,517,125	84.79511%	\$ 17,186,300	96.10635%
2015	119,810,260	98,944,699	20,865,561	82.58450%	18,933,500	110.20446%
2016	123,753,035	101,101,940	22,651,095	81.69653%	19,929,944	113.65358%
2017	133,560,566	114,498,900	19,061,666	85.72807%	20,153,527	94.58228%
2018	137,726,452	124,374,024	13,352,428	90.30511%	20,995,038	63.59802%
2019	146,303,813	133,658,066	12,645,747	91.35652%	20,353,313	62.13115%
2020	151,559,874	141,341,677	10,218,197	93.25798%	20,561,476	49.69583%

1. Information for the agent multiple-employer defined benefit pension plan is not available for the year ended June 30, 2014. As information comes available, this schedule will ultimately present information for the ten most recent fiscal years.

City of Reno, Nevada
Agent Multiple-Employer Defined Benefit Pension Plan
Actuarially Determined Contribution Information
For the Year Ended June 30, 2021 and Last Nine Fiscal Years¹

For the Year Ended June 30,	Actuarially Required Contribution	Contributions Made	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Made as a Percentage of Covered Payroll
2015	\$ 140,925	\$ 140,414	\$ (511)	\$ 454,597	30.88758%
2016	103,271	102,435	(836)	477,580	21.44876%
2017	104,381	92,679	(11,702)	499,655	18.54860%
2018	90,754	87,316	(3,438)	491,419	17.76813%
2019	102,475	88,617	(13,858)	350,579	25.27733%
2020	97,150	89,120	(8,030)	346,148	25.74621%
2021	110,822	102,356	(8,466)	394,519	25.94450%

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for the years prior to the fiscal year ended June 30, 2015. As information becomes available, this schedule will ultimately present information of the ten most recent fiscal years.

City of Reno, Nevada

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 59,978,058	\$ 59,978,058	\$ 61,017,108	\$ 1,039,050
Special assessments	2,874,110	2,874,110	2,862,048	(12,062)
Licenses and permits				
Business licenses and permits				
Business licenses	19,469,667	19,469,667	20,062,364	592,697
City gaming licenses	1,798,830	1,398,830	1,581,804	182,974
Liquor licenses	2,133,322	1,933,322	2,036,702	103,380
Non-business licenses and permits	10,000	10,000	114,753	104,753
Franchises				
Electricity	10,580,490	10,580,490	9,499,691	(1,080,799)
Telephone	2,685,540	2,685,540	2,633,805	(51,735)
Natural gas	3,150,880	3,150,880	3,326,036	175,156
Sanitation	4,300,000	4,300,000	5,204,026	904,026
Sewer	4,000,000	3,200,000	3,876,553	676,553
Cable television	2,500,000	2,300,000	2,197,952	(102,048)
Intergovernmental				
Grants and contributions				
Federal grants	841,996	28,460,973	28,805,278	344,305
State grants	-	31,021	17,855	(13,166)
State shared revenues				
Consolidated tax distribution	78,514,071	81,514,071	85,628,594	4,114,523
AB 104 revenue	4,400,000	4,400,000	5,004,314	604,314
Marijuana fees	300,000	300,000	306,193	6,193
Sales tax - tax increment districts	3,190,000	5,990,000	5,705,200	(284,800)
Other local governmental shared revenue				
County gaming licenses	1,400,000	1,400,000	1,266,284	(133,716)
Contributions	141,386	174,978	168,880	(6,098)
Other	8,000	8,000	6,863	(1,137)
Charges for services				
General government				
Administrative fees	502,420	502,420	663,163	160,743
TMWA contract payment	57,680	57,680	57,677	(3)
Indirect cost allocations	4,061,097	4,061,097	4,061,097	-
Judicial				
Municipal court charges	67,876	67,876	63,298	(4,578)
Public safety				
Police service charges	680,000	680,000	577,803	(102,197)
Work permits	70,000	70,000	29,428	(40,572)
Fire service charges	1,340,000	1,340,000	1,070,857	(269,143)
Strike team reimbursements	-	2,685,058	2,742,284	57,226
Dispatch charges	296,864	296,864	428,246	131,382
Public works				
Parking receipts	1,198,200	898,200	665,954	(232,246)
Community development and support				
Planning fees	124,000	124,000	103,488	(20,512)
Planning application fees	1,347,902	1,347,902	685,275	(662,627)
Other	14,300	14,300	39,259	24,959
Culture and recreation				
Swimming pool fees	380,000	190,000	376,177	186,177
Recreation facility/program fees	3,490,523	1,189,535	1,805,471	615,936
Parks & recreation fees	142,000	110,000	63,044	(46,956)

City of Reno, Nevada
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Fines and forfeits				
General government parking ticket fines	\$ 433,726	\$ 265,726	\$ 275,431	\$ 9,705
Municipal court fines	1,596,668	1,596,668	1,553,355	(43,313)
Administrative code citations	48,000	48,000	18,750	(29,250)
Delinquent license penalties	938,367	938,367	867,837	(70,530)
Miscellaneous				
Investment earnings	500,000	500,000	910,457	410,457
Change in fair value of investments	-	-	(464,855)	(464,855)
Private grants and contributions	-	348,884	643,252	294,368
Rent and royalties	513,308	513,308	407,236	(106,072)
Reimbursements and restitution	502,000	1,663,428	3,019,621	1,356,193
Other	61,000	159,060	123,686	(35,374)
Total miscellaneous	<u>1,576,308</u>	<u>3,184,680</u>	<u>4,639,397</u>	<u>1,454,717</u>
TOTAL REVENUES	<u>220,642,281</u>	<u>253,828,313</u>	<u>262,109,594</u>	<u>8,281,281</u>
EXPENDITURES				
General Government				
City Council				
Salaries and wages	565,087	565,087	554,770	10,317
Employee benefits	423,431	423,431	411,129	12,302
Services and supplies	665,623	560,235	488,792	71,443
Total City Council	<u>1,654,141</u>	<u>1,548,753</u>	<u>1,454,691</u>	<u>94,062</u>
City Clerk				
Salaries and wages	628,527	628,527	537,032	91,495
Employee benefits	328,617	328,617	288,464	40,153
Services and supplies	417,135	585,994	317,061	268,933
Total City Clerk	<u>1,374,279</u>	<u>1,543,138</u>	<u>1,142,557</u>	<u>400,581</u>
City Manager				
Salaries and wages	3,135,682	3,012,075	1,933,942	1,078,133
Employee benefits	1,241,719	1,197,168	918,008	279,160
Services and supplies	3,288,770	22,604,270	22,295,234	309,036
Capital outlay	-	-	10,035	(10,035)
Total City Manager	<u>7,666,171</u>	<u>26,813,513</u>	<u>25,157,219</u>	<u>1,656,294</u>
Finance				
Salaries and wages	1,548,306	1,608,226	1,541,227	66,999
Employee benefits	797,584	831,709	793,555	38,154
Services and supplies	355,842	450,469	442,396	8,073
Capital outlay	-	12,168	12,168	-
Total Finance	<u>2,701,732</u>	<u>2,902,572</u>	<u>2,789,346</u>	<u>113,226</u>
City Attorney				
Salaries and wages	2,978,144	2,978,144	2,928,982	49,162
Employee benefits	1,477,833	1,477,833	1,361,278	116,555
Services and supplies	370,280	370,280	178,018	192,262
Total City Attorney	<u>4,826,257</u>	<u>4,826,257</u>	<u>4,468,278</u>	<u>357,979</u>
Human Resources				
Salaries and wages	772,653	772,653	399,228	373,425
Employee benefits	460,570	460,570	177,729	282,841
Services and supplies	328,718	349,356	232,803	116,553
Total Human Resources	<u>1,561,941</u>	<u>1,582,579</u>	<u>809,760</u>	<u>772,819</u>
Civil Service Commission				
Salaries and wages	384,052	384,052	289,096	94,956
Employee benefits	219,586	219,586	163,879	55,707
Services and supplies	150,627	162,627	121,221	41,406
Total Civil Service Commission	<u>754,265</u>	<u>766,265</u>	<u>574,196</u>	<u>192,069</u>

City of Reno, Nevada
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Communications and Technology				
Salaries and wages	\$ 2,225,579	\$ 2,225,579	\$ 1,943,921	\$ 281,658
Employee benefits	1,132,083	1,132,083	947,675	184,408
Services and supplies	3,868,170	6,329,670	5,906,974	422,696
Capital outlay	-	523,443	523,443	-
Total Communications and Technology	<u>7,225,832</u>	<u>10,210,775</u>	<u>9,322,012</u>	<u>888,763</u>
Total General Government	<u>27,764,618</u>	<u>50,193,852</u>	<u>45,718,058</u>	<u>3,587,030</u>
Judicial				
Municipal court				
Salaries and wages	4,381,855	4,381,855	4,171,017	210,838
Employee benefits	2,477,634	2,477,634	2,215,246	262,388
Services and supplies	1,119,521	1,485,609	1,371,427	114,182
Total Judicial	<u>7,979,010</u>	<u>8,345,098</u>	<u>7,757,690</u>	<u>587,407</u>
Public Safety				
Police Department				
Salaries and wages	48,290,408	48,605,761	47,669,990	935,771
Employee benefits	29,359,482	29,332,482	28,088,266	1,244,216
Services and supplies	7,227,589	8,115,776	8,137,298	(21,522)
Capital outlay	-	94,450	73,798	20,652
Total Police Department	<u>84,877,479</u>	<u>86,148,469</u>	<u>83,969,352</u>	<u>2,179,117</u>
Fire Department				
Salaries and wages	29,797,464	34,149,195	34,446,070	(296,875)
Employee benefits	19,296,251	19,620,147	19,890,856	(270,709)
Services and supplies	2,902,618	4,339,703	3,249,170	1,090,533
Capital outlay	250,000	316,829	308,554	8,275
Total Fire Department	<u>52,246,333</u>	<u>58,425,874</u>	<u>57,894,650</u>	<u>531,224</u>
Total Public Safety	<u>137,123,812</u>	<u>144,574,343</u>	<u>141,864,002</u>	<u>2,710,341</u>
Public Works				
Salaries and wages	3,130,356	3,135,878	2,518,179	617,699
Employee benefits	1,595,834	1,595,834	1,294,637	301,197
Services and supplies	2,090,552	2,518,144	2,013,555	504,589
Capital outlay	-	-	10,145	(10,145)
Total Public Works	<u>6,816,742</u>	<u>7,249,856</u>	<u>5,836,516</u>	<u>1,413,340</u>
Culture and Recreation				
Parks and recreation				
Salaries and wages	6,885,885	6,873,907	5,849,519	1,024,388
Employee benefits	2,925,508	2,888,939	2,344,120	544,819
Services and supplies	2,297,734	3,672,849	2,799,269	873,580
Capital outlay	-	105,001	65,001	40,000
Total Culture and Recreation	<u>12,109,127</u>	<u>13,540,696</u>	<u>11,057,909</u>	<u>2,482,787</u>
Community Development and Support				
Salaries and wages	3,618,580	3,731,523	3,320,165	411,358
Employee benefits	1,884,859	1,929,868	1,686,656	243,212
Services and supplies	1,387,136	1,698,523	1,245,534	452,989
Capital outlay	-	24,054	24,054	(0)
Total Community Development and Support	<u>6,890,575</u>	<u>7,383,968</u>	<u>6,276,409</u>	<u>1,107,559</u>

City of Reno, Nevada
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Salaries and wages	\$ 500,000	\$ -	\$ -	\$ -
Employee benefits	2,751,532	2,751,532	2,751,532	-
Retired employees insurance expense	6,800,000	6,800,000	5,382,585	1,417,415
Services and supplies	8,542,460	12,496,884	12,143,223	353,661
Total Other	<u>18,593,992</u>	<u>22,048,416</u>	<u>20,277,340</u>	<u>1,771,076</u>
DEBT SERVICE				
Principal	458,800	458,800	458,799	1
Interest	224	224	224	-
Total Debt Service	<u>459,024</u>	<u>459,024</u>	<u>459,023</u>	<u>1</u>
TOTAL EXPENDITURES	<u>217,736,900</u>	<u>253,795,253</u>	<u>239,246,947</u>	<u>12,921,640</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,905,381</u>	<u>33,060</u>	<u>22,862,647</u>	<u>22,829,587</u>
OTHER FINANCING SOURCES (USES)				
Sale/disposal of assets	-	-	218,682	218,682
Transfers in	2,136,000	1,873,678	1,873,678	-
Transfers out	(5,293,948)	(33,458,577)	(33,458,577)	-
Contingencies	(1,000,000)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(4,157,948)</u>	<u>(31,584,899)</u>	<u>(31,366,217)</u>	<u>218,682</u>
NET CHANGE IN FUND BALANCE	(1,252,567)	(31,551,839)	(8,503,570)	23,048,269
FUND BALANCE, BEGINNING OF YEAR	<u>29,396,315</u>	<u>59,793,265</u>	<u>59,793,269</u>	<u>4</u>
FUND BALANCE, END OF YEAR	<u>\$ 27,143,748</u>	<u>\$ 28,241,426</u>	<u>\$ 51,289,698</u>	<u>\$ 23,048,273</u>

Major Special Revenue Funds

Special revenue funds are used to account for financial resources that are restricted or committed to specific purposes other than debt service and capital.

Streets – accounts for motor vehicle fuel taxes and street override property tax revenues restricted for street improvement expenditures.

City of Reno, Nevada
Streets Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Property tax	\$ 18,862,606	\$ 18,862,606	\$ 19,117,815	\$ 255,209
Licenses and permits				
Water toll fees	2,980,000	2,980,000	3,218,897	238,897
Encroachment license fees	-	-	6,057	6,057
Excavation permits	150,000	150,000	384,988	234,988
Traffic encroachment fees	80,000	80,000	224,081	144,081
Traffic signal permits	5,000	5,000	29,899	24,899
Occupancy agreement permits	-	-	6,213	6,213
Small cell permit fees	-	-	6,659	6,659
Intergovernmental				
Motor vehicle fuel tax	7,050,000	7,050,000	7,044,842	(5,158)
Grants and contributions				
Federal grants	-	38,521	38,520	(1)
Contributions	-	254,130	509,252	255,122
Fines and forfeitures				
Street patching penalties	1,000	1,000	28,862	27,862
Miscellaneous				
Investment earnings	55,000	55,000	500,728	445,728
Change in fair value of investments	-	-	(523,755)	(523,755)
Reimbursements and restitution	20,000	60,920	135,799	74,879
Other	-	-	520	520
TOTAL REVENUES	29,203,606	29,537,177	30,729,377	1,192,200
EXPENDITURES				
Public Works				
Salaries and wages	5,596,944	5,597,947	4,889,591	708,356
Employee benefits	3,324,603	3,324,603	2,747,830	576,773
Services and supplies	6,845,668	8,716,047	10,573,655	(1,857,608)
Retired employees insurance	200,000	200,000	89,784	110,216
Capital Outlay	14,840,400	25,127,958	6,822,632	18,305,326
TOTAL EXPENDITURES	30,807,615	42,966,555	25,123,492	17,843,063
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,604,009)	(13,429,378)	5,605,885	19,035,263
OTHER FINANCING SOURCES (USES)				
Transfers in	-	611,359	258,616	(352,743)
Transfers out	(90,000)	(96,542)	(96,542)	-
TOTAL FINANCING SOURCES (USES)	(90,000)	514,817	162,074	(352,743)
NET CHANGE IN FUND BALANCE	(1,694,009)	(12,914,561)	5,767,959	18,682,520
FUND BALANCE, BEGINNING OF YEAR	16,102,748	27,814,423	28,835,064	1,020,641
FUND BALANCE, END OF YEAR	\$ 14,408,739	\$ 14,899,862	\$ 34,603,023	\$ 19,703,161

City of Reno, Nevada

Notes to Required Supplementary Information

For the Year Ended June 30, 2021

Note 1 – Postemployment Benefits Other Than Pensions

For the year ended June 30, 2021, no significant events occurred that effected the benefit provision, size or composition of those covered by the postemployment benefit plans.

At June 30, 2021, \$17,293,548 assets were accumulated in a qualifying trust in which the assets contributed and earnings thereon are irrevocable, dedicated solely to providing postemployment benefits and are legally protected from creditors.

Actuarial information for postemployment benefits other than pensions is not available for measurement years prior to the year ended June 30, 2018. As information becomes available this schedule will ultimately present information for the ten most recent fiscal years. Additional information related to postemployment benefits other than pensions can be found in Note 4 to the basic financial statements.

Note 2 – Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

For the year ended June 30, 2021 there were no changes in the pension benefit plan terms to the actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2019.

The actuarial valuation report dated June 30, 2014, was the first valuation for the multiple-employer cost-sharing defined benefit pension plan. As additional actuarial valuations are obtained these schedules will ultimately present information from the ten most recent valuations. Additional pension plan information can be found in Notes 1 and 4 to the basic financial statements.

Note 3 – Agent Multiple-Employer Defined Benefit Pension Plan

For the year ended June 30, 2021, there were no changes in the pension benefit plan terms or the actuarial methods and assumptions used in the actuarial valuation reports dated June 30, 2019.

The actuarial valuation reports dated June 30, 2014, was the first valuation for the agent multiple-employer defined benefit pension plan. As additional actuarial valuations are obtained these schedules will ultimately present information from the ten most recent valuations. Additional pension plan information can be found in Notes 1 and 4 to the basic financial statements.

Note 4 – Budget Information

The accompanying required supplementary schedules of revenues, expenditures and changes in fund balance presents the original adopted budget, the final amended budget, and actual fund data. The original budget was adopted on a basis consistent with financial accounting policies and with accounting principles generally accepted in the United States. All amendments made to the original budget were as prescribed by law and similarly consistent.

Additional budgetary information can be found in Note 2 to the basic financial statements.

**Combining and Individual Fund
Financial Statements and Schedules**

Major Governmental Funds

Cabela's Sales Tax Increment Debt Service Fund – accounts for the accumulation of resources for payment of bonds issued to build the public infrastructure and museum for the Cabela's retail store.

City of Reno Capital Project Fund – accounts for reserves for safety improvements, public art maintenance, public buildings, and designated capital expenditures relating to capital improvement projects that are not accounted for in other funds.

City of Reno, Nevada
Cabela's Sales Tax Increment Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental				
Sales Tax - Cabelas	\$ 1,300,000	\$ 1,300,000	\$ 1,258,209	\$ (41,791)
Miscellaneous				
Investment earnings	5,000	5,000	265	(4,735)
TOTAL REVENUES	<u>1,305,000</u>	<u>1,305,000</u>	<u>1,258,474</u>	<u>(46,526)</u>
EXPENDITURES				
Debt Service				
Principal	2,160,000	2,160,000	2,160,000	-
Interest	1,118,175	1,118,175	1,118,175	-
Fiscal charges	9,000	9,000	3,300	5,700
TOTAL EXPENDITURES	<u>3,287,175</u>	<u>3,287,175</u>	<u>3,281,475</u>	<u>5,700</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,982,175)	(1,982,175)	(2,023,001)	(40,826)
NET CHANGE IN FUND BALANCES	(1,982,175)	(1,982,175)	(2,023,001)	(40,826)
FUND BALANCE, BEGINNING OF YEAR	(8,447,573)	(8,435,352)	(8,435,353)	-
FUND BALANCE, END OF YEAR	<u><u>\$(10,429,748)</u></u>	<u><u>\$(10,417,527)</u></u>	<u><u>\$(10,458,354)</u></u>	<u><u>\$ (40,826)</u></u>

City of Reno, Nevada
Public Works Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Grants and contributions				
Federal grants	\$ -	\$ 10,331	\$ 38,932	\$ 28,601
Contributions	-	7,725,220	7,725,220	-
Licenses and permits	-	100,000	494,692	394,692
Miscellaneous				
Investment earnings	-	-	428,556	428,556
Change in fair value of investments	-	-	(321,278)	(321,278)
Interest earnings, other	-	-	34,930	34,930
Reimbursements and restitution	-	1,586,448	1,288,439	(298,009)
Private grants	-	600,917	892,891	291,974
Rents and royalties	-	-	35,000	35,000
TOTAL REVENUES	-	10,022,916	10,617,382	594,466
EXPENDITURES				
General government				
Services and supplies	-	557,644	384,469	173,175
Public Safety - police				
Services and supplies	-	303,923	124,485	179,438
Public Safety - fire				
Services and supplies	-	1,750,065	1,459,197	290,868
Culture and recreation				
Services and supplies	-	40,485	27,750	12,735
Public works				
Services and supplies	400,000	2,447,664	1,358,471	1,089,193
Community development & support				
Services and supplies	-	428,249	168,552	259,697
CAPITAL OUTLAY				
General government	100,000	150,000	37,739	112,261
Public safety-fire	2,625,300	4,377,163	3,399,502	977,661
Public safety-police	-	21,466,895	204,710	21,262,185
Culture and recreation	400,000	6,723,143	471,213	6,251,930
Public works	1,200,000	5,204,947	2,663,955	2,540,992
Community development & support	-	15,156,322	15,156,321	1
TOTAL EXPENDITURES	4,725,300	58,606,500	25,456,364	33,150,136
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,725,300)	(48,583,584)	(14,838,982)	33,744,602
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	178,780	1,065,389	886,609
Operating transfers in	3,413,304	29,111,089	29,111,089	-
Operating transfers out	(136,000)	(136,000)	(136,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	3,277,304	29,153,869	30,040,478	886,609
NET CHANGE IN FUND BALANCE	(1,447,996)	(19,429,715)	15,201,496	34,631,211
FUND BALANCE, BEGINNING OF YEAR	6,363,311	24,928,876	25,140,596	211,720
FUND BALANCE, END OF YEAR	\$ 4,915,315	\$ 5,499,161	\$ 40,342,092	\$ 34,842,931

Non-Major Governmental Funds

City of Reno, Nevada
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
ASSETS				
Cash, cash equivalents and investments	\$ 16,522,038	\$ 33,100,134	\$ 15,475,570	\$ 65,097,742
Receivables:				
Accounts	311,007	64,693	425	376,125
Accrued interest	38,578	24,235	31,115	93,928
Due from other governments	3,050,881	4,723,380	132,793	7,907,054
Delinquent taxes	26,964	9,072	-	36,036
Special assessments:				
Current	-	1,541,037	-	1,541,037
Delinquent	-	130	-	130
Deferred	-	5,914,118	-	5,914,118
Prepaid items	67,477	930,292	-	997,769
Property held for resale	1,041,209	-	-	1,041,209
TOTAL ASSETS	<u>\$ 21,058,154</u>	<u>\$ 46,307,091</u>	<u>\$ 15,639,903</u>	<u>\$ 83,005,148</u>
LIABILITIES				
Accounts payable	\$ 1,567,628	\$ 13,366	\$ 1,485,973	\$ 3,066,967
Accrued salaries and benefits	20,494	-	-	20,494
Contracts/retained percentage payable	57,865	-	107,724	165,589
Accrued interest payable	37,775	-	-	37,775
Due to other funds	142,000	-	-	142,000
Due to other governments	-	90	-	90
Deposits	75,209	189,911	8,000	273,120
Other liabilities	-	7,970	-	7,970
Advances from other funds	-	420,110	-	420,110
Unearned revenue	4,233,766	-	-	4,233,766
TOTAL LIABILITIES	<u>6,134,737</u>	<u>631,447</u>	<u>1,601,697</u>	<u>8,367,881</u>
TOTAL DEFERRED INFLOW OF RESOURCES				
Unavailable revenue, property taxes	26,964	9,072	-	36,036
Unavailable revenue, special assessments	-	5,960,559	-	5,960,559
Unavailable revenue, other	86,844	14,428	-	101,272
TOTAL DEFERRED INFLOW OF RESOURCES	<u>113,808</u>	<u>5,984,059</u>	<u>-</u>	<u>6,097,867</u>
TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	<u>\$ 6,248,545</u>	<u>\$ 6,615,506</u>	<u>\$ 1,601,697</u>	<u>\$ 14,465,748</u>

City of Reno, Nevada
Non-Major Governmental Funds
Combining Balance Sheet (Continued)
June 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
FUND BALANCES				
Nonspendable:				
Inventories	\$ -	\$ -	\$ -	\$ -
Prepaid items	67,477	930,292	-	997,769
Restricted:				
Public safety programs	764,185	-	-	764,185
Cultural & community devpt programs	2,022,350	-	-	2,022,350
Capital projects	528,438	-	13,972,560	14,500,998
Debt service	-	38,761,293	-	38,761,293
Other programs	3,118,204	-	-	3,118,204
Assigned:				
Public safety programs	66,157	-	-	66,157
Capital projects	-	-	65,646	65,646
Other programs	8,242,798	-	-	8,242,798
TOTAL FUND BALANCES	<u>14,809,609</u>	<u>39,691,585</u>	<u>14,038,206</u>	<u>68,539,400</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 21,058,154</u>	<u>\$ 46,307,091</u>	<u>\$ 15,639,903</u>	<u>\$ 83,005,148</u>

City of Reno, Nevada
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
REVENUES				
Taxes	\$ 2,475,745	\$ 1,682,218	\$ -	\$ 4,157,963
Room and construction taxes	2,104,939	6,497,387	3,761,990	12,364,316
Motor vehicle fuel taxes	128,024			128,024
Special assessments	-	1,730,667	-	1,730,667
Licenses and permits	218,694	-	-	218,694
Intergovernmental	-	13,037,210	673,079	13,710,289
Grants and contributions	15,864,328	218,628	-	16,082,956
Charges for services	166,588	34,800	670,858	872,246
Fines and forfeitures	139,747	17,624	-	157,371
Interest earnings	213,694	813,367	210,346	1,237,407
Change in fair value of investments	(146,861)	(197,110)	(233,202)	(577,173)
Rents and royalties	628,761	980,247	-	1,609,008
Private grants	50,000	-	17,309	67,309
Reimbursements and restitution	264,992	-	-	264,992
Miscellaneous	1,384,523	16,999	-	1,401,522
TOTAL REVENUES	<u>23,493,174</u>	<u>24,832,037</u>	<u>5,100,380</u>	<u>53,425,591</u>
EXPENDITURES				
CURRENT:				
General government	1,718,569	-	221,387	1,939,956
Judicial	117,920	-	-	117,920
Public safety	211,290	-	-	211,290
Public works	-	-	73,936	73,936
Community development and support	15,382,796	-	-	15,382,796
Culture and recreation	-	-	38,521	38,521
Urban redevelopment	1,861,228	-	-	1,861,228
CAPITAL OUTLAY	<u>1,110,463</u>	<u>-</u>	<u>4,222,394</u>	<u>5,332,857</u>
DEBT SERVICE:				
Principal	-	12,886,350	-	12,886,350
Interest	-	14,425,848	-	14,425,848
Fiscal charges	-	106,081	-	106,081
Bond issue costs	-	6,190	-	6,190
TOTAL EXPENDITURES	<u>20,402,266</u>	<u>27,424,469</u>	<u>4,556,238</u>	<u>52,382,973</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,090,908</u>	<u>(2,592,432)</u>	<u>544,142</u>	<u>1,042,618</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	176,446	1,305,546	-	1,481,992
Transfers from other funds	173,800	4,487,644	-	4,661,444
Transfers to other funds	(1,790,000)	(311,708)	-	(2,101,708)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,439,754)</u>	<u>5,481,482</u>	<u>-</u>	<u>4,041,728</u>
NET CHANGE IN FUND BALANCES	1,651,154	2,889,050	544,142	5,084,346
FUND BALANCES, BEGINNING OF YEAR	<u>13,158,455</u>	<u>36,802,535</u>	<u>13,494,064</u>	<u>63,455,054</u>
FUND BALANCES, END OF YEAR	<u>\$ 14,809,609</u>	<u>\$ 39,691,585</u>	<u>\$ 14,038,206</u>	<u>\$ 68,539,400</u>

Special Revenues Funds

Special revenue funds are used to account for financial resources that are restricted or committed to specific purposes other than debt service and capital.

HUD and State Housing Grants – accounts for Community Development Block Grants, HOME Grants, and other federal and state grants received for the purpose of providing housing, improved living conditions, and economic opportunities for persons of low and moderate income.

Community Assistance – accounts for federal, state, and private grants and local government contributions received to fund particular programs, including temporary shelters, rental and utility assistance, and long-term housing.

Drainage Facility Impact Fee – accounts for the collection and distribution of impact fees for a drainage facility in the South Meadows/Damonte Ranch areas.

Performance Deposits – accounts for refundable performance deposits, cash bonds, and other deposits.

Stabilization – accounts for funds to be used only if the total actual revenue falls short of the total anticipated revenue in the General Fund or to pay expenses incurred to mitigate the effects of a natural disaster.

Room Tax – accounts for a 1% tax imposed upon the gross income from room rentals, which by ordinance must be used one-half for developing, building, maintaining, expanding, or repairing parks and other recreation facilities; and one-half for the improvement or betterment of the City as a final destination for visitors and tourism.

Courts – accounts for 1) the collection of court administrative assessment fees to be used to improve the courts as required by Nevada Revised Statutes (NRS) 176.059; 2) the collection and expenditure of municipal court collection fees as allowed by NRS 176.064; and 3) the collection and expenditure of construction fees as allowed by NRS 176.0611.

Drug Forfeiture – accounts for revenue sources restricted for expenditures to enforce the provisions of NRS regarding controlled substances and for law enforcement uses as specified by the United States Department of Justice.

Redevelopment Agency – accounts for the operations of the Redevelopment Agency, which has been included as a blended component unit with the City of Reno for financial statement purposes.

City of Reno, Nevada
Non-Major Special Revenue Funds
Combining Balance Sheet
June 30, 2021

	HUD & State Housing Grants Fund	Community Assistance Fund	Drainage Facility Impact Fee Fund	Room Tax Fund	Performance Deposits Fund	Stabilization Fund	Courts Fund	Drug Forfeiture Fund	Redevelopment Agency Fund	Total
ASSETS										
Cash and investments	\$ 605,617	\$ 3,606,892	\$ 108,937	\$ 1,053,507	\$ 3,973,677	\$ 3,111,813	\$ 1,249,972	\$ 836,442	\$ 1,975,181	\$ 16,522,038
Receivables (net)										
Accounts receivable	-	25,630	-	10,000	-	-	-	-	275,377	311,007
Accrued interest receivable	31	14,828	226	2,136	8,348	6,391	2,635	-	3,983	38,578
Delinquent taxes	-	-	-	-	-	-	-	-	26,964	26,964
Due from other governments	640,003	1,936,047	-	380,688	-	-	174	-	93,969	3,050,881
Prepaid items	1,545	1,140	-	-	-	-	64,792	-	-	67,477
Property held for resale	-	-	-	-	-	-	-	-	1,041,209	1,041,209
TOTAL ASSETS	\$ 1,247,196	\$ 5,584,537	\$ 109,163	\$ 1,446,331	\$ 3,982,025	\$ 3,118,204	\$ 1,317,573	\$ 836,442	\$ 3,416,683	\$ 21,058,154
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ 337,330	\$ 777,546	\$ 107,817	\$ 117,591	\$ 88,356	\$ -	\$ 120,388	\$ 6,100	\$ 12,500	\$ 1,567,628
Accrued salaries and benefits	13,982	6,512	-	-	-	-	-	-	-	20,494
Contracts/retained percentage payable	57,865	-	-	-	-	-	-	-	-	57,865
Accrued interest payable	-	-	-	-	37,775	-	-	-	-	37,775
Due to other funds	142,000	-	-	-	-	-	-	-	-	142,000
Deposits	-	-	-	-	-	-	109	-	75,100	75,209
Deferred revenue	-	4,233,766	-	-	-	-	-	-	-	4,233,766
Total liabilities	551,177	5,017,824	107,817	117,591	126,131	-	120,497	6,100	87,600	6,134,737

City of Reno, Nevada
Non-Major Special Revenue Funds
Combining Balance Sheet (Continued)
June 30, 2021

	HUD & State Housing Grants Fund	Community Assistance Fund	Drainage Facility Impact Fee Fund	Room Tax Fund	Performance Deposits Fund	Stabilization Fund	Courts Fund	Drug Forfeiture Fund	Redevelopment Agency Fund	Total
TOTAL DEFERRED INFLOW OF RESOURCES	\$ -	\$ 76,844	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 26,964	\$ 113,808
TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	551,177	5,094,668	107,817	127,591	126,131	-	120,497	6,100	114,564	6,248,545
FUND BALANCES										
Nonspendable										
Prepaid items	1,545	1,140	-	-	-	-	64,792	-	-	67,477
Restricted										
Capital projects	-	-	-	-	-	-	528,438	-	-	528,438
Public safety programs	-	-	-	-	-	-	-	764,185	-	764,185
Cultural & community devpt programs	694,474	286,667	-	-	-	-	-	-	1,041,209	2,022,350
Other programs	-	-	-	-	-	3,118,204	-	-	-	3,118,204
Assigned										
Public safety programs	-	-	-	-	-	-	-	66,157	-	66,157
Other programs	-	202,062	1,346	1,318,740	3,855,894	-	603,846	-	2,260,910	8,242,798
TOTAL FUND BALANCES	696,019	489,869	1,346	1,318,740	3,855,894	3,118,204	1,197,076	830,342	3,302,119	14,809,609
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,247,196	\$ 5,584,537	\$ 109,163	\$ 1,446,331	\$ 3,982,025	\$ 3,118,204	\$ 1,317,573	\$ 836,442	\$ 3,416,683	\$ 21,058,154

City of Reno, Nevada
Non-Major Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	HUD & State Housing Grant Fund	Community Assistance Fund	Drainage Facility Impact Fee Fund	Room Tax Fund	Performance Deposits Fund	Stabilization Fund	Courts Fund	Drug Forfeiture Fund	Redevelopment Agency Fund	Total
REVENUES										
Taxes:										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,475,745	\$ 2,475,745
Room taxes	-	-	-	2,104,939	-	-	-	-	-	2,104,939
Motor vehicle taxes	-	-	-	-	-	-	-	-	128,024	128,024
Licenses and permits	-	-	-	-	-	-	218,694	-	-	218,694
Grants and contributions	5,129,122	10,342,929	-	325,590	-	-	-	66,687	-	15,864,328
Charges for services	-	-	166,588	-	-	-	-	-	-	166,588
Fines and forfeits	-	-	-	-	-	-	-	139,747	-	139,747
Investment earnings	35	48,227	732	14,549	64,740	46,067	17,632	-	21,712	213,694
Change in fair value of investments	-	-	-	(498)	(67,100)	(13,546)	(61,506)	-	(4,211)	(146,861)
Private grants	-	50,000	-	-	-	-	-	-	-	50,000
Rents and royalties	-	-	-	-	-	-	-	-	628,761	628,761
Reimbursements & restitutions	-	244,952	-	20,000	-	-	40	-	-	264,992
Miscellaneous	356,377	-	-	-	989,906	-	38,240	-	-	1,384,523
TOTAL REVENUES	5,485,534	10,686,108	167,320	2,464,580	987,546	32,521	213,100	206,434	3,250,031	23,493,174

City of Reno, Nevada
Non-Major Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
For the Year Ended June 30, 2021

	HUD & State Housing Grant Fund	Community Assistance Fund	Drainage Facility Impact Fee Fund	Room Tax Fund	Performance Deposits Fund	Stabilization Fund	Courts Fund	Drug Forfeiture Fund	Redevelopment Agency Fund	Total
EXPENDITURES										
CURRENT										
General government	\$ -	\$ -	\$ -	\$ 489,137	\$ 1,229,432	\$ -	\$ -	\$ -	\$ -	\$ 1,718,569
Judicial	-	-	-	-	-	-	117,920	-	-	117,920
Public safety	-	-	-	-	-	-	-	211,290	-	211,290
Community development and support	4,333,076	10,882,597	167,123	-	-	-	-	-	-	15,382,796
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Urban redevelopment	-	-	-	-	-	-	-	-	1,861,228	1,861,228
CAPITAL OUTLAY	958,402	-	-	152,061	-	-	-	-	-	1,110,463
TOTAL EXPENDITURES	5,291,478	10,882,597	167,123	641,198	1,229,432	-	117,920	211,290	1,861,228	20,402,266
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	194,056	(196,489)	197	1,823,382	(241,886)	32,521	95,180	(4,856)	1,388,803	3,090,908
OTHER FINANCING SOURCES (USES):										
Proceeds from sale of capital assets	-	-	-	-	-	-	-	965	175,481	176,446
Operating transfers in	-	173,800	-	-	-	-	-	-	-	173,800
Operating transfers out	-	-	-	(1,640,000)	-	-	-	-	(150,000)	(1,790,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	173,800	-	(1,640,000)	-	-	-	965	25,481	(1,439,754)
NET CHANGE IN FUND BALANCES	194,056	(22,689)	197	183,382	(241,886)	32,521	95,180	(3,891)	1,414,284	1,651,154
FUND BALANCES, BEGINNING OF YEAR	501,963	512,558	1,149	1,135,358	4,097,780	3,085,683	1,101,896	834,233	1,887,835	13,158,455
FUND BALANCES, END OF YEAR	\$ 696,019	\$ 489,869	\$ 1,346	\$ 1,318,740	\$ 3,855,894	\$ 3,118,204	\$ 1,197,076	\$ 830,342	\$ 3,302,119	\$ 14,809,609

City of Reno, Nevada
HUD and State Housing Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Grants and contributions				
Federal grants	\$ 3,535,419	\$ 4,535,419	\$ 3,966,345	\$ (569,074)
State grants	1,228,415	1,928,415	1,162,777	(765,638)
Miscellaneous				
Investment earnings	-	-	35	35
Loan payments	227,963	227,963	356,377	128,414
TOTAL REVENUES	<u>4,991,797</u>	<u>6,691,797</u>	<u>5,485,534</u>	<u>(1,206,263)</u>
EXPENDITURES				
Community Development and Support				
Salaries and wages	326,196	326,196	263,846	62,350
Employee benefits	201,039	201,039	144,643	56,396
Services and supplies	140,995	323,540	31,278	292,262
Community projects	2,555,996	4,597,525	3,893,309	704,216
Capital outlay	1,767,571	1,745,460	958,402	787,058
TOTAL EXPENDITURES	<u>4,991,797</u>	<u>7,193,760</u>	<u>5,291,478</u>	<u>1,902,282</u>
NET CHANGE IN FUND BALANCE	-	(501,963)	194,056	696,019
FUND BALANCE, BEGINNING OF YEAR	-	501,963	501,963	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 696,019</u>	<u>\$ 696,019</u>

City of Reno, Nevada
Community Assistance Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Grants and contributions				
Federal grants	\$ 408,508	\$ 408,508	\$ 7,929,336	\$ 7,520,828
Contributions	2,695,599	2,695,599	2,413,593	(282,006)
Miscellaneous				
Investment earnings	3,000	3,000	48,227	45,227
Reimbursement and restitution	150,000	150,000	244,952	94,952
Private grants	-	-	50,000	50,000
TOTAL REVENUES	<u>3,257,107</u>	<u>3,257,107</u>	<u>10,686,108</u>	<u>7,429,001</u>
EXPENDITURES				
Community Development and Support				
CAC Operations				
Salaries and wages	106,229	106,229	113,169	(6,940)
Employee benefits	64,210	64,210	57,931	6,279
Services and supplies	3,298,500	3,369,674	10,711,497	(7,341,823)
TOTAL EXPENDITURES	<u>3,468,939</u>	<u>3,540,113</u>	<u>10,882,597</u>	<u>(7,342,484)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(211,832)</u>	<u>(283,006)</u>	<u>(196,489)</u>	<u>86,517</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	145,000	173,800	173,800	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>145,000</u>	<u>173,800</u>	<u>173,800</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(66,832)	(109,206)	(22,689)	86,517
FUND BALANCE, BEGINNING OF YEAR	470,185	512,559	512,558	(1)
FUND BALANCE, END OF YEAR	<u>\$ 403,353</u>	<u>\$ 403,353</u>	<u>\$ 489,869</u>	<u>\$ 86,516</u>

City of Reno, Nevada
Stabilization Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
– Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Miscellaneous				
Investment earnings	\$ -	\$ -	\$ 46,067	\$ 46,067
Change in fair value of investments	-	-	(13,546)	(13,546)
TOTAL REVENUES	-	-	32,521	32,521
EXPENDITURES				
General Government				
Services and Supplies	-	3,085,683	-	3,085,683
TOTAL EXPENDITURES	-	3,085,683	-	3,085,683
NET CHANGE IN FUND BALANCE	-	(3,085,683)	32,521	3,118,204
FUND BALANCE, BEGINNING OF YEAR	-	3,085,683	3,085,683	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 3,118,204	\$ 3,118,204

City of Reno, Nevada
Room Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
– Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Room tax	\$ 2,900,000	\$ 1,450,000	\$ 2,104,939	\$ 654,939
Grants and contributions				
Federal grants	-	-	325,590	325,590
Miscellaneous				
Investment earnings	-	-	14,549	14,549
Change in fair value of investments	-	-	(498)	(498)
Reimbursement and restitution	-	-	20,000	20,000
TOTAL REVENUES	<u>2,900,000</u>	<u>1,450,000</u>	<u>2,464,580</u>	<u>1,014,580</u>
EXPENDITURES				
General Government				
Tourism				
Services and supplies	877,594	519,715	489,137	30,578
Capital Outlay	50,000	272,633	152,061	120,572
TOTAL EXPENDITURES	<u>927,594</u>	<u>792,348</u>	<u>641,198</u>	<u>151,150</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,972,406</u>	<u>657,652</u>	<u>1,823,382</u>	<u>1,165,730</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,000,000)	(1,640,000)	(1,640,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,000,000)</u>	<u>(1,640,000)</u>	<u>(1,640,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(27,594)	(982,348)	183,382	1,165,730
FUND BALANCE, BEGINNING OF YEAR	542,050	1,135,358	1,135,358	-
FUND BALANCE, END OF YEAR	<u>\$ 514,456</u>	<u>\$ 153,010</u>	<u>\$ 1,318,740</u>	<u>\$ 1,165,730</u>

City of Reno, Nevada
Courts Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
– Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses, permits and fees				
Court administrative	\$ 73,144	\$ 73,144	\$ 82,019	\$ 8,875
Court construction fees	103,232	103,232	116,012	12,780
Collection charges	31,250	31,250	20,663	(10,587)
Marijuana admin assessment fees	924	924	-	(924)
Miscellaneous				
Investment earnings	3,000	3,000	17,632	14,632
Change in fair value of investments	-	-	(61,506)	(61,506)
Reimbursement and restitution	-	-	40	40
Other	80,629	80,629	38,240	(42,389)
TOTAL REVENUES	<u>292,179</u>	<u>292,179</u>	<u>213,100</u>	<u>(79,079)</u>
EXPENDITURES				
Judicial				
Services and supplies	292,179	1,394,076	117,920	1,276,156
TOTAL EXPENDITURES	<u>292,179</u>	<u>1,394,076</u>	<u>117,920</u>	<u>1,276,156</u>
NET CHANGE IN FUND BALANCE	-	(1,101,897)	95,180	1,197,077
FUND BALANCE, BEGINNING OF YEAR	-	1,101,897	1,101,896	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,197,076</u>	<u>\$ 1,197,077</u>

City of Reno, Nevada
Drug Forfeiture Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
– Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Grants and contributions				
Federal grants	\$ 100,000	\$ 100,000	\$ 66,687	\$ (33,313)
Fines and forfeitures				
State drug forfeiture monies	-	-	139,747	139,747
TOTAL REVENUES	<u>100,000</u>	<u>100,000</u>	<u>206,434</u>	<u>106,434</u>
EXPENDITURES				
Public safety				
Services and supplies	100,000	934,234	211,290	722,944
TOTAL EXPENDITURES	<u>100,000</u>	<u>934,234</u>	<u>211,290</u>	<u>722,944</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(834,234)</u>	<u>(4,856)</u>	<u>829,378</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	965	965
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>965</u>	<u>965</u>
NET CHANGE IN FUND BALANCE	-	(834,234)	(3,891)	830,343
FUND BALANCE, BEGINNING OF YEAR	-	834,234	834,233	(1)
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 830,342</u>	<u>\$ 830,342</u>

City of Reno, Nevada
Redevelopment Agency Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
– Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Property tax	\$ 1,642,923	\$ 1,642,923	\$ 2,475,745	\$ 832,822
Intergovernmental				
Motor vehicle privilege tax	128,024	128,024	128,024	-
Miscellaneous				
Investment earnings	2,500	2,500	21,712	19,212
Change in fair value of investments	-	-	(4,211)	(4,211)
Rent and royalties	12,600	12,600	1,909	(10,691)
Parking revenues	800,000	800,000	626,852	(173,148)
TOTAL REVENUES	<u>2,586,047</u>	<u>2,586,047</u>	<u>3,250,031</u>	<u>663,984</u>
EXPENDITURES				
Urban Redevelopment				
Services and supplies	<u>2,361,214</u>	<u>2,361,214</u>	<u>1,861,228</u>	<u>499,986</u>
Total Urban Redevelopment	<u>2,361,214</u>	<u>2,361,214</u>	<u>1,861,228</u>	<u>499,986</u>
TOTAL EXPENDITURES	<u>2,361,214</u>	<u>2,361,214</u>	<u>1,861,228</u>	<u>499,986</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>224,833</u>	<u>224,833</u>	<u>1,388,803</u>	<u>1,163,970</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of general fixed assets	-	-	175,481	175,481
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(150,000)</u>	<u>(150,000)</u>	<u>25,481</u>	<u>175,481</u>
NET CHANGE IN FUND BALANCE	74,833	74,833	1,414,284	1,339,451
FUND BALANCE, BEGINNING OF YEAR	<u>1,952,969</u>	<u>1,952,969</u>	<u>1,887,835</u>	<u>(65,134)</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,027,802</u>	<u>\$ 2,027,802</u>	<u>\$ 3,302,119</u>	<u>\$ 1,274,317</u>

City of Reno, Nevada
Drainage Facility Impact Fee Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
General government				
Charges for service	\$ 300,000	\$ 300,000	\$ 166,588	\$ (133,412)
Miscellaneous				
Investment earnings	-	-	732	732
TOTAL REVENUES	<u>300,000</u>	<u>300,000</u>	<u>167,320</u>	<u>(132,680)</u>
EXPENDITURES				
Current				
Community Development and Support				
Services and supplies	300,000	301,149	167,123	134,026
TOTAL EXPENDITURES	<u>300,000</u>	<u>301,149</u>	<u>167,123</u>	<u>134,026</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	(1,149)	197	1,346
NET CHANGE IN FUND BALANCE	-	(1,149)	197	1,346
FUND BALANCE, BEGINNING OF YEAR	-	1,149	1,149	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,346</u>	<u>\$ 1,346</u>

City of Reno, Nevada
Performance Deposits Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
– Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Miscellaneous				
Investment earnings	\$ -	\$ -	\$ 64,740	\$ 64,740
Change in fair value of investments	-	-	(67,100)	(67,100)
Performance agreements	250,000	250,000	17,970	(232,030)
Cash bonds	250,000	250,000	971,936	721,936
TOTAL REVENUES	<u>500,000</u>	<u>500,000</u>	<u>987,546</u>	<u>487,546</u>
EXPENDITURES				
General Government				
Services and supplies	500,000	4,597,779	1,229,432	3,368,347
TOTAL EXPENDITURES	<u>500,000</u>	<u>4,597,779</u>	<u>1,229,432</u>	<u>3,368,347</u>
NET CHANGE IN FUND BALANCE	-	(4,097,779)	(241,886)	3,855,893
FUND BALANCE, BEGINNING OF YEAR	-	1,149	4,097,780	(4,096,631)
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ (4,096,630)</u>	<u>\$ 3,855,894</u>	<u>\$ (240,738)</u>

Debt Service Funds

Debt service funds are used to account for the accumulation of financial resources that are restricted, committed, or assigned to the repayment of debt principal and interest.

City of Reno – accounts for the accumulation of resources for payment of general obligation bonds and installment purchase agreements (and debt supported by dedicated revenue sources) that are not required to be accounted for in proprietary funds.

Special Assessment Districts – accounts for the accumulation of resources for payment of special assessment bonds

Railroad – accounts for the accumulation of resources for payment of bonds issued for the purpose of constructing and expanding the below ground, railroad grade and related beautification projects.

Downtown Events Center – accounts for the accumulation of resources for payment of bonds issued for the purposes of acquiring the National Bowling Stadium and constructing the Reno Events Center and the Reno Ballroom Facility.

Redevelopment Agency – accounts for the accumulation of resources for the payment of tax allocation bonds issued for the benefit of redevelopment projects that are not required to be accounted for in proprietary funds.

City of Reno, Nevada
Non-Major Debt Service Funds
Combining Balance Sheet
June 30, 2021

	City of Reno Fund	Railroad Fund	Downtown Events Center Fund	Special Assessment Districts Funds	Redevelopment Agency Fund	Total
ASSETS						
Cash and investments	\$ 4,334,392	\$ 19,694,693	\$ 3,442,854	\$ 2,783,880	\$ 2,844,315	\$ 33,100,134
Receivables						
Accounts	64,693	-	-	-	-	64,693
Accrued interest	5,677	5,365	6,350	5,706	1,137	24,235
Delinquent taxes	-	-	-	-	9,072	9,072
Special assessments						
Current	-	871,960	526,945	142,132	-	1,541,037
Delinquent	-	-	-	130	-	130
Deferred	-	2,830,787	2,174,839	908,492	-	5,914,118
Due from other governments	-	3,730,523	967,710	-	25,147	4,723,380
Prepaid items	-	492,268	438,024	-	-	930,292
TOTAL ASSETS	\$ 4,404,762	\$ 27,625,596	\$ 7,556,722	\$ 3,840,340	\$ 2,879,671	\$ 46,307,091
LIABILITIES						
Accounts payable	\$ 114	\$ 1,738	\$ 9,848	\$ 1,666	\$ -	\$ 13,366
Due to other governments	-	-	-	90	-	90
Deposits	-	168,963	59	20,889	-	189,911
Advances to other funds	-	-	-	420,110	-	420,110
Other liabilities	7,970	-	-	-	-	7,970
TOTAL LIABILITIES	8,084	170,701	9,907	442,755	-	631,447

City of Reno, Nevada
Non-Major Debt Service Funds
Combining Balance Sheet (Continued)
June 30, 2021

	City of Reno Fund	Railroad Fund	Downtown Events Center Fund	Special Assessment Districts Funds	Redevelopment Agency Fund	Total
TOTAL DEFERRED INFLOW OF RESOURCES						
Unavailable revenue, property taxes	\$ -	\$ -	\$ -	\$ -	\$ 9,072	\$ 9,072
Unavailable revenue, special assessments	-	2,830,787	2,174,839	954,933	-	5,960,559
Unavailable revenue, other	14,428	-	-	-	-	14,428
TOTAL DEFERRED INFLOW OF RESOURCES	<u>14,428</u>	<u>2,830,787</u>	<u>2,174,839</u>	<u>954,933</u>	<u>9,072</u>	<u>5,984,059</u>
FUND BALANCES						
Nonspendable						
Prepaid expenses	-	492,268	438,024	-	-	930,292
Restricted for debt service	4,382,250	24,131,840	4,933,952	2,442,652	2,870,599	38,761,293
TOTAL FUND BALANCES	<u>4,382,250</u>	<u>24,624,108</u>	<u>5,371,976</u>	<u>2,442,652</u>	<u>2,870,599</u>	<u>39,691,585</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 4,404,762</u>	<u>\$ 27,625,596</u>	<u>\$ 5,381,883</u>	<u>\$ 3,840,340</u>	<u>\$ 2,879,671</u>	<u>\$ 46,307,091</u>

City of Reno, Nevada
Non-Major Debt Service Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	City of Reno Fund	Railroad Fund	Downtown Events Center Fund	Special Assessment Districts Funds	Redevelopment Agency Fund	Total
REVENUES						
Taxes						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,682,218	\$ 1,682,218
Room taxes	-	559,093	5,938,294	-	-	6,497,387
Special assessments	-	886,688	526,945	317,034	-	1,730,667
Dedicated sales tax revenues	-	13,037,210	-	-	-	13,037,210
Charges for service	34,800	-	-	-	-	34,800
Grants and contributions	218,628	-	-	-	-	218,628
Fines and forfeitures	-	4,176	-	13,448	-	17,624
Investment earnings	38,099	372,647	283,894	105,155	13,572	813,367
Change in fair value of investments	(36,588)	(17,632)	(80,443)	(51,156)	(11,291)	(197,110)
Rents and royalties	980,247	-	-	-	-	980,247
Miscellaneous	-	897	-	11,043	5,059	16,999
TOTAL REVENUES	1,235,186	14,843,079	6,668,690	395,524	1,689,558	24,832,037
EXPENDITURES						
DEBT SERVICE						
Principal	2,472,000	5,183,590	3,065,000	146,760	2,019,000	12,886,350
Interest	641,166	7,594,079	5,236,975	53,595	900,033	14,425,848
Bond issue costs	6,190	-	-	-	-	6,190
Fiscal charges	-	40,018	29,146	29,782	7,135	106,081
TOTAL EXPENDITURES	3,119,356	12,817,687	8,331,121	230,137	2,926,168	27,424,469

City of Reno, Nevada
Non-Major Debt Service Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
For the Year Ended June 30, 2021

	City of Reno Fund	Railroad Fund	Downtown Events Center Fund	Special Assessment Districts Funds	Redevelopment Agency Fund	Total
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (1,884,170)	\$ 2,025,392	\$ (1,662,431)	\$ 165,387	\$ (1,236,610)	\$ (2,592,432)
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	1,305,546	-	-			1,305,546
Proceeds from bond insurance	-	-	-	-	-	-
Transfers in	1,937,644	-	2,400,000	-	150,000	4,487,644
Transfers out	-	-	-	(311,708)	-	(311,708)
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,243,190</u>	<u>-</u>	<u>2,400,000</u>	<u>(311,708)</u>	<u>150,000</u>	<u>5,481,482</u>
NET CHANGE IN FUND BALANCES	1,359,020	2,025,392	737,569	(146,321)	(1,086,610)	2,889,050
FUND BALANCES, BEGINNING OF YEAR	3,023,230	22,598,716	4,634,407	2,588,973	3,957,209	36,802,535
FUND BALANCES, END OF YEAR	<u>\$ 4,382,250</u>	<u>\$ 24,624,108</u>	<u>\$ 5,371,976</u>	<u>\$ 2,442,652</u>	<u>\$ 2,870,599</u>	<u>\$ 39,691,585</u>

City of Reno, Nevada
Special Assessment Districts Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Special assessments	\$ 131,791	\$ 186,791	\$ 317,034	\$ 130,243
Fines and forfeitures	-	-	13,448	13,448
Miscellaneous				
Investment earnings	-	-	40,627	40,627
Change in fair value of investments	-	-	(51,156)	(51,156)
Interest earnings, other	59,590	59,590	64,528	4,938
Other	-	-	11,043	11,043
TOTAL REVENUES	<u>191,381</u>	<u>246,381</u>	<u>395,524</u>	<u>149,143</u>
EXPENDITURES				
Debt service				
Principal	122,760	152,760	146,760	6,000
Interest	48,792	53,792	53,595	197
Fiscal charges	527,250	549,250	29,782	519,468
TOTAL EXPENDITURES	<u>698,802</u>	<u>755,802</u>	<u>230,137</u>	<u>525,665</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(507,421)	(509,421)	165,387	674,808
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(664,451)	(311,708)	352,743
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(664,451)</u>	<u>(311,708)</u>	<u>352,743</u>
NET CHANGE IN FUND BALANCE	(507,421)	(1,173,872)	(146,321)	1,027,551
FUND BALANCE, BEGINNING OF YEAR	2,388,390	2,588,972	2,588,973	1
FUND BALANCE, END OF YEAR	<u>\$ 1,880,969</u>	<u>\$ 1,415,100</u>	<u>\$ 2,442,652</u>	<u>\$ 1,027,552</u>

City of Reno, Nevada
Redevelopment Agency Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 928,297	\$ 928,297	\$ 1,682,218	\$ 753,921
Miscellaneous				
Investment earnings	21,000	21,000	13,572	(7,428)
Change in fair value of investments	-	-	(11,291)	(11,291)
Other	-	-	5,059	5,059
TOTAL REVENUES	<u>949,297</u>	<u>949,297</u>	<u>1,689,558</u>	<u>740,261</u>
EXPENDITURES				
Debt service				
Principal	2,019,000	2,019,000	2,019,000	-
Interest	900,033	900,033	900,033	-
Fiscal charges	14,000	14,000	7,135	6,865
TOTAL EXPENDITURES	<u>2,933,033</u>	<u>2,933,033</u>	<u>2,926,168</u>	<u>6,865</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,983,736)	(1,983,736)	(1,236,610)	747,126
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,833,736)	(1,833,736)	(1,086,610)	747,126
FUND BALANCE, BEGINNING OF YEAR	3,907,477	3,957,209	3,957,209	-
FUND BALANCE, END OF YEAR	<u>\$ 2,073,741</u>	<u>\$ 2,123,473</u>	<u>\$ 2,870,599</u>	<u>\$ 747,126</u>

City of Reno, Nevada
Railroad Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Room taxes (railroad)	\$ 900,000	\$ 900,000	\$ 559,093	\$ (340,907)
Intergovernmental				
Sales taxes (railroad)	10,500,000	10,500,000	13,037,210	2,537,210
Special assessments	841,926	851,926	886,688	34,762
Fines and forfeitures	2,000	2,000	4,176	2,176
Miscellaneous				
Investment earnings	40,000	40,000	189,811	149,811
Change in fair value of investments	-	-	(17,632)	(17,632)
Interest earnings, other	182,406	182,406	182,836	430
Other	-	-	897	897
TOTAL REVENUES	12,466,332	12,476,332	14,843,079	2,366,747
EXPENDITURES				
Debt service				
Principal	2,465,000	5,178,590	5,183,590	(5,000)
Interest	7,245,609	7,594,154	7,594,079	75
Fiscal charges	41,500	41,500	40,018	1,482
Bond issue costs	-	-	-	-
TOTAL EXPENDITURES	9,752,109	12,814,244	12,817,687	(3,443)
NET CHANGE IN FUND BALANCE	2,714,223	(337,912)	2,025,392	2,363,304
FUND BALANCE, BEGINNING OF YEAR	22,072,385	22,598,718	22,598,716	(2)
FUND BALANCE, END OF YEAR	\$ 24,786,608	\$ 22,260,806	\$ 24,624,108	\$ 2,363,302

City of Reno, Nevada
Downtown Events Center Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Room taxes (Events Center)	\$ 7,275,000	\$ 4,875,000	\$ 5,938,294	\$ 1,063,294
Special assessments	490,250	490,250	526,945	36,695
Miscellaneous				
Investment earnings	30,000	30,000	58,124	28,124
Change in fair value of investments	-	-	(80,443)	(80,443)
Interest earnings, other	225,770	225,770	225,770	-
TOTAL REVENUES	<u>8,021,020</u>	<u>5,621,020</u>	<u>6,668,690</u>	<u>1,047,670</u>
EXPENDITURES				
Debt service				
Principal	3,065,000	3,065,000	3,065,000	-
Interest	5,236,977	5,236,977	5,236,975	2
Fiscal charges	48,500	48,500	29,146	19,354
TOTAL EXPENDITURES	<u>8,350,477</u>	<u>8,350,477</u>	<u>8,331,121</u>	<u>19,356</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(329,457)</u>	<u>(2,729,457)</u>	<u>(1,662,431)</u>	<u>1,067,026</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,400,000	2,400,000	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>2,400,000</u>	<u>2,400,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(329,457)	(329,457)	737,569	1,067,026
FUND BALANCE, BEGINNING OF YEAR	5,981,770	4,634,408	4,634,407	(1)
FUND BALANCE, END OF YEAR	<u>\$ 5,652,313</u>	<u>\$ 4,304,951</u>	<u>\$ 5,371,976</u>	<u>\$ 1,067,025</u>

City of Reno, Nevada
City of Reno Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for service	\$ 35,000	\$ 35,000	\$ 34,800	\$ (200)
Grants and contributions	-	-	218,628	218,628
Miscellaneous				
Investment earnings	5,000	5,000	38,099	33,099
Change in fair value of investments	-	-	(36,588)	(36,588)
Rents and royalties	980,000	980,000	980,247	247
TOTAL REVENUES	<u>1,020,000</u>	<u>1,020,000</u>	<u>1,235,186</u>	<u>215,186</u>
EXPENDITURES				
Debt service				
Principal	2,472,000	2,472,000	2,472,000	-
Interest	740,384	740,384	641,166	99,218
Fiscal charges	8,000	8,000	6,190	1,810
TOTAL EXPENDITURES	<u>3,220,384</u>	<u>3,220,384</u>	<u>3,119,356</u>	<u>101,028</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,200,384)</u>	<u>(2,200,384)</u>	<u>(1,884,170)</u>	<u>316,214</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	1,305,546	1,305,546
Transfers in	1,937,644	1,937,644	1,937,644	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,937,644</u>	<u>1,937,644</u>	<u>3,243,190</u>	<u>1,305,546</u>
NET CHANGE IN FUND BALANCES	(262,740)	(262,740)	1,359,020	1,621,760
FUND BALANCE, BEGINNING OF YEAR	<u>(3,580,310)</u>	<u>3,023,230</u>	<u>3,023,230</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,594,556</u>	<u>\$ 9,323,763</u>	<u>\$ 4,382,250</u>	<u>\$ (4,941,513)</u>

Capital Projects Funds

Capital project funds are used to account for financial resources that are restricted, committed, or assigned to the improvement acquisition, or construction of capital assets.

Non-major Capital Project Funds:

Downtown Events Center – accounts for the improvements to the Ballroom facility.

City Bonds – accounts for resources provided by bond issuances that are to be used for constructing and equipping public park improvements, public safety improvements, street improvements, and recreational facilities.

Parks – accounts for resources provide by park land and residential construction tax fees that are to be used for the acquisition and improvement of parks, playgrounds, and recreational facilities.

Special Ad Valorem – accounts for a special ad valorem tax, which can only be used for the purchase of capital assets and major repairs (not considered maintenance) of existing capital assets and the repayment of medium-term financing to fund such capital projects.

Room Tax Surcharge – accounts for a \$2 per night surcharge collected on room rentals in the downtown district, which must be used to improve and maintain publicly-owned tourism and entertainment facilities.

Streets – accounts for resources provided by street project impact fees and, as applicable, proceeds from street bonds to fund expenditures related to street capital improvement projects.

City of Reno, Nevada
Non-Major Capital Projects Funds
Combining Balance Sheet
June 30, 2021

	Room Surcharge	Downtown Events Center Fund	City Bonds Fund	Parks Fund	Special Ad Valorem Fund	Street Fund	Total
ASSETS							
Cash and investments	\$ 1,078,478	\$ 386,550	\$ 139,467	\$ 11,156,129	\$ 1,303,250	\$ 1,411,696	\$ 15,475,570
Receivables:							
Accounts	425	-	-	-	-	-	425
Accrued interest	2,146	802	296	22,861	2,702	2,308	31,115
Due from other governments	119,200	-	-	-	13,593	-	132,793
TOTAL ASSETS	\$ 1,200,249	\$ 387,352	\$ 139,763	\$ 11,178,990	\$ 1,319,545	\$ 1,414,004	\$ 15,639,903
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 25,000	\$ 85,177	\$ 27,438	\$ 1,348,358	\$ 1,485,973
Contracts/retained percentage payable	-	-	-	107,724	-	-	107,724
Deposits	-	-	-	-	8,000	-	8,000
TOTAL LIABILITIES	-	-	25,000	192,901	35,438	1,348,358	1,601,697
FUND BALANCES							
Restricted:							
Capital projects	1,200,249	387,352	114,763	10,986,089	1,284,107	-	13,972,560
Assigned:							
Capital projects	-	-	-	-	-	65,646	65,646
TOTAL FUND BALANCES	1,200,249	387,352	114,763	10,986,089	1,284,107	65,646	14,038,206
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,200,249	\$ 387,352	\$ 139,763	\$ 11,178,990	\$ 1,319,545	\$ 1,414,004	\$ 15,639,903

City of Reno, Nevada
Non-Major Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	Room Surcharge	Downtown Events Center Fund	City Bonds Fund	Parks Fund	Special Ad Valorem Fund	Street Fund	Total
REVENUES:							
Taxes:							
Park district construction taxes	\$ -	\$ -	\$ -	\$ 3,761,990	\$ -	\$ -	\$ 3,761,990
Intergovernmental	-	-	-	-	673,079	-	673,079
Charges for service	670,858	-	-	-	-	-	670,858
Miscellaneous:							
Investment earnings	11,609	5,786	2,248	160,477	15,737	14,489	210,346
Change in fair value of investments	(6,553)	(4,353)	(2,337)	(182,939)	(11,134)	(25,886)	(233,202)
Private grants	-	-	4,800	12,509	-	-	17,309
Total miscellaneous	<u>5,056</u>	<u>1,433</u>	<u>4,711</u>	<u>(9,953)</u>	<u>4,603</u>	<u>(11,397)</u>	<u>(5,547)</u>
TOTAL REVENUES	<u>675,914</u>	<u>1,433</u>	<u>4,711</u>	<u>3,752,037</u>	<u>677,682</u>	<u>(11,397)</u>	<u>5,100,380</u>
EXPENDITURES:							
CURRENT:							
General government	-	-	-	-	221,387	-	221,387
Public works	33,354	-	40,582	-	-	-	73,936
Culture and recreation	-	-	-	38,521	-	-	38,521
CAPITAL OUTLAY	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,222,394</u>	<u>-</u>	<u>-</u>	<u>4,222,394</u>
TOTAL EXPENDITURES	<u>33,354</u>	<u>-</u>	<u>40,582</u>	<u>4,260,915</u>	<u>221,387</u>	<u>-</u>	<u>4,556,238</u>
NET CHANGE IN FUND BALANCES	642,560	1,433	(35,871)	(508,878)	456,295	(11,397)	544,142
FUND BALANCES, BEGINNING OF YEAR	557,689	385,919	150,634	11,494,967	827,812	77,043	13,494,064
FUND BALANCES, END OF YEAR	<u>\$ 1,200,249</u>	<u>\$ 387,352</u>	<u>\$ 114,763</u>	<u>\$ 10,986,089</u>	<u>\$ 1,284,107</u>	<u>\$ 65,646</u>	<u>\$ 14,038,206</u>

City of Reno, Nevada
Downtown Events Capital Projects Funds

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Miscellaneous				
Investment earnings	\$ -	\$ -	\$ 5,786	\$ 5,786
Change in fair value of investments	-	-	(4,353)	(4,353)
TOTAL REVENUES	-	-	1,433	1,433
EXPENDITURES				
Capital Outlay				
Improvements	-	385,919	-	385,919
NET CHANGE IN FUND BALANCE	-	(385,919)	1,433	387,352
FUND BALANCE, BEGINNING OF YEAR	-	385,919	385,919	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 387,352	\$ 387,352

City of Reno, Nevada
City Bonds Capital Projects Funds
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Miscellaneous				
Investment earnings	\$ -	\$ -	\$ 2,248	\$ 2,248
Change in fair value of investments	-	-	(2,337)	(2,337)
Private grants	-	-	4,800	4,800
TOTAL REVENUES	-	-	4,711	4,711
EXPENDITURES				
Public Works				
Services and supplies	-	150,635	40,582	110,053
TOTAL EXPENDITURES	-	150,635	40,582	110,053
NET CHANGE IN FUND BALANCE	-	(150,635)	(35,871)	114,764
FUND BALANCE, BEGINNING OF YEAR	-	150,635	150,634	(1)
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 114,763	\$ 114,763

City of Reno, Nevada
Parks Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Park construction taxes	\$ 2,060,000	\$ 2,985,000	\$ 3,761,990	\$ 776,990
Miscellaneous				
Investment earnings	-	-	160,477	160,477
Change in fair value of investments	-	-	(182,939)	(182,939)
Private grants	-	-	12,509	12,509
TOTAL REVENUES	<u>2,060,000</u>	<u>2,985,000</u>	<u>3,752,037</u>	<u>767,037</u>
EXPENDITURES				
Culture and Recreation				
Services and supplies	215,500	151,345	38,521	112,824
Capital Outlay				
Improvements other than buildings	-	4,842,655	4,222,394	620,261
TOTAL EXPENDITURES	<u>215,500</u>	<u>4,994,000</u>	<u>4,260,915</u>	<u>733,085</u>
NET CHANGE IN FUND BALANCE	1,844,500	(2,009,000)	(508,878)	1,500,122
FUND BALANCE, BEGINNING OF YEAR	10,288,322	11,494,965	11,494,967	2
FUND BALANCE, END OF YEAR	<u>\$ 12,132,822</u>	<u>\$ 9,485,965</u>	<u>\$ 10,986,089</u>	<u>\$ 1,500,124</u>

City of Reno, Nevada
Special Ad Valorem Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental				
County capital projects tax	\$ 550,000	\$ 550,000	\$ 673,079	\$ 123,079
Miscellaneous				
Investment earnings	-	-	15,737	15,737
Change in fair value of investments	-	-	(11,134)	(11,134)
TOTAL REVENUES	<u>550,000</u>	<u>550,000</u>	<u>677,682</u>	<u>127,682</u>
EXPENDITURES				
General government				
Services and supplies	500,000	821,011	221,387	599,624
Public safety - police				
Services and supplies	50,000	150,000	-	150,000
Capital Outlay				
Public Safety - Police	299,752	406,801	-	406,801
TOTAL EXPENDITURES	<u>849,752</u>	<u>1,377,812</u>	<u>221,387</u>	<u>1,156,425</u>
NET CHANGE IN FUND BALANCE	(299,752)	(827,812)	456,295	1,284,107
FUND BALANCE, BEGINNING OF YEAR	299,752	827,812	827,812	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,284,107</u>	<u>\$ 1,284,107</u>

City of Reno, Nevada
Room Tax Surcharge Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for service				
Room rental surcharge	\$ 2,000,000	\$ 2,000,000	\$ 670,858	\$ (1,329,142)
Miscellaneous				
Investment earnings	-	-	11,609	11,609
Change in fair value of investments	-	-	(6,553)	(6,553)
TOTAL REVENUES	2,000,000	2,000,000	675,914	(1,324,086)
EXPENDITURES				
CURRENT				
Public Works				
Services and supplies	-	4,350	33,354	(29,004)
Capital Outlay				
Public Works	2,000,000	2,553,340	-	2,553,340
TOTAL EXPENDITURES	2,000,000	2,557,690	33,354	2,524,336
NET CHANGE IN FUND BALANCE	-	(557,690)	642,560	1,200,250
FUND BALANCE, BEGINNING OF YEAR	-	557,690	557,689	(1)
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 1,200,249	\$ 1,200,249

City of Reno, Nevada
Streets Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Miscellaneous				
Investment earnings	\$ -	\$ -	\$ 14,489	\$ 14,489
Change in fair value of investments	-	-	(25,886)	(25,886)
TOTAL REVENUES	-	-	(11,397)	(11,397)
EXPENDITURES				
Public Works				
Services and supplies	-	77,043	-	77,043
TOTAL EXPENDITURES	-	77,043	-	77,043
NET CHANGE IN FUND BALANCE	-	(77,043)	(11,397)	65,646
FUND BALANCE, BEGINNING OF YEAR	-	77,043	77,043	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 65,646	\$ 65,646

Proprietary Funds

Major Enterprise Funds

Enterprise funds are used to account for activities for which a user fee is charged for goods and services.

Sanitary Sewer – accounts for the provision of sewer and storm water services and connection fee revenues restricted for capital projects.

Building Permit – accounts for resources provided by the issuance of building permits.

City of Reno, Nevada
Sanitary Sewer Enterprise Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for Services				
User fees	\$ 71,836,000	\$ 71,876,000	\$ 69,664,630	\$ (2,211,370)
Other	880,000	840,000	815,762	(24,238)
Licenses and permits	337,900	337,900	366,836	28,936
Fines and forfeits	1,402,000	1,402,000	1,376,960	(25,040)
Miscellaneous				
Reimbursements and restitution	-	101,733	631,440	529,707
Other	-	1,408	117,973	116,565
TOTAL OPERATING REVENUES	74,455,900	74,559,041	72,973,601	(1,585,440)
OPERATING EXPENSES				
Salaries and wages	7,558,947	7,559,673	7,172,038	387,635
Employee benefits	4,909,931	4,909,931	2,298,714	2,611,217
Services and supplies	12,760,528	20,940,083	18,647,664	2,292,419
Joint sewer plant	15,000,000	15,000,000	12,384,392	2,615,608
Depreciation	12,500,000	12,500,000	12,754,306	(254,306)
TOTAL OPERATING EXPENSES	52,729,406	60,909,687	53,257,114	7,652,573
OPERATING INCOME (LOSS)	21,726,494	13,649,354	19,716,487	6,067,133
NONOPERATING REVENUES (EXPENSES)				
Federal and state grants, operating	-	-	5,639	5,639
Investment earnings	650,000	650,000	2,129,134	1,479,134
Change in fair value of investments	-	-	(2,200,530)	(2,200,530)
Gain (loss) on asset disposal	-	-	(570,888)	(570,888)
Debt service - interest	(1,588,510)	(1,818,116)	(1,230,887)	587,229
Net loss from Truckee Meadows				
Water Reclamation Facility	(5,000,000)	(5,000,000)	(5,590,587)	(590,587)
TOTAL NONOPERATING REVENUES (EXPENSES)	(5,938,510)	(6,168,116)	(7,458,119)	(1,290,003)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	15,787,984	7,481,238	12,258,368	4,777,130
CAPITAL CONTRIBUTIONS IN (OUT)				
Federal and state grants	-	-	1,465,678	1,465,678
Sewer connection charges	9,090,000	9,090,000	14,579,682	5,489,682
Contributions of assets	-	-	2,912,731	2,912,731
TOTAL CAPITAL CONTRIBUTIONS IN (OUT)	9,090,000	9,090,000	18,958,091	9,868,091
OPERATING TRANSFERS				
Operating transfers out	(112,000)	(112,000)	(112,000)	-
TOTAL TRANSFERS IN (OUT)	(112,000)	(112,000)	(112,000)	-
CHANGE IN NET POSITION	\$ 24,765,984	\$ 16,459,238	\$ 31,104,459	\$ 14,645,221
NET POSITION, BEGINNING OF YEAR			551,064,966	
NET POSITION, END OF YEAR			\$ 582,169,425	

City of Reno, Nevada
Building Permit Enterprise Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services				
Building permits	\$ 5,822,344	\$ 5,822,344	\$ 7,447,682	\$ 1,625,338
Electrical and plumbing permits	1,861,284	1,861,284	2,447,609	586,325
Plan check fees	3,474,153	3,474,153	4,146,942	672,789
Plumbing inspection fees	228,485	228,485	269,155	40,670
Electrical inspection fees	103,216	103,216	120,858	17,642
Miscellaneous permits	711,555	711,555	912,616	201,061
Fire inspection fees	229,908	229,908	188,219	(41,689)
Other building and safety fees	400,017	400,017	17,849	(382,168)
Miscellaneous				
Reimbursements and restitution	-	-	5,476	5,476
TOTAL OPERATING REVENUES	12,830,962	12,830,962	15,556,406	2,725,444
OPERATING EXPENSES				
Salaries and wages	4,795,595	4,859,201	4,153,675	705,526
Employee benefits	3,087,797	3,112,146	355,768	2,756,378
Services and supplies	3,103,296	4,060,897	2,754,620	1,306,277
Depreciation	120,000	120,000	110,328	9,672
TOTAL OPERATING EXPENSES	11,106,688	12,152,244	7,374,391	4,777,853
OPERATING INCOME	1,724,274	678,718	8,182,015	7,503,297
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	100,000	100,000	278,537	178,537
Change in fair value of investments	-	-	(242,088)	(242,088)
TOTAL NONOPERATING REVENUES (EXPENSES)	100,000	100,000	36,449	(63,551)
CHANGE IN NET POSITION	\$ 1,824,274	\$ 778,718	8,218,464	\$ 7,439,746
NET POSITION, BEGINNING OF YEAR			6,224,618	
NET POSITION, END OF YEAR			\$ 14,443,082	

Internal Service Funds

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

Motor Vehicle – accounts for the acquisition of motor vehicles and the operation of the motor vehicle maintenance facility.

Risk Retention – accounts for the operations of the self-funded general insurance program.

Self-funded Medical Plan – accounts for the operations of the self-funded group health and accident insurance program.

Self-funded Worker's Compensation – accounts for the operations of the self-funded worker's compensation program.

City of Reno, Nevada
Internal Service Funds
Combining Statement of Net Position
June 30, 2021

	Motor Vehicle Fund	Risk Retention Fund	Self-Funded Medical Plan Fund	Self-Funded Workers Compensation Fund	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 8,787,235	\$ 8,066,739	\$ 26,760,753	\$ 14,812,686	\$ 58,427,413
Receivables:					
Accounts receivable	8,820	-	561,454	-	570,274
Accrued interest	18,300	12,825	54,891	29,735	115,751
Due from other governments	-	-	-	11,363	11,363
Inventory of supplies	146,549	-	-	-	146,549
Prepaid expenses	25,877	66,312	16,250	82,833	191,272
Total current assets	<u>8,986,781</u>	<u>8,145,876</u>	<u>27,393,348</u>	<u>14,936,617</u>	<u>59,462,622</u>
Noncurrent Assets:					
Capital assets:					
Machinery, equipment and motor vehicles	34,097,636	-	-	-	34,097,636
Less accumulated depreciation	(21,857,977)	-	-	-	(21,857,977)
Net capital assets	<u>12,239,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,239,659</u>
TOTAL ASSETS	<u>21,226,440</u>	<u>8,145,876</u>	<u>27,393,348</u>	<u>14,936,617</u>	<u>71,702,281</u>
DEFERRED OUTFLOW OF RESOURCES:					
Deferred amounts related to pensions	211,476	79,801	-	-	291,277
Deferred amounts related to OPEB	6,602	2,167	-	-	8,769
Total deferred outflow of resources	<u>218,078</u>	<u>81,968</u>	<u>-</u>	<u>-</u>	<u>300,046</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	295,853	-	1,106,825	39,132	1,441,810
Accrued salaries and benefits	37,345	20,104	-	-	57,449
Liability for self-insurance	-	574,577	2,854,078	5,982,979	9,411,634
Compensated absences payable	58,146	7,930	-	-	66,076
Other liabilities	7	-	-	-	7
Total current liabilities	<u>391,351</u>	<u>602,611</u>	<u>3,960,903</u>	<u>6,022,111</u>	<u>10,976,976</u>
Noncurrent Liabilities:					
Liability for self-insurance	-	1,762,392	423,122	50,552,087	52,737,601
Other post-employment benefits liability	281,193	92,297	-	-	373,490
Net pension liability	1,289,743	486,691	-	-	1,776,434
Compensated absences payable	8,016	13,554	-	-	21,570
TOTAL LIABILITIES	<u>1,970,303</u>	<u>2,957,545</u>	<u>4,384,025</u>	<u>56,574,198</u>	<u>65,886,071</u>
DEFERRED INFLOW OF RESOURCES:					
Deferred amounts related to pensions	106,020	40,007	-	-	146,027
Deferred amounts related to OPEB	183,809	60,333	-	-	244,142
Total deferred inflow of resources	<u>289,829</u>	<u>100,340</u>	<u>-</u>	<u>-</u>	<u>390,169</u>
NET POSITION					
Net investment in capital assets	12,239,659	-	-	-	12,239,659
Restricted for claims	-	5,167,625	23,009,323	-	28,176,948
Unrestricted	6,944,727	2,334	-	(41,637,581)	(34,690,520)
TOTAL NET POSITION	<u>\$ 19,184,386</u>	<u>\$ 5,169,959</u>	<u>\$ 23,009,323</u>	<u>\$(41,637,581)</u>	<u>\$ 5,726,087</u>

City of Reno, Nevada
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2021

	Motor Vehicle Fund	Risk Retention Fund	Self-Funded Medical Plan Fund	Self-Funded Workers Compensation Fund	Total
OPERATING REVENUES:					
Charges for services	\$ 8,508,646	\$ 1,882,940	\$ 31,455,828	\$ 8,439,294	\$ 50,286,708
Miscellaneous	59,671	4,096,622	3,107,496	581,791	7,845,580
TOTAL OPERATING REVENUES	8,568,317	5,979,562	34,563,324	9,021,085	58,132,288
OPERATING EXPENSES:					
Salaries and wages	787,077	375,129	-	-	1,162,206
Employee benefits	50,467	394,241	-	-	444,708
Services and supplies	2,205,647	1,976,395	31,558,176	7,528,673	43,268,891
Depreciation	2,883,725	-	-	-	2,883,725
TOTAL OPERATING EXPENSES	5,926,916	2,745,765	31,558,176	7,528,673	47,759,530
OPERATING INCOME (LOSS)	2,641,401	3,233,797	3,005,148	1,492,412	10,372,758
NONOPERATING REVENUES (EXPENSES):					
Investment earnings	114,003	83,273	369,552	214,266	781,094
Change in fair value of investments	(84,938)	(112,100)	(388,468)	(150,812)	(736,318)
Gain on asset disposal	292,386	-	-	-	292,386
TOTAL NONOPERATING REVENUES (EXPENSES)	321,451	(28,827)	(18,916)	63,454	337,162
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	2,962,852	3,204,970	2,986,232	1,555,866	10,709,920
CAPITAL CONTRIBUTIONS IN (OUT):					
Capital grants and contributions	271,659	-	-	-	271,659
Capital contributions in	668,739	-	-	-	668,739
TOTAL CAPITAL CONTRIBUTIONS	940,398	-	-	-	940,398
CHANGE IN NET POSITION	3,903,250	3,204,970	2,986,232	1,555,866	11,650,318
NET POSITION, BEGINNING OF YEAR	15,281,136	1,964,989	20,023,091	(43,193,447)	(5,924,231)
NET POSITION, END OF YEAR	\$ 19,184,386	\$ 5,169,959	\$ 23,009,323	\$ (41,637,581)	\$ 5,726,087

City of Reno, Nevada
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2021

	Motor Vehicle	Risk Retention	Self-Funded Medical Plan	Self-Funded Workers Compensation	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 8,470,283	\$ 1,882,940	\$ 31,318,757	\$ 8,439,294	\$ 50,111,274
Cash received from interfund services	100,000	-	-	-	100,000
Cash received from other sources	59,670	4,096,622	3,107,496	595,849	7,859,637
Cash payments for goods and services	(2,039,594)	(5,008,440)	(31,823,178)	(7,373,598)	(46,244,810)
Cash payments for employee services	(1,047,588)	(458,370)	-	-	(1,505,958)
Cash payments for interfund good and services	(171,052)	(34,246)	568,525	(73,384)	289,843
Cash payments for interfund employee benefits	(150,954)	(44,426)	-	-	(195,380)
Net cash provided by operating activities	<u>5,220,765</u>	<u>434,080</u>	<u>3,171,600</u>	<u>1,588,161</u>	<u>10,414,606</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(3,898,010)	-	-	-	(3,898,010)
Proceeds received from disposal of capital assets	56,453	-	-	-	56,453
Cash received from grants	271,659	-	-	-	271,659
Net cash provided by (used in) capital financing activities	<u>(3,569,898)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,569,898)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received	116,593	94,785	401,980	220,835	834,193
Change in fair value of cash equivalent investments	(84,938)	(112,100)	(388,468)	(150,812)	(736,318)
Net cash provided by (used in) investing activities	<u>31,655</u>	<u>(17,315)</u>	<u>13,512</u>	<u>70,023</u>	<u>97,875</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,682,522	416,765	3,185,112	1,658,184	6,942,583
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>7,104,713</u>	<u>7,649,974</u>	<u>23,575,641</u>	<u>13,154,502</u>	<u>51,484,830</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 8,787,235</u>	<u>\$ 8,066,739</u>	<u>\$ 26,760,753</u>	<u>\$ 14,812,686</u>	<u>\$ 58,427,413</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 2,638,097	\$ 3,248,638	\$ 3,005,148	\$ 1,492,412	\$ 10,384,295
Adjustments to reconcile operating loss to net cash provided by operating activities					
Depreciation	2,883,725	-	-	-	2,883,725
(Increase) decrease in operating assets					
Accounts receivable	61,637	-	(137,071)	-	(75,434)
Due from other government	-	-	-	14,058	14,058
Inventories	(19,354)	-	-	-	(19,354)
Prepaid items	(24,075)	(3,165)	(11,250)	(24,636)	(63,126)
Increase (decrease) in operating liabilities					
Accounts payable and accrued expenses	38,430	(50,360)	919,883	(66,240)	841,713
Accrued salaries and benefits	212	11,582	-	-	11,794
Due to other government	-	-	-	-	-
Compensated absences	1	-	-	-	1
Self-insurance liability	-	(3,012,766)	(605,110)	172,567	(3,445,309)
Postemployment benefits other than pensions	(186,982)	(16,406)	-	-	(203,388)
Postemployment pensions	(170,926)	256,557	-	-	85,631
Total adjustments	<u>2,582,668</u>	<u>(2,814,558)</u>	<u>166,452</u>	<u>95,749</u>	<u>30,311</u>
Net cash provided by operating activities	<u>\$ 5,220,765</u>	<u>\$ 434,080</u>	<u>\$ 3,171,600</u>	<u>\$ 1,588,161</u>	<u>\$ 10,414,606</u>

City of Reno, Nevada
Motor Vehicle Internal Service Fund
Statement of Revenues, Expenses and Changes in Net Position – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 8,448,800	\$ 8,448,800	\$ 8,508,646	\$ 59,846
Miscellaneous				
Reimbursements and restitution	-	16,229	58,727	42,498
Other	-	944	944	-
TOTAL OPERATING REVENUES	<u>8,448,800</u>	<u>8,465,973</u>	<u>8,568,317</u>	<u>102,344</u>
OPERATING EXPENSES				
Salaries and wages	886,031	886,031	787,077	98,954
Employee benefits	523,314	523,314	50,467	472,847
Services and supplies	2,284,756	2,345,327	2,205,647	139,680
Depreciation	3,200,000	3,200,000	2,883,725	316,275
TOTAL OPERATING EXPENSES	<u>6,894,101</u>	<u>6,954,672</u>	<u>5,926,916</u>	<u>1,027,756</u>
OPERATING INCOME (LOSS)	<u>1,554,699</u>	<u>1,511,301</u>	<u>2,641,401</u>	<u>1,130,100</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	15,000	15,000	114,003	99,003
Change in fair value of investments	-	-	(84,938)	(84,938)
Gain (loss) on asset disposal	-	-	292,386	292,386
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>15,000</u>	<u>15,000</u>	<u>321,451</u>	<u>306,451</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>1,569,699</u>	<u>1,526,301</u>	<u>2,962,852</u>	<u>1,436,551</u>
CAPITAL CONTRIBUTIONS IN (OUT)				
Grants and contributions - capital	-	-	271,659	271,659
Contribution of assets	-	-	668,739	668,739
TOTAL CAPITAL CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>940,398</u>	<u>940,398</u>
CHANGE IN NET POSITION	<u>\$ 1,569,699</u>	<u>\$ 1,526,301</u>	<u>3,903,250</u>	<u>\$ 2,376,949</u>
NET POSITION, BEGINNING OF YEAR			<u>15,281,136</u>	
NET POSITION, END OF YEAR			<u>\$ 19,184,386</u>	

City of Reno, Nevada
Risk Retention Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 1,882,940	\$ 1,882,940	\$ 1,882,940	\$ -
Miscellaneous				
Reimbursements and restitution	-	-	6,593	6,593
Other	-	4,090,029	4,090,029	-
TOTAL OPERATING REVENUE	<u>1,882,940</u>	<u>5,972,969</u>	<u>5,979,562</u>	<u>6,593</u>
OPERATING EXPENSES				
Salaries and wages	210,269	310,269	375,129	(64,860)
Employee benefits	114,411	174,411	394,241	(219,830)
Services and supplies	2,597,346	6,527,375	1,976,395	4,550,980
TOTAL OPERATING EXPENSES	<u>2,922,026</u>	<u>7,012,055</u>	<u>2,745,765</u>	<u>4,266,290</u>
OPERATING INCOME (LOSS)	<u>(1,039,086)</u>	<u>(1,039,086)</u>	<u>3,233,797</u>	<u>4,272,883</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	40,000	40,000	83,273	43,273
Change in fair value of investments	-	-	(112,100)	(112,100)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>40,000</u>	<u>40,000</u>	<u>(28,827)</u>	<u>(68,827)</u>
CHANGE IN NET POSITION	<u>\$ (999,086)</u>	<u>\$ (999,086)</u>	<u>3,204,970</u>	<u>\$ 4,204,056</u>
NET POSITION, BEGINNING OF YEAR			<u>1,964,989</u>	
NET POSITION, END OF YEAR			<u>\$ 5,169,959</u>	

City of Reno, Nevada
Self-Funded Medical Plan Internal Service Fund
Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 31,345,000	\$ 31,345,000	\$ 31,455,828	\$ 110,828
Miscellaneous				
Stop-loss insurance reimbursements	-	-	1,842,339	1,842,339
Other	-	-	1,265,157	1,265,157
TOTAL OPERATING REVENUES	<u>31,345,000</u>	<u>31,345,000</u>	<u>34,563,324</u>	<u>3,218,324</u>
OPERATING EXPENSES				
Services and supplies	<u>31,739,025</u>	<u>33,970,797</u>	<u>31,558,176</u>	<u>2,412,621</u>
TOTAL OPERATING EXPENSES	<u>31,739,025</u>	<u>33,970,797</u>	<u>31,558,176</u>	<u>2,412,621</u>
OPERATING INCOME (LOSS)	<u>(394,025)</u>	<u>(2,625,797)</u>	<u>3,005,148</u>	<u>5,630,945</u>
NONOPERATING REVENUES				
Investment earnings	95,000	95,000	369,552	274,552
Change in fair value of investments	-	-	(388,468)	(388,468)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>95,000</u>	<u>95,000</u>	<u>(18,916)</u>	<u>(113,916)</u>
CHANGE IN NET POSITION	<u>\$ (299,025)</u>	<u>\$ (2,530,797)</u>	2,986,232	<u>\$ 5,517,029</u>
NET POSITION, BEGINNING OF YEAR			20,023,091	
NET POSITION, END OF YEAR			<u>\$ 23,009,323</u>	

City of Reno, Nevada
Self-Funded Workers Compensation Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position – Budget to Actual
For the Year Ended June 30, 2021

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 8,325,855	\$ 8,325,855	\$ 8,439,294	\$ 113,439
Miscellaneous				
Reimbursements and restitution	-	-	581,791	581,791
TOTAL OPERATING REVENUES	<u>8,325,855</u>	<u>8,325,855</u>	<u>9,021,085</u>	<u>695,230</u>
OPERATING EXPENSES				
Services and supplies	8,489,384	8,489,384	7,528,673	960,711
TOTAL OPERATING EXPENSES	<u>8,489,384</u>	<u>8,489,384</u>	<u>7,528,673</u>	<u>960,711</u>
OPERATING INCOME (LOSS)	<u>(163,529)</u>	<u>(163,529)</u>	<u>1,492,412</u>	<u>1,655,941</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	50,000	50,000	214,266	164,266
Change in fair value of investments	-	-	(150,812)	(150,812)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>50,000</u>	<u>50,000</u>	<u>63,454</u>	<u>13,454</u>
CHANGE IN NET POSITION	<u>\$ (113,529)</u>	<u>\$ (113,529)</u>	<u>1,555,866</u>	<u>\$ 1,669,395</u>
NET POSITION, BEGINNING OF YEAR			<u>(43,193,447)</u>	
NET POSITION, END OF YEAR			<u>\$ (41,637,581)</u>	

Statistical Section

Financial Trends

The following tables contain financial trend information to enable the reader to understand how financial performance has changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balance, Governmental Funds
- Changes in Fund Balance, Governmental Funds

Revenue Capacity

The following tables contain revenue capacity information to enable the reader to assess the most significant local revenue source.

- Assessed and Estimated Actual Value of Taxable Property
- Property Tax Rates – Direct and Overlapping Governments
- Principal Property Taxpayers
- Property Tax Levies and Collections
- Licenses and Permits by Category

Debt Capacity

The following tables contain debt capacity information to enable the reader to assess the affordability the current level of outstanding debt and the ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type
- Direct and Overlapping Governmental Activities
- Debt Ratios of General Bonded Debt Outstanding
- Legal Debt Margin Information
- Pledged Revenue Bond Coverage

Demographic and Economic Information

The following tables contain demographic and economic information to enable the reader to understand the environment within which financial activities take place.

- Demographic and Economic Statistics
- Principal Employers

Operating Information

The following tables contain operating information to enable the reader to understand how the information contained in the comprehensive annual financial report relates to services provided and activities performed.

- Full-time Equivalent City Government Employees by Function/Program
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function/Program

City of Reno, Nevada
Net Position by Component
Last Ten Fiscal Years (Unaudited)

	Fiscal Year June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 568,036,514	\$ 611,511,174	\$ 595,550,858	\$ 585,575,771	\$ 586,905,472	\$ 586,413,361	\$ 495,323,814	\$ 517,184,024	\$ 564,788,939	\$ 599,592,166
Restricted	109,857,977	67,160,649	61,109,252	63,141,142	62,938,668	69,911,871	84,631,336	85,416,143	81,364,743	92,968,067
Unrestricted	(151,304,989)	(153,724,428)	(161,747,541)	(377,534,397)	(377,992,156)	(397,845,441)	(466,562,388)	(458,474,598)	(424,534,435)	(390,313,284)
Total governmental activities net position	<u>526,589,502</u>	<u>524,947,395</u>	<u>494,912,569</u>	<u>271,182,516</u>	<u>271,851,984</u>	<u>258,479,791</u>	<u>113,392,762</u>	<u>144,125,569</u>	<u>221,619,247</u>	<u>302,246,949</u>
Business-type activities										
Net investment in capital assets	210,627,844	222,509,756	240,575,536	246,425,571	265,284,816	287,321,065	304,619,062	322,228,682	342,507,959	380,253,875
Restricted	15,873,574	13,193,945	9,571,325	15,740,934	12,461,499	11,426,497	15,117,358	20,477,340	32,962,201	31,929,920
Unrestricted	109,992,320	111,933,729	124,758,772	123,604,942	136,950,922	148,407,980	154,661,330	174,853,406	181,665,639	185,503,566
Total business-type activities net position	<u>336,493,738</u>	<u>347,637,430</u>	<u>374,905,633</u>	<u>385,771,447</u>	<u>414,697,237</u>	<u>447,155,542</u>	<u>474,397,750</u>	<u>517,559,428</u>	<u>557,135,799</u>	<u>597,687,361</u>
Primary government										
Net investment in capital assets	778,664,358	834,020,930	836,126,394	832,001,342	852,190,288	873,734,426	799,942,876	839,412,706	907,296,898	979,846,041
Restricted	125,731,551	80,354,594	70,680,577	78,882,076	75,400,167	81,338,368	99,748,694	105,893,483	114,326,944	124,897,987
Unrestricted	(41,312,669)	(41,790,699)	(36,988,769)	(253,929,455)	(241,041,234)	(249,437,461)	(311,901,058)	(283,621,192)	(242,868,796)	(204,809,718)
Total primary government net position	<u>\$ 863,083,240</u>	<u>\$ 872,584,825</u>	<u>\$ 869,818,202</u>	<u>\$ 656,953,963</u>	<u>\$ 686,549,221</u>	<u>\$ 705,635,333</u>	<u>\$ 587,790,512</u>	<u>\$ 661,684,997</u>	<u>\$ 778,755,046</u>	<u>\$ 899,934,310</u>

City of Reno, Nevada
Changes in Net Position
Last Ten Fiscal Years (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 32,686,051	\$ 31,516,451	\$ 34,595,215	\$ 34,959,761	\$ 37,047,462	\$ 41,978,398	\$ 41,281,443	\$ 43,077,447	\$ 45,217,904	\$ 68,005,239
Judicial	7,223,028	7,688,589	7,297,142	7,064,894	7,492,820	6,981,342	6,790,019	7,719,808	8,143,954	8,025,002
Public Safety	-	-	-	117,967,671	113,837,313	125,044,792	140,378,971	135,931,879	130,320,615	136,326,145
Police	60,769,030	62,981,095	64,003,362	-	-	-	-	-	-	-
Fire	48,828,091	46,401,062	47,613,340	-	-	-	-	-	-	-
Dispatch ²	5,393,411	5,690,219	5,553,496	-	-	-	-	-	-	-
Public works	57,540,323	55,111,936	59,149,082	56,800,273	58,151,262	53,569,579	54,783,301	52,539,862	53,686,101	55,350,681
Culture and recreation	14,526,095	18,749,736	15,499,368	16,203,541	15,136,956	15,900,003	15,812,351	16,968,478	16,725,753	16,555,698
Community development and support	9,849,260	10,582,512	13,676,995	12,900,777	9,751,297	10,222,340	11,879,768	12,844,761	13,671,197	20,632,518
Urban redevelopment	1,248,972	2,086,290	2,359,947	3,377,771	3,604,756	3,298,662	14,091,779	5,188,558	6,689,551	9,940,636
Interest and fiscal charges, debt service	29,368,720	27,179,603	26,974,140	25,747,130	26,635,439	25,215,536	43,638,851	31,462,922	21,828,993	21,369,103
Subtotal, governmental activities expense	267,432,981	267,987,493	276,722,087	275,021,818	271,657,305	282,210,652	328,656,483	305,733,715	296,284,068	336,205,022
Business-type activities:										
Sanitary sewer	44,364,321	49,972,058	44,818,778	45,501,401	46,827,174	48,310,736	51,557,336	55,576,663	59,110,441	59,047,828
Golf courses	1,295,630	-	-	-	-	-	-	-	-	-
Building permits	3,605,348	3,784,827	3,663,078	4,912,814	7,591,879	8,526,753	7,637,116	7,558,741	10,380,414	7,176,512
Subtotal, business-type activities expenses	49,265,299	53,756,885	48,481,856	50,414,215	54,419,053	56,837,489	59,194,452	63,135,404	69,490,855	66,224,340
Total primary government expenses	316,698,280	321,744,378	325,203,943	325,436,033	326,076,358	339,048,141	387,850,935	368,869,119	365,774,923	402,429,362
Program Revenues (See Schedule 1.3)										
Governmental activities:										
Charges for service	78,782,531	71,230,131	77,386,117	87,763,470	80,983,532	82,952,588	85,601,102	89,634,449	79,589,048	91,735,005
Operating grants and contributions	11,298,769	16,166,706	14,509,325	6,112,837	4,638,289	6,239,951	8,577,398	11,141,118	30,299,717	45,416,199
Capital grants and contributions	11,601,446	45,488,140	25,493,658	24,379,900	38,873,140	25,213,159	26,611,694	58,129,633	63,775,489	70,185,512
Subtotal, governmental activities program revenue	101,682,746	132,884,977	117,389,100	118,256,207	124,494,961	114,405,698	120,790,194	158,905,200	173,664,254	207,336,716
Business-type activities:										
Charges for services:										
Sanitary sewer	47,007,499	53,603,398	57,352,256	59,599,214	64,593,085	66,316,367	67,640,096	70,399,634	70,607,378	72,855,628
Golf courses	542,453	-	-	-	-	-	-	-	-	-
Building permits	4,320,999	6,433,841	7,275,680	7,747,443	7,445,385	8,088,911	10,009,688	11,557,584	11,453,706	15,556,406
Operating grants and contributions	31,055	32,194	17,003	12,415	100,000	2,014,816	2,107,002	2,016,429	53,150	5,639
Capital grants and contributions	3,722,997	8,170,432	11,832,463	11,870,370	12,798,509	12,722,105	15,084,733	18,823,851	21,682,897	18,958,091
Subtotal, business-type activities program revenue	55,625,003	68,239,865	76,477,402	79,229,442	84,936,979	89,142,199	94,841,519	102,797,498	103,797,131	107,375,764
Total primary government program revenues	157,307,749	201,124,842	193,866,502	197,485,649	209,431,940	203,547,897	215,631,713	261,702,698	277,461,385	314,712,480
Net (Expense)/Revenue										
Governmental activities	(165,750,235)	(135,102,516)	(159,332,987)	(156,765,611)	(147,162,344)	(167,804,954)	(207,866,289)	(146,828,515)	(122,619,814)	(128,868,306)
Business-type activities	6,359,704	14,482,980	27,995,546	28,815,227	30,517,926	32,304,710	35,647,067	39,662,094	34,306,276	41,151,424
Total primary government net expense	(159,390,531)	(120,619,536)	(131,337,441)	(127,950,384)	(116,644,418)	(135,500,244)	(172,219,222)	(107,166,421)	(88,313,538)	(87,716,882)

City of Reno, Nevada
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 58,655,405	\$ 63,114,015	\$ 57,082,120	\$ 59,584,697	\$ 62,911,698	\$ 64,741,866	\$ 67,914,073	\$ 70,869,469	\$ 77,331,483	\$ 84,269,593
Consolidated taxes	40,909,269	42,849,236	46,470,929	51,516,367	56,213,644	57,547,949	66,080,349	68,927,870	71,946,998	85,628,594
Room taxes	7,168,308	7,833,957	7,807,221	8,159,606	9,447,442	10,122,000	11,251,668	11,353,561	8,713,540	8,602,326
SCCR taxes -- AB104	2,667,490	2,781,495	2,976,670	3,213,482	3,457,174	3,900,032	4,154,478	3,946,925	4,596,688	5,004,314
Sales taxes, restricted	8,840,449	9,471,192	9,903,240	10,185,663	10,741,137	10,759,268	11,839,077	12,021,468	12,513,819	14,295,419
Other taxes	-	-	-	389,190	335,196	344,552	940,212	1,247,683	3,344,550	5,705,200
Intergovernmental county gaming contributions	1,552,916	1,489,815	1,521,371	1,573,515	1,438,526	1,551,623	1,436,547	1,394,201	957,176	1,266,284
Unrestricted investment and interest earnings	2,195,454	1,681,870	1,948,550	1,757,244	1,916,744	1,737,946	2,142,261	5,797,725	7,787,303	1,427,622
Miscellaneous	1,087,310	890,666	272,370	1,293,456	1,097,297	3,272,471	1,259,772	1,060,643	8,350,853	217,689
Gain on sale of capital assets	277,930	46,716	462,903	98,478	50,704	261,648	2,317,168	96,342	1,285	2,396,079
Transfers	(600,410)	3,301,447	852,787	560,821	222,254	153,406	846,396	214,932	367,831	682,888
Subtotal, government activities	122,754,121	133,460,409	129,298,161	138,332,519	147,831,816	154,392,761	170,182,001	176,930,819	195,911,526	209,496,008
Business-type activities:										
Taxes:										
Investment and interest earnings	216,401	(68,838)	95,418	184,305	421,470	289,186	775,338	3,676,463	5,627,143	(34,947)
Miscellaneous	99,035	12,164	30,026	8,531	14,720	17,815	14,579	38,053	10,782	117,973
Gain on sale of capital assets	-	18,833	-	-	-	-	-	-	-	-
Transfers	600,410	(3,301,447)	(852,787)	(560,821)	(222,254)	(153,406)	(846,396)	(214,932)	(367,831)	(682,888)
Subtotal, business-type activities	915,846	(3,339,288)	(727,343)	(367,985)	213,936	153,595	(56,479)	3,499,584	5,270,094	(599,862)
Total primary government	123,669,967	130,121,121	128,570,818	137,964,534	148,045,752	154,546,356	170,125,522	180,430,403	201,181,620	208,896,146
Change in Net Position										
Governmental activities	(42,996,114)	(1,642,107)	(30,034,826)	(18,433,092)	669,472	(13,412,193)	(37,684,288)	30,102,304	73,291,712	80,627,702
Business-type activities	7,275,550	11,143,692	27,268,203	28,447,242	30,731,862	32,458,305	35,590,588	43,161,678	39,576,370	40,551,562
Total primary government	\$ (35,720,564)	\$ 9,501,585	\$ (2,766,623)	\$ 10,014,150	\$ 31,401,334	\$ 19,046,112	\$ (2,093,700)	\$ 73,263,982	\$ 112,868,082	\$ 121,179,264

Notes:

¹ Beginning in FY 2012, the Police, Fire and Dispatch functions were combined into the Public Safety function for reporting purposes.

City of Reno, Nevada
Fund Balance, Governmental Funds
Last Ten Fiscal Years (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 494,775	\$ 454,285	\$ 411,578	\$ 582,723	\$ 692,173	\$ 780,792	\$ 959,180	\$ 1,199,686	\$ 1,518,292	\$ 1,665,292
Restricted	821,800	885,998	878,979	584,162	423,202	470,150	391,853	350,888	350,151	501,342
Committed	-	-	-	-	-	-	-	-	-	4,043,500
Assigned	171,147	224,188	351,624	179,048	1,098,548	1,110,415	1,374,662	6,017,002	28,988,546	1,927,315
Unassigned	5,018,570	5,895,188	10,588,880	10,419,632	17,405,569	18,681,120	28,566,273	24,952,874	28,936,280	43,152,249
Total general fund	\$ 6,506,292	\$ 7,459,659	\$ 12,231,061	\$ 11,765,565	\$ 19,619,492	\$ 21,042,477	\$ 31,291,968	\$ 32,520,450	\$ 59,793,269	\$ 51,289,698
All Other Governmental Funds										
Nonspendable	37,769,370	1,268,875	1,332,978	1,457,301	1,226,450	435,662	1,971,184	1,522,168	1,468,233	1,811,608
Restricted	33,346,579	35,626,928	35,827,565	42,270,001	44,450,952	48,627,137	56,262,302	54,198,616	55,983,599	59,848,840
Assigned	15,503,200	19,137,930	23,416,652	32,308,796	33,538,800	32,365,381	33,227,735	45,568,417	59,978,883	81,824,067
Unassigned	(1,063,493)	(855,487)	(638,540)	(131)	(17,857)	(893,235)	(2,406,912)	(3,801,442)	(8,435,353)	(10,458,354)
Total all other governmental funds	\$ 85,555,656	\$ 55,178,246	\$ 59,938,655	\$ 76,035,967	\$ 79,198,345	\$ 80,534,945	\$ 89,054,309	\$ 97,487,759	\$ 108,995,362	\$ 133,026,161

City of Reno, Nevada
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years (Unaudited)

	2012*	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes:										
Property Taxes	\$ 58,748,573	\$ 63,271,011	\$ 59,001,032	\$ 59,807,585	\$ 63,487,873	\$ 65,039,147	\$ 68,248,692	\$ 70,763,557	\$ 74,585,542	\$ 84,292,886
Motor Vehicle Taxes	4,589,258	4,889,769	5,218,458	5,676,302	6,115,040	6,437,051	6,961,022	7,244,915	6,718,549	7,172,866
Room and Construction Taxes	7,565,981	8,761,171	8,791,459	9,980,712	10,672,001	12,289,177	14,114,632	14,205,481	11,005,162	12,364,316
Intergovernmental SCCR(AB104) Taxes	2,667,490	2,781,495	2,976,670	3,213,482	3,457,174	3,900,032	4,154,478	3,946,925	4,596,688	5,004,314
Intergovernmental Capital Project Taxes	614,393	458,621	489,208	491,796	528,611	538,392	582,298	587,765	7,065	673,079
Intergovernmental Consolidated Taxes	40,909,269	42,849,236	46,470,929	51,516,367	56,213,644	57,547,949	66,080,349	68,927,869	71,946,998	85,628,594
Intergovernmental Gaming Taxes	1,552,916	1,489,815	1,521,371	1,573,515	1,438,526	1,551,623	1,436,546	1,394,201	957,176	1,266,284
Intergovernmental Marijuana fee	-	-	-	-	-	-	319,349	310,579	305,580	306,193
Franchise Taxes & Telecom Fees	22,710,178	23,713,630	28,503,338	29,783,710	29,024,649	27,598,329	29,571,102	29,964,081	30,930,480	29,956,960
Licenses, Permits and Other Fees	15,294,161	18,096,605	16,638,013	19,272,102	20,166,644	19,935,183	20,170,727	23,040,239	21,720,759	25,166,906
Special Assessments	3,152,638	3,562,917	3,768,781	3,280,470	3,070,181	3,446,857	3,448,256	3,924,225	4,450,921	4,592,715
Grants and Contributions	14,277,737	22,035,375	19,483,785	12,521,874	22,517,462	9,040,356	11,151,351	11,097,425	5,794,989	54,990,345
Charges for Service	13,355,685	12,781,829	13,286,822	12,006,097	12,263,731	13,293,982	13,896,609	15,496,952	34,954,389	13,633,909
Downtown District Room Surcharge	2,003,432	2,187,000	2,144,842	1,965,290	1,936,490	1,821,970	1,899,848	1,714,799	1,321,520	670,858
Dedicated Sales Taxes	20,327,167	9,621,894	9,903,240	10,574,853	11,076,333	11,103,820	12,779,289	13,269,151	4,652,925	20,000,619
Fines and Forfeitures	3,429,246	2,957,839	3,971,584	3,736,055	2,962,315	2,710,589	2,701,997	2,393,486	2,926,323	2,901,606
Reimbursements and Restitutions	2,902,289	2,425,290	2,390,854	9,032,184	1,540,854	3,187,150	2,097,703	2,320,909	4,753,934	4,708,851
Rents and Royalties	2,063,066	2,064,286	1,997,409	2,090,023	2,287,341	2,376,010	2,446,625	2,288,618	427,445	2,051,244
Investment Income	1,935,124	1,484,725	1,646,587	1,654,695	1,750,523	1,600,608	1,766,719	4,433,138	2,613,226	1,225,282
Miscellaneous	1,743,847	1,177,304	1,067,642	2,799,447	1,700,361	2,355,626	4,724,793	3,069,847	1,414,429	1,532,591
Total revenues	219,842,450	226,609,812	229,272,024	240,976,559	252,209,753	245,773,851	268,552,385	280,994,162	286,084,100	358,140,418
Expenditures										
General Government ²	16,050,720	17,355,782	17,031,363	17,833,189	19,689,312	21,745,472	22,568,456	24,726,227	25,261,581	47,496,837
Judicial	6,646,471	6,931,295	6,521,204	6,298,950	6,841,408	6,713,612	7,066,610	7,387,621	7,577,567	7,875,610
Police	53,550,127	55,189,603	54,788,775	-	-	-	-	-	-	-
Fire	43,542,254	40,986,546	42,086,857	-	-	-	-	-	-	-
Dispatch ²	5,319,565	5,435,824	5,210,229	-	-	-	-	-	-	-
Public Safety	-	-	-	101,481,555	108,765,678	115,533,392	123,882,849	128,015,634	133,515,411	143,276,622
Public works	20,415,789	18,516,373	19,143,703	18,625,469	21,998,362	19,925,198	20,672,791	23,874,547	24,000,767	25,559,638
Culture and recreation	9,144,130	10,497,003	9,722,309	9,735,128	10,134,955	10,537,381	10,713,778	10,842,955	10,133,219	11,059,179
Community devp't and support ²	9,302,599	10,820,153	12,068,497	10,174,232	8,981,627	9,967,714	12,078,757	12,660,136	12,533,526	21,803,703
Urban redevelopment	787,315	754,499	737,761	755,744	1,097,947	856,024	917,804	2,071,464	2,053,273	1,861,228
Intergovernmental	8,772,774	8,080,474	9,034,265	8,789,937	8,777,586	9,712,505	9,865,177	10,875,945	13,588,789	20,277,340
Capital outlay	21,478,978	9,350,988	8,916,557	8,568,147	22,142,797	13,434,534	13,392,177	12,258,390	29,799,669	35,116,127
Debt service:										
Principal	17,948,596	16,590,010	69,942,333	25,573,149	15,795,203	25,731,849	19,508,515	16,129,495	14,382,941	15,505,149
Interest	15,551,744	17,569,966	16,141,074	15,578,936	14,629,271	14,068,466	13,472,380	14,430,248	15,896,331	15,544,247
Payment to current bond refunding agent	-	-	-	-	-	-	233,654,262	81,384,497	-	-
Bond issue costs	74,835	-	997,570	-	-	236,407	1,894,599	993,009	70,000	-
Administrative and other costs	2,784,943	2,480,894	2,773,560	2,717,256	2,605,268	1,980,711	2,251,974	427,997	108,556	115,571
Total expenditures	231,370,840	220,559,410	275,116,057	226,131,692	241,459,414	250,443,265	491,940,129	346,078,165	288,921,630	345,491,251
Excess of revenues over (under) expenditures	(11,528,390)	6,050,402	(45,844,033)	14,844,867	10,750,339	(4,669,414)	(223,387,744)	(65,084,003)	(2,837,530)	12,649,167

City of Reno, Nevada
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years (Unaudited) (Continued)

	2012*	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Debt issuance proceeds	\$ 2,167,075	\$ 366,602	\$ 79,940,715	\$ 187,512	\$ 112,710	\$ 7,295,000	\$ 232,495,415	\$ 85,165,000	\$ 6,327,000	\$ -
Debt issuance premiums	-	-	5,599,737	-	-	(55,202)	7,346,769	1,032,815	-	-
Payments to advance refunding bond agent ¹	-	-	(34,897,247)	-	-	-	-	(11,610,596)	-	-
Gain (loss) on sale of capital assets	160,188	(35,781,081)	4,496,279	187,437	41,256	35,795	2,202,415	46,716	2,191,499	2,766,063
Transfers in	16,408,268	20,324,192	22,460,457	31,898,195	16,724,068	14,601,680	16,514,508	23,983,577	18,193,973	35,904,827
Transfers out	(23,448,678)	(20,384,158)	(22,224,097)	(31,486,195)	(16,612,068)	(14,448,274)	(16,402,508)	(23,871,577)	(18,081,973)	(35,792,827)
Total other financing sources (uses)	<u>(4,713,147)</u>	<u>(35,474,445)</u>	<u>55,375,844</u>	<u>786,949</u>	<u>265,966</u>	<u>7,428,999</u>	<u>242,156,599</u>	<u>74,745,935</u>	<u>8,630,499</u>	<u>2,878,063</u>
Net change in fund balances	<u>\$ (16,241,537)</u>	<u>\$ (29,424,043)</u>	<u>\$ 9,531,811</u>	<u>\$ 15,631,816</u>	<u>\$ 11,016,305</u>	<u>\$ 2,759,585</u>	<u>\$ 18,768,855</u>	<u>\$ 9,661,932</u>	<u>\$ 5,792,969</u>	<u>\$ 15,527,230</u>
Debt service as a percentage of non-capital expenditures ³	15.87%	16.40%	32.62%	18.91%	13.87%	16.79%	6.89%	9.15%	11.69%	10.00%

¹ Proceeds from borrowing and proceeds from refunding are net of original issue premiums and discounts.

² Formula also takes into consideration capital-related costs that were included in current expenditures.

City of Reno, Nevada
Assessed and Estimated Actual Value of Taxable Property^{1,2}
Last Ten Fiscal Years (Unaudited)
In Thousands

Fiscal Year	Vacant Property	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Other Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value
2012	301,146	3,560,525	2,586,197	631,327	1,750	53,014	1,462,807	5,671,152	\$ 0.9456	16,203,291
2013	237,890	3,387,224	2,645,312	617,868	1,976	58,556	1,526,435	5,422,391	\$ 0.9598	15,492,546
2014	231,608	3,423,927	2,590,618	615,433	1,946	60,557	1,496,914	5,427,175	\$ 0.9598	15,506,214
2015	240,007	3,903,189	2,644,638	638,864	1,700	60,587	1,517,309	5,971,676	\$ 0.9598	17,061,931
2016	243,012	4,337,102	2,613,750	661,846	1,695	58,940	1,513,970	6,402,375	\$ 0.9598	18,292,500
2017	246,019	4,700,708	2,684,041	730,455	1,726	56,117	1,504,636	6,914,430	\$ 0.9598	19,755,514
2018	265,777	4,935,778	2,736,131	759,955	1,669	57,617	1,513,963	7,242,964	\$ 0.9598	20,694,183
2019	368,846	5,961,618	3,010,168	859,475	545	61,832	1,630,665	8,631,819	\$ 0.9598	24,662,340
2020	349,066	6,505,817	3,167,149	951,987	314	61,880	1,693,523	9,342,690	\$ 0.9598	26,693,400
2021	331,893	6,803,136	3,096,543	931,474	230	57,031	1,679,785	9,540,522	\$ 0.9598	27,258,634

Notes: 1 Source-Nevada State Department of Taxation and Office of the Washoe County Assessor

2 All amounts reflect the City of Reno and the Redevelopment Agency of the City of Reno (Reno Tax Increment Districts 1 and 2).

3 The Direct Tax Rate applicable to the Total Assessed Value includes the City's total direct rate

4 Pursuant to State statute, all property is assessed at 35% of its estimated value.

City of Reno, Nevada
Property Tax Rates¹ – Direct and Overlapping Governments
(Per \$100 of Assess Value²)
Last Ten Fiscal Years (Unaudited)

Fiscal Year	City Direct Rates			Overlapping Rates			
	City Operations	General Obligation Debt Service	City Total	State of Nevada	School District	Washoe County	Special Districts
2012	0.9456	0.0000 *	0.9456	0.1700	1.1385	1.3917	-
2013	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2014	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2015	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2016	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2017	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2018	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2019	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2020	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2021	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-

City of Reno, Nevada
Principal Property Taxpayers¹
Current and Nine Years Ago (Unaudited)

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Peppermill Casino Inc	\$ 83,380	1	0.88%	\$ 84,160	1	1.39%
Toll NV Limited Partnership	50,615	2	0.54%			
Golden Road Motor Inn Inc	49,410	3	0.52%	42,751	2	0.71%
MPT of Reno LLC	47,667	4	0.51%			
Gage Village Commercial Dev LLC	46,609	5	0.49%			
Icon Reno Property Owner Pool 3 NE	35,582	6	0.38%			
AGNL Slots LLC	31,424	7	0.33%			
Circus & Eldorado Joint Venture	30,035	8	0.32%	28,941	3	0.48%
CP Logistics	25,519	9	0.27%			
Icon Reno Prop Owner Pool 6 West	25,157	10	0.27%			
Prologis NA3 LLC	-			28,052	4	0.46%
International Gaming Technology (IGT)	-			24,850	5	0.41%
Prologic NA3 NV V LLC	-			24,194	6	0.40%
Reno Retail Company LLC	-			23,199	7	0.38%
Catholic Healthcare West Inc	-			20,660	8	0.34%
Charles River Laboratories Inc	-			16,078	9	0.27%
Meadowood Mall Spe LLC	-			15,565	10	0.26%
Total	<u>\$ 425,398</u>		<u>4.51%</u>	<u>\$ 308,450</u>		<u>5.10%</u>

Source: Office of the Washoe County Assessor, Statistical Section, "Top Reno Taxpayers"

City of Reno, Nevada
Property Tax Levies and Collections¹
Last Ten Fiscal Years (Unaudited)
In Thousands

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Levy Collected	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	56,957	56,145	98.5744	812	56,957	100.0000
2013	55,397	54,678	98.7021	719	55,397	100.0000
2014	55,901	55,427	99.1521	474	55,901	100.0000
2015	56,998	56,643	99.3772	355	56,998	100.0000
2016	59,713	59,480	99.6098	232	59,712	99.9983
2017	61,992	61,700	99.5290	291	61,991	99.9984
2018	64,811	64,538	99.5788	272	64,810	99.9985
2019	62,867	62,592	99.5626	265	62,857	99.9841
2020	67,720	67,484	99.6515	192	67,676	99.9350
2021	73,143	72,842	99.5885	-	72,842	99.5885

¹ Source: Washoe County Assessor and Treasurer and City of Reno Finance Department
² Excludes centrally assessed property tax and Reno Redevelopment Agency.

City of Reno, Nevada
Licenses and Permits by Category¹
Last Ten Fiscal Years (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business licenses	\$ 11,781,860	\$ 12,476,307	\$ 12,969,765	\$ 15,458,489	\$ 16,231,251	\$ 16,118,729	\$ 16,170,577	\$ 18,365,130	\$ 16,950,200	\$ 18,001,649
City gaming licenses	2,000,542	1,972,027	1,929,494	1,917,251	1,971,267	1,810,594	1,785,717	1,935,624	1,210,573	1,581,804
Liquor licenses	1,293,439	1,399,924	1,473,174	1,642,761	1,754,494	1,787,426	1,876,915	1,999,702	1,710,670	2,036,702
Marijuana Sales (3%)	-	-	-	-	-	-	-	-	1,307,906	2,060,715
Non-business licenses and permits	77,764	45,549	-	3,306	5,096	9,052	8,372	-	8,073	5,290
Subtotal - licenses and permits	<u>15,153,605</u>	<u>15,893,807</u>	<u>16,372,433</u>	<u>19,021,807</u>	<u>19,962,108</u>	<u>19,725,801</u>	<u>19,841,580</u>	<u>22,300,456</u>	<u>21,187,422</u>	<u>23,686,160</u>
Telephone licensing fees	3,082,993	3,230,640	3,164,583	2,993,460	3,078,404	2,970,414	2,769,691	2,777,762	2,693,005	2,633,805
Electricity franchise fees	8,897,576	9,258,752	11,634,425	11,330,372	10,251,397	9,389,603	10,671,343	10,459,152	10,087,371	9,499,691
Natural gas franchise fees	2,656,784	2,107,487	3,622,350	4,068,093	3,917,603	3,028,718	3,277,400	3,147,058	3,908,825	3,326,036
Sanitation franchise fees	2,193,302	2,066,737	2,465,678	3,205,038	3,378,650	3,607,572	3,951,866	4,456,330	4,898,138	5,204,026
Water toll fees ²	1,511,903	2,306,041	-	-	-	-	-	-	-	-
Sewer-in-lieu-of-franchise fees ³	2,355,745	2,587,019	2,788,314	3,053,773	3,322,613	3,470,429	3,562,554	3,729,957	3,996,315	3,876,553
Cable television fees	2,011,875	2,156,954	2,242,873	2,407,101	2,441,541	2,362,450	2,476,689	2,342,652	2,330,550	2,307,415
Subtotal - franchise fees	<u>19,627,185</u>	<u>20,482,991</u>	<u>22,753,640</u>	<u>24,064,377</u>	<u>23,311,804</u>	<u>21,858,772</u>	<u>23,939,852</u>	<u>24,135,149</u>	<u>25,221,199</u>	<u>24,213,721</u>
Total	<u>\$ 34,780,790</u>	<u>\$ 36,376,798</u>	<u>\$ 39,126,073</u>	<u>\$ 43,086,184</u>	<u>\$ 43,273,912</u>	<u>\$ 41,584,573</u>	<u>\$ 43,781,433</u>	<u>\$ 46,435,604</u>	<u>\$ 46,408,621</u>	<u>\$ 47,899,881</u>

Note:

¹ Licenses and permits are presented for the General Fund only.

Excludes administration fees related to business licensing

² Effective FY 2014 water toll fees have been moved to the streets special revenue fund that uses these fees and to reduce transfers.

³ Includes franchise fee audit recoveries

City of Reno, Nevada
Ratios of Outstanding Debt¹ by Type
Last Ten Fiscal Years (Unaudited)
In Thousands, Except Per Capita

Fiscal Year	Governmental Activities					Business-type Activities		Total Primary Government	Percentage of Personal Income ³	Per Capita ³
	General Obligation Bonds	Redevelopment Tax Allocation Bonds	Revenue Backed (Incl. Room Tax and/or Sales Tax) Bonds	Special Assessment Bonds	Other ²	General Obligation/ Pledged Revenue Bonds	Other ²			
2012	44,885	30,155	383,120	20,303	18,547	84,885	-	581,895	5.62%	2,541
2013	41,868	28,756	377,434	18,896	17,543	78,820	-	563,317	5.37%	2,428
2014	76,616	27,280	327,345	16,979	17,796	74,474	-	540,490	5.02%	2,300
2015	64,472	25,724	318,789	15,660	16,207	69,495	-	510,347	4.22%	2,135
2016	58,836	24,094	312,899	14,473	14,626	64,377	-	489,305	3.88%	2,022
2017	52,887	22,457	307,118	12,140	12,476	59,118	-	466,196	3.34%	1,903
2018	45,506	20,727	364,443	10,849	12,058	53,710	-	507,293	3.29%	2,037
2019	37,476	18,932	377,403	9,425	10,660	48,147	-	502,043	3.11%	2,016
2020	41,213	17,019	370,910	8,084	9,251	45,043	-	491,520	2.44%	1,974
2021	38,518	14,999	354,088	6,761	7,809	42,556	-	464,731	2.32%	1,866

Notes:

1. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. These figures are reported net of bond premiums and discounts.
2. Includes loans and notes payable, installment purchase agreements and capital leases
3. See the "Demographics and Economic Statistics" table for personal income and population data. Personal income data for 2006 forward us from Applied Analysis, 10100 W. Charleston Blvd Ste 200, Las Vegas, NV 89135 or [www. Appliedanalysis.com](http://www.Appliedanalysis.com)

City of Reno, Nevada
Direct and Overlapping Governmental Activities Debt^{1,2}
June 30, 2021
In Thousands

Governmental Unit	Total Debt Outstanding ²	Percentage Applicable ¹	Estimated Share of Overlapping Debt
Direct			
City of Reno			
General activity bonds	\$ 38,518	100.00%	\$ 38,518
Revenue bonds	354,088		
Special assessment bonds	6,761	0.00%	
Notes and capital leases	7,809	100.00%	\$ 7,809
Tax allocation bonds	14,999		
General activity bonds w/ pledged revenue	42,556	0.00%	
Direct Debt	<u>464,731</u>	9.97%	<u>46,327</u>
Washoe County School District	1,128,974	48.43%	546,707
Washoe County	148,855	48.43%	72,083
State of Nevada		6.85%	-
Overlapping Debt	<u>1,277,829</u>		<u>618,790</u>
Total Direct & Overlapping Debt	<u><u>\$ 1,742,560</u></u>		<u><u>\$ 665,117</u></u>

Notes:

¹ Calculation based on present assessed valuation of Reno compared to Washoe County, Washoe Co. School District, and State of Nevada, respectively.

² Includes all governmental debt activities and are net of related discounts and premiums

Overlapping debt represents general obligation bonds repaid through general property taxes.

Source: Washoe County for County and State information

City of Reno, Nevada
Ratios of General Bonded Debt Outstanding and Legal Debt Margin Information
Last Ten Fiscal Years
(Dollars in Thousands, Except Per Capita)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General bonded debt outstanding										
General obligation bonds	\$ 44,885	\$ 41,868	\$ 76,616	\$ 64,472	\$ 54,329	\$ 52,887	\$ 45,506	\$ 37,476	\$ 41,213	\$ 38,518
Sanitary sewer bonds	82,970	78,820	74,474	69,495	64,312	59,118	53,710	48,147	45,043	42,556
Total	129,770	120,688	151,090	133,967	118,641	112,005	99,216	85,623	86,256	81,074
Percentage of estimated actual property value ¹	2.29%	2.23%	2.78%	2.24%	1.85%	1.62%	1.37%	0.99%	0.92%	0.86%
Per capita ²	564.56	519.66	641.92	561.44	489.93	8.02	6.44	5.30	4.28	4.04
Less: Amounts set aside to repay general debt	(111)	(13)	(425)	(425)	(425)	(425)	(425)	(425)	(425)	(425)
Total net debt applicable to debt limit	129,659	120,675	150,665	133,542	118,216	111,580	98,791	85,198	85,831	80,649
Legal debt limit ³	850,673	813,359	814,076	895,751	960,356	1,037,165	1,086,445	1,294,773	1,401,404	1,415,385
Legal debt margin ⁴	721,014	692,684	663,412	762,209	842,140	925,585	987,654	1,209,575	1,315,573	1,334,736
Legal debt margin as a percentage of the debt limit	84.76%	85.16%	81.49%	85.09%	87.69%	89.24%	90.91%	93.42%	93.88%	94.30%

Notes:

¹ See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data

² The City of Reno charter states that the City shall not incur an indebtedness in excess of 15% of the total assessed property value within the boundaries of the City. The charter exempts (a) warrants or other securities which are payable upon presentation or demand within 1 year from the date thereof, (b) securities payable from special assessments against benefited property, and © securities issued pursuant to any general or special law the principal and interest of which are payable solely from revenues of the City derived from other than general property (ad valorem) taxes.

³ See the "Ratios of General Bonded Debt Outstanding" table for the calculation of net general bonded debt.

⁴ The calculation of the City's legal debt margin is performed in accordance with NRS 266.600 and the Reno Municipal Code.

City of Reno, Nevada

Pledged Revenue Bond¹ Coverage

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Senior Lien Sales and Room Tax Revenue (ReTRAC) Bonds ¹						Capital Improvement (Events Center) Bonds ²					Sales Tax Anticipation Revenue (STAR) Bonds ³				
	Room Tax Collections ⁴	Sales Tax Collections ⁴	Total Available Revenue	Principal	Interest	Coverage	Room Tax Collections ⁵	Consolidated Taxes (15%) ⁵	Total Available	Principal	Interest	Coverage	Sales Tax Increment Collections	Principal	Interest	Coverage
2012	\$ 637,389	\$ 6,733,005	\$ 7,370,394	\$ 1,640,000	\$ 5,066,692	109.90%	\$ 4,759,242	\$ 6,136,390	\$ 10,895,632	\$ 1,695,000	\$ 4,627,382	172.33%	\$ 1,838,303	\$ 770,000	\$ 1,757,563	72.73%
2013	705,030	7,127,853	7,832,883	1,795,000	5,100,128	113.60%	5,185,236	6,427,385	11,612,621	1,940,000	4,573,918	178.27%	2,072,312	880,000	1,716,912	79.80%
2014	703,885	7,672,343	8,376,228	1,945,000	4,922,321	121.97%	5,158,134	6,970,639	12,128,773	1,550,000	3,961,748	220.05%	1,997,367	1,010,000	1,629,375	75.68%
2015	710,154	8,227,820	8,937,974	2,095,000	4,854,414	128.61%	5,406,411	7,727,455	13,133,866	1,725,000	4,075,616	226.42%	1,957,843	1,140,000	1,616,275	71.03%
2016	854,988	8,864,540	9,719,529	2,250,000	4,723,039	139.39%	6,217,456	8,432,047	14,649,503	1,900,000	3,960,242	249.98%	1,876,597	1,280,000	1,555,250	66.19%
2017	887,957	8,976,874	9,864,831	2,400,000	5,064,471	132.16%	6,650,707	8,632,193	15,282,900	2,100,000	4,007,953	250.21%	1,782,394	1,435,000	1,486,138	61.02%
2018	1,025,199	10,211,963	11,237,162	2,575,000	5,035,864	147.65%	7,308,361	9,912,052	17,220,413	3,335,000	3,854,972	239.51%	1,627,114	1,595,000	1,408,675	54.17%
2019	1,037,858	10,724,252	11,762,110	1,405,000	6,785,788	143.60%	7,353,585	10,127,524	17,481,109	1,325,000	3,619,913	353.52%	1,297,216	1,775,000	1,322,013	41.89%
2020	688,373	11,205,444	11,893,817	3,890,250	7,370,293	105.62%	5,782,083	10,658,596	16,440,679	2,390,000	5,121,314	218.88%	1,308,375	1,965,000	1,225,300	41.01%
2021	559,093	13,037,210	13,596,303	4,458,590	7,493,404	113.76%	5,938,294	12,844,289	18,782,583	2,605,000	5,013,313	246.55%	1,258,209	2,160,000	1,118,175	38.38%

Fiscal Year	Special Assessment Bonds			Agency Special Assessment District Bonds ⁷			Taxable Lease Revenue Bonds ⁸					
	Special Assessment Collections	Principal ⁹	Interest	Coverage	Special Assessment Collections	Principal ⁹	Interest	Coverage	Rent Collections	Principal ⁹	Interest	Coverage
2012	\$ 3,219,648	\$ 1,253,744	\$ 1,406,734	121.02%	\$ 2,932,920	\$ 1,715,000	\$ 1,091,484	104.51%	\$ 912,639	\$ 380,000	\$ 105,430	188.01%
2013	3,499,396	1,367,530	1,351,835	128.68%	3,447,224	2,500,000	1,019,533	97.95%	939,875	435,000	101,885	175.06%
2014	3,206,260	1,919,200	1,269,729	100.54%	2,622,893	1,385,000	622,977	130.62%	907,589	339,000	75,858	218.77%
2015	2,808,343	1,321,910	1,153,487	113.45%	2,414,225	1,315,000	456,191	136.31%	864,294	560,000	50,871	141.49%
2016	2,436,020	1,190,640	1,069,984	107.76%	2,099,830	1,420,000	394,573	115.72%	989,960	606,000	59,167	148.83%
2017	2,742,139	1,313,400	544,611	147.58%	2,025,385	1,345,000	341,945	120.06%	953,555	656,000	83,460	128.95%
2018	2,125,279	1,299,190	541,007	115.49%	1,887,591	1,340,000	289,463	115.84%	1,068,771	1,286,000	129,711	75.49%
2019	2,115,801	1,434,010	486,136	110.19%	1,641,434	1,570,000	215,545	91.93%	980,112	684,000	160,969	115.99%
2020	2,008,461	1,327,000	397,380	116.47%	1,376,394	1,025,000	151,335	117.01%	965,132	737,000	112,113	113.66%
2021	2,019,868	1,331,760	372,989	118.48%	1,328,353	865,000	103,628	137.14%	980,247	804,000	24,315	118.34%

City of Reno, Nevada
Pledged Revenue Bond¹ Coverage (Continued)
Last Ten Fiscal Years
(Unaudited)

- Notes:
- ¹ Series 1998 Nevada Sales and Room Tax Bonds were issued on 12/28/98. These bonds were then called and paid with proceeds from the Series 2002 Senior Lien Sales and Room Tax Bond issued on 06/26/02. The 2002 bonds were refunded with the issuance of the Series 2006 Bonds on 04/14/06. Series 2006 A & B Bonds are repayable with sales tax revenues; Series 2006 C Bonds are repayable from room tax revenues. The Series 2006 A & B Bonds were refunded on 03/04/08 with the issuance of the Series 2008 A & B Bonds, which converted the 2006 A Bonds from auction rate securities to variable rate demand bonds. Totals do not include SAD bonds. Bond proceeds financed the rail transportation access corridor (ReTRAC) construction and cover capital projects.

 - ² On 10/26/05 the Series 2002 Capital Improvement Revenue Bonds were partially refunded with the issuance of the Series 2005 A Bonds; the Series 2005 B & C Bonds were also issued. The Series 2005 A Bonds, which were auction rate securities, were converted to Variable Rate Demand Bonds on 02/05/09. Totals do not reflect SAD balances. On 07/09/13, the balance of the Series 2002 Capital Improvement Revenue Bonds were refunded with the issuance of the 2013A G. O. Capital Improvement Refunding Bonds. Therefore, fiscal year 2014 includes only the payments made on the Series 2005A Bonds. On 2/26/19, the Series 2005A&B Capital Improvement Bonds were refunded with the issuance of the 2019A-1 Bonds, and the 2005C Bonds were partially advance refunded through the issuance of the 2019A-2 Bonds. Therefore, fiscal year 2019 does not include a June principal or interest payment for the 2005A Bonds nor a principal payment for the 2019A-1 and 2019A-2 bonds.

 - ³ On 10/23/08, the Series 2007 A & B Cabela's STAR Bonds were issued. Payments shown are based on amortization schedules and not on actuals.

 - ⁴ Sales and Room Tax Revenue Bonds are backed by a 1% tax on the rental of transient lodging within the City's Police Protection area, and by Washoe County's 0.125% sales tax, net of applicable fees and allowances, which is transferred to the City pursuant to an Interlocal Agreement.

 - ⁵ Capital Improvement (Events Center) Bonds are backed by an irrevocable pledge on certain taxes imposed on the rental of transient lodging within Washoe County, as well as up to 15% of consolidated tax revenues. Amounts in FY 2017 and FY 2018 reflect adjustments related to the AT&T sales and use tax refund given by the NV State Dept of Taxation

 - ⁶ Principal payments may include early principal redemptions based upon excess fund balance availability.

 - ⁷ In FY 10/11 added table for Agency SAD's reported as agency funds.
On 03/27/14, the City refunded the 2002 Special Assessment District No. 4 Limited Obligation Improvement Bonds with the Series 2014 Local Improvement Refunding Bonds (Somerset Parkway). Fiscal year 2014 includes the December 1 payment on the refunded bonds and the June 1 payment on the Series 2014 bonds.

 - ⁸ On 03/05/14, the City of Reno refinanced the Series 2006 Taxable Lease Revenue Bonds and the Series 2007 Taxable Lease Revenue Bonds with the issuance of the Series 2014 Taxable Lease Revenue Bonds. The transaction included a principal paydown using \$2.5 million realized from the sale of the land underneath the former Fitzgerald's parking garage. In fiscal year 2018, property whose rents are dedicated to the payments of the bonds were sold, with the proceeds used to make an additional principal payment. The interest rate on these bonds are tied to LIBOR.

 - ⁹ An additional principal payment of \$3,163,316 was due to sale of property collateralizing the ReTRAC Lease Revenue Bonds and a reduction of cash representing excess lease revenue.

City of Reno, Nevada
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population ¹	Personal Income (thousands of dollars) ²	Per Capita Personal Income ³	Median Age ⁴	Public School Enrollment ⁶	Charter School Enrollment ⁶	Unemployment Rate ⁵
2012	229,859	10,358,826	45,066	37.4	30,916	2,520	11.7%
2013	232,243	10,489,952	45,168	37.6	31,295	2,578	9.8%
2014	235,371	10,769,400	45,755	37.8	32,786	2,564	7.3%
2015	238,615	12,086,088	50,651	37.1	32,210	1,626 *	6.4%
2016	242,158	12,596,575	52,018	34	34,256	2,818	5.9%
2017	244,612	13,960,007	57,070	35.1	39,669	2,959	4.0%
2018	248,806	15,401,091	61,900	35.3	39,735	2,900	4.7%
2019	255,170	16,159,406	63,328	35.5	42,466	3,084	3.4%
2020	264,142	20,175,972	76,383	35.6	39,284	2,876	8.7%
2021	264,142	20,063,754	75,958	35.8	38,304	2,841	4.9%

Sources:

- ¹ Nevada State Demographer's office 1999-2007
State of Nevada Department of Taxation, Demographer - 2008 Estimate
State of Nevada Department of Taxation, Demographer - 2009 used projected figure to be certified by the Governor
Correct Prior year estimate with new data from State of Nevada, Demographer
State of Nevada Department of Taxation, Demographer-2010 Certified Figures from the Governor's office
Certification of Population by the Governor per NRS 360.285 occurs on or before March 1 of the next fiscal year we are using the known figure from the prior year each year and will correct once certification is obtained
- ² Started Calculating Personal Income 2009-calculated as Population X (Per Capita Personal Income*43%)
Personal Income 2012 estimate-Corrected Per Capita Personal Income through 2010 with BEA Figures for each Calendar year this corrected each prior year
- ³ Per Capita Personal Income 2009-US Bureau of Economic Analysis Website (www.bea.gov/regional)
Calculate FY using the 2nd Qtr of Personal Income from BEA website* 43% as this is the population % for Reno/Sparks Metro area FY 14-15 BEA website has 2011-2013 figures-Updated calculate 2014 & 2015 as above
- ⁴ Bureau of Economic and Business Research, University of Nevada, Reno, 1995-1999
State Demographer Office, UNR Small Business Development Center, 2000
Washoe County Department of Community Development, 2001-2003
Median age is for the entire County (WC Stat Section Sch 4.1)
- ⁵ State of Nevada, Department of Employment, Training and Rehabilitation
Rate is for the entire County.
2006 - Nevada Workforce Informer - rate is for the entire county. This runs approximately 2 years in the past.
2008-Nevada Workforce Informer - rate is up to date as of 6/2008

City of Reno, Nevada
Principal Employers^{1,2}
Current and Nine Years Ago
(Unaudited)

Employer	December, 2020			December, 2012		
	Rank	(Average) Employees	Percentage of Total City Employment	Rank	Employees	Percentage of Total City Employment
Washoe County School District	1	7,500	3.19%			
Renown Reginal Medical Ctr	2	7,500	3.19%	4	2,750	1.17%
Washoe County	3	2,500	1.06%	3	2,750	1.17%
Peppermill Hotel Casino	4	2,500	1.06%	5	2,250	0.96%
Grand Sierra Resort and Casino	5	2,500	1.06%			
Harrah's Reno Casino	7	2,500	1.06%			
St. Mary's Regional Medical Ctr	6	2,500	1.06%			
Eldorado Resort Casino	8	2,500	1.06%			
Silver Legacy Resort Casino	9	2,500	1.06%			
Nevada System of Higher Education	10	2,500	1.06%	2	4,250	1.81%
Washoe County School District				1	8,250	3.51%
Silver Legacy				8	2,250	0.96%
St Mary's		-		9	1,750	0.74%
Atlantis Hotel Casino		-		10	1,750	0.74%
IGT-International Gaming Technology				7	2,250	0.96%
Integrity Staffing Solutions				6	2,250	0.96%
Total		35,000	14.87%		30,500	12.96%

Source: 2009 - Current found at Department of Employment Training & Rehabilitation (Nevada State Website) 2004/2012-nevadaworkforce.com-Updated on an annual basis only use mid FY data for Stat section
*Formerly Washoe Medical Center

Note: Does not include utility companies as these are centrally assessed by the State.

www.nevadaworkforce.com Workforce Info tab-Click on Employer Directory at bottom of page-Historical Top Employers Find Washoe run to excel Shows current year and 9 in the past

Click on Employment/Unemployment, Top Employers by County, Washoe, most recent December date. 3rd party generates this information.

FY 2020-Utilize the City of Reno Budget Book for this information-they use the WC annual budget book now as the information formatting offered by the above mentioned 3rd party is insufficient for our purposes-referencing City of Reno based businesses only-Previous 9 Year information can be found in that year's annual report

City of Reno, Nevada
Full-Time Equivalent City Government Employees by Function/Program¹
Last Ten Fiscal Years
(Unaudited)

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
Management ³	46.0	48.0	44.0	47.0	44.0	51.0	51.0	46.0	42.0	44.0
Records management/cashiering	7.0	7.0	7.0	7.0	8.0	7.0	7.0	7.0	7.0	7.0
Finance	12.0	11.0	14.0	15.0	15.0	13.0	18.0	19.0	24.0	25.0
Legal	24.5	23.8	24.5	27.0	28.0	29.0	28.0	28.0	28.0	28.0
Human resources & Civil Service	10.5	6.0	9.0	9.0	12.0	11.0	10.0	9.0	9.0	9.0
Information technology	17.0	15.0	16.0	15.0	20.0	19.0	19.0	21.0	21.0	22.0
Judicial:										
Judges	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Others	52.5	48.5	44.0	44.0	43.0	44.0	46.0	46.0	46.0	46.0
Police:										
Sworn employees	304.0	306.0	318.0	296.0	319.0	329.0	322.0	327.0	336.0	337.0
Non-commissioned employees	52.0	48.0	46.0	51.0	64.5	52.0	67.5	71.5	71.75	73.75
Fire:										
Authorized emergency personnel	229.0	240.0	192.0	213.0	231.0	231.0	231.0	234.0	232.0	241.0
Fire prevention officers	15.0	12.0	12.0	12.0	11.0	14.0	14.0	14.0	16.0	16.0
Others	13.0	13.0	13.0	9.0	11.0	9.0	9.0	9.0	9.0	8.0
Public works: ⁴										
Engineers	11.0	11.5	11.5	11.0	11.0	13.0	13.0	14.0	17.0	8.2
Fleet maintenance	10.0	10.0	10.0	11.0	10.1	10.0	11.0	11.0	11.0	11.1
Others	98.0	108.0	106.0	89.1	91.4	91.0	101.5	111.5	120.9	97.2
Community development & support	25.9	23.2	22.8	27.2	24.7	25.0	46.0	28.0	41.1	42.6
Neighborhood Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	27.0	27.0
Culture and recreation	49.0	40.0	68.5	69.0	70.5	71.0	73.0	74.0	74.5	75.8
Sanitary sewer	50.0	50.0	48.5	62.9	64.5	72.0	57.5	47.0	43.0	0.0
Building permits	20.1	19.8	27.2	26.8	44.5	51.0	35.0	35.0	34.0	37.5
Golf course ²	4.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dispatch services	53.0	51.0	53.0	47.0	53.0	53.0	54.0	54.0	57.0	56.0
Utility Services										
Engineers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.7
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	70.7
Total City Employees	1,107.5	1,098.8	1,091.0	1,093.0	1,180.2	1,199.0	1,217.5	1,235.0	1,271.25	1,293.50

- Note:
- ¹ The number of employees shown are approved full-time equivalent positions. Actual employee numbers may be less if there are vacant positions as of year end.
 - ² Rosewood Lakes Golf course sold May 2014
 - ³ City Manager & Staff, Council, and Department Heads
 - ⁴ FY 20/21 Utility Services was established separate from Public Works accounting for decreases

Source: City of Reno Adopted Budget Book for the respective years

FY 10/11 Original FTE's Reduced by 534.5 Due to Layoffs over the last few years & Attrition

City of Reno, Nevada
Operating Indicators by Function/Program¹
Last Ten Fiscal Years
(Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
General government:										
Active business licenses	23,506	23,457	23,634	23,851	25,173	25,363	24,478	25,766	22,518	-
Business license audits completed	185	282	296	311	231	202	186	174	116	20
Percentage of same day response to public requests for research of public documents (No longer performance measure)	100%	97%	98%	98%	98%					
Total number of public records requests and average time open in days ¹¹						1399/ <1	4550/ 7	17138/6	19045/5	0
Judicial:										
Criminal cases prepared for trial (excl minor traffic cases)	3,107	3,774	2,971	2,843	2,256	2,916	3,149	3,152	2,573	3,253
Cases filed in municipal court	23,406	21,586	9,032	21,569	19,685	18,130	20,856	20,462	17,899	18,211
Cases adjudicated in municipal court	21,849	16,146	17,989	21,613	18,394	17,344	19,219	19,559	15,962	19,005
Police ¹ :										
Physical arrests	10,386	10,444	10,713	10,400	10,134	10,410	11,644	11,212	9,445	-
Misdemeanor citations	2,627	2,254	2,246	2,135	2,289	2,566	3,191	3,316	1,878	-
Traffic-related offenses cited	19,174	17,780	17,750	12,557	10,385	10,306	10,667	10,526	11,066	-
Fire ² :										
Fire emergencies	11,068	8,141	8,870	10,468	8,424	10,915	13,253	13,634	14,441	16,267
Emergency medical calls	26,918	25,793	28,403	25,250	25,272	26,749	28,816	28,093	28,426	27,962
Inspections	6,708	6,036	6,914	6,686	7,735	5,103	7,676	9,455	6,886	7,730
Public works:										
Streets reported in "fair" or better condition	89%	89%	91%	92%	92%	93%	93%	94%	94%	95%
Pothole calls received/% repaired within 24 hrs ⁵	132/95%	71/97%	54/100%	63/100%	52/75%	274/50%	212/30%	361/36%	123/66%	95/94%
Culture and recreation ⁴ :										
Participants in senior recreation programs	6,477	6,899	7,071	7,123	7,200	6,840	8,183	8,039	6,381	4,113
Participants in youth programs	4,356	4,395	4,672	4,709	3,928	4,240	4,575	5,059	5,838	2,115
Instructional swimming classes offered ⁸	1,228	1,242	1,233	923	925	1,084	1,595	1,224	855	303
Community devp't & support:										
Affordable housing units developed in non-RDA area ³	29	58	-	-	11	89	314	360	7	-
Rental assistance for individuals previously homeless ⁶	-	-	-	-	-	-	371	438	432	694
Housing rehabilitation/accessibility projects completed	21	12	-	-	75	147	183	7	-	-
Code enforcement cases	2,880	2,882	2,814	3,680	3,651	3,917	4,115	3,990	3,878	3,010
Sanitary Sewer:										
Lineal feet of sewer lines & storm drains maintained	6.5 mil	6.5 mil	6.8 mil	6.8 mil	6.8 mil	6.9 mil	7.0 mil	7.1 mil	7.2 mil	7.3 mil
Golf:										
Cost per acre per year to maintain golf course(s) ⁴	\$ 4,200	\$ 4,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building:										
Building permits issued	5,348	6,211	6,846	7,345	9,080	9,058	10,101	10,323	9,625	12,287
Avg. # of monthly building inspections performed	2,750	2,748	3,115	3,423	3,423	4,782	5,126	5,324	6,626	-

City of Reno, Nevada
Operating Indicators by Function/Program¹(Continued)
Last Ten Fiscal Years
(Unaudited)

Notes:

Figures in italics indicate targeted figure based on upcoming FY Budget Document that was prepared prior to final year-end figures becoming available.
All Figures are trued up the following year based on new projections and actuals reported during budget process

¹ Traffic violation information provided by the Reno Police Department

² FY 12-13-Changed methodology for reporting Fire Incidents. ALL calls reflected not just actual fires. Total calls for service received minus medical calls left the # of fire emergencies
Fire Inspection figures are a lot higher in FY 2019 due to implementation of new tracking through the Fire Department

³ In FY 10-11 the City's Neighborhood Services Division assumed the tracking of housing statistics as Affordable House initiatives are regional programs. For FY 13-14 all projects were in Sparks.

⁴ FY 13-14-Rosewood Lakes Golf Course no longer operated/maintained by the City of Reno

⁵ FY 17-18 Public Works changed its pothole repair program to repair potholes based on geographic location; only potholes on very high traffic streets are repaired within 24 hours.

⁶ FY 17-18 New Measure added for Rental Assistance from Homelessness

⁷ FY 18-19 Increase due to the first full FY including all Public Safety Divisions to City Clerk's centralized records request program. Only Muni Ct is excluded.

⁸ FY 20-Updated FY 19 to reflect adjusted # of instructional swimming classes from 748 to 1224

City of Reno, Nevada
Capital Asset Statistics by Function/Program¹
Last Ten Fiscal Years
(Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	1	2	2	0	1	1	2	2	2	2
Patrol units ¹	242	243	250	248	245	288	284	286	329	270
Fire:										
Stations	14	14	14	14	14	14	14	14	14	14
Fire fighting vehicles ³	36	36	29	29	31	34	35	36	33	36
Specialty response fire vehicles ³					26	26	26	26	17	15
Ambulances ⁴					2	4	4	4	2	1
Public works:										
Paved streets (miles)	681.2	681.2	681.2	689.3	691.0	708.9	710.0	723.5	730.5	742.4
Unpaved streets (miles)	0.7	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4
Culture and recreation:										
Acreage	2,741	2,741	2,741	2,741	2,741	2,744	2,744	2,745	2,834	2,894
Park facilities	85	85	85	85	85	85	85	86	88	87
Playgrounds	51	51	51	51	51	51	51	51	52	55
Swimming pools	5	4	4	4	4	4	4	4	4	4
Sanitary sewer:										
Sanitary sewer lines (miles)	756.0	756.0	751.0	769.0	769.0	784.0	786.0	803.0	817.0	825.0
Storm drains (miles)	481.0	481.0	528.0	528.0	528.0	530.0	534.0	548.0	562.0	565.0
Treatment capacity (millions of gallons)	44.0	44.0	44.0	44.0	46.3	46.3	39.8	44.0	44.6	44.0
Golf:										
Golf courses ²	1	1	1	1	-	-	-	-	-	-

Source: Finance Department, Budget Division, Annual Budget Book, Department Contacts

Notes:

¹ Fleet Mgmt provided total # of PD vehicles, including undercover and SAVE, increasing the # of vehicles FY 17.

² Beginning May 1, 2014, Rosewood Lakes is operated/maintained by- First Tee/Duncan Group. In FY 16 Rosewood Lakes closed due to construction of the SouthEast connector.

³ Fire Vehicles include all fire apparatus and trucks able to pump water and be used in actual fires. In FY 2010 4 vehicles went to auction per Fire Dept-Fleet Maintenance. Also in FY 2014 the number for fire vehicles were reduced to exclude non-fire fighting vehicles and HAZMAT vehicles, but those specialty vehicles have been added back effective FY 2016.

⁴ In FY 2016 the Fire Department added ambulance services as part of its Emergency Management System.

Business License Fees

City of Reno, Nevada
Schedule of Business License Fees
For the Year Ended June 30, 2021

As required by Nevada Revised Statutes (NRS) 354.624, Section 4(a), all fees imposed by a local government are subject to the provisions of NRS 354.5989. A local government may adopt new business license fees only if the revenue from the fees is less than the prescribed calculated maximum.

Flat/Fixed Fees:

Business license revenue for the year ended June 30, 2020-Adjusted Base	\$	<u>14,162,212</u>
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Adjustment to Base:

1. Percentage increase in population of the local government	0.97%		
2. Percentage increase in the Consumer Price Index for the year ending on December 31 next preceding the year for which the limit is being calculated	<u>1.50%</u>		
Total adjustment percentage	<u>2.47%</u>		
Adjustment amount (base x percentage)			<u>349,807</u>
Adjusted Base, June 30, 2021			14,512,019
Actual Revenue			<u>7,870,954</u>
Amount Over (Under) Allowable Amount			<u>\$ (6,641,064)</u>

Fees Calculated As A Percentage Of Gross Revenue:

Business license revenue for year ended June 30, 2020	\$	15,190,494
Percentage Increase In The Consumer Price Index	1.50%	<u>227,857</u>
Adjusted Base, June 30, 2021		15,418,351
Actual Revenue		<u>15,809,916</u>
Amount Over (Under) Allowable Amount		<u>\$ 391,564</u>

Auditor Comments

Report of Independent Auditors 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*

Honorable Mayor and City Council Members
City of 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, the business-type activities, each major fund, and the aggregate remaining fund information of City of Reno, Nevada (the “City”) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 a 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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*.

Purpose of this Report

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

Mass Adams LLP

Medford, Oregon
December 22, 2021

City of Reno
Schedule of Findings and Responses
For the Year Ended June 30, 2021

Financial Statement Finding – Required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards*

None reported.