

Reno-Tahoe™



Reno-Sparks Convention & Visitors Authority ♦ Washoe County ♦ State of Nevada
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2009

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

STATE OF NEVADA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended
June 30, 2009

Sharon Zadra
Chairwoman

Ellen Oppenheim
President and CEO

Tim D. Smith
Vice-President of Finance

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

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Reno-Sparks Convention & Visitors Authority

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009**

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INTRODUCTORY SECTION



AMERICA'S ADVENTURE PLACE
Reno-Sparks Convention and Visitors Authority

October 28, 2009

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

Subject: Comprehensive Annual Financial Report for the Fiscal Year
July 1, 2008 to June 30, 2009

The Comprehensive Annual Financial Report of the Reno-Sparks Convention & Visitors Authority (referred to as RSCVA or Authority) with accompanying auditor's report for the fiscal year ended June 30, 2009, is submitted herewith. This annual report was prepared in conjunction with our outside auditing firm, Kafoury, Armstrong & Co. Responsibility for the accuracy, completeness and fairness of the presentation, including all disclosures, rests with the Authority. We believe that the data, as presented, is accurate and complete in all material aspects and fairly sets forth the net assets, activities and cash flows of the Authority. We further believe that all disclosures necessary to enable the reader to gain the maximum understanding of the Authority's financial affairs have been included. This letter of transmittal is designed to complement the Management Discussion and Analysis (MD&A) and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

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

THE REPORTING ENTITY

The Reno-Sparks Convention & Visitors Authority, an independent governmental entity, was established in February 1959 as the Washoe County Fair and Recreation Board. The Authority is the operating instrumentality in the Washoe County area for promoting conventions, tourism, and outdoor recreation. To provide revenue for such purposes, pursuant to the Fair and Recreation Board statute and related provisions of the Nevada Revised Statutes, a tax on the income from room charges of transient rental facilities is imposed by the state, county, and the incorporated cities of Reno and Sparks. The tax rates as of July 1, 2006 are twelve percent (12%) in non-downtown Reno and, thirteen and one half percent (13.5%) in downtown Reno, thirteen and one half percent (13.5%) in Sparks, and twelve percent (12%) in the unincorporated areas of Washoe County.

- The Authority collects these taxes and retains a total of 8 5/8%
- 1% is remitted to the City of Reno for the National Bowling Stadium

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- 3/8% is remitted to the State of Nevada Department of Taxation
- 1% of the tax collected in Reno is returned to the City of Reno and 1% of the tax collected in the unincorporated areas of Washoe County is returned to Washoe County
- 1.5% collected in downtown Reno is returned to the City for the construction of a multi-use facility in downtown Reno
- 2.5% of the tax collected in Sparks is returned to the City of Sparks for Victorian Square capital improvements
- The remaining one percent is allocated between:
 1. Lowering the railroad tracks in downtown Reno, which 39 properties in downtown Reno pay towards, and
 2. The remaining tax collected is used by the Truckee Meadows Tourism Facility and Revitalization Steering Committee (TMTFRSC) for a multi-use facility in downtown Reno

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

ECONOMIC CONDITIONS AND OUTLOOK

Fiscal Year 2008-2009. Throughout the period covered by this report, gaming and tourism continued to be the dominant local industries, making the economic vitality of Washoe County largely dependent on a constant influx of visitors.

Total cash occupied room nights decreased from 3,782,178 room nights in 2007-08 to 3,350,268 room nights in 2008-09. Overall occupancy percentages decreased from 66.8% in 2007-08 to 60.7% in 2008-09. Average cash room rates decreased from \$78.23 for fiscal year 2007-08 to \$73.43 for fiscal year 2008-09, resulting in total taxable revenues decreasing from \$295,897,458 in fiscal year 2007-08 to \$246,004,686 in fiscal year 2008-09 (16.9% decrease).

Outlook For Fiscal Year 2009-10 and The Future. During the 2006-2007 fiscal year the Board of Directors adopted a Strategic Plan, estimated to be utilized for five to seven years, for the Organization. The plan was made up of six components:

- Increase Convention Sales and Marketing – Sell the destination as a place for

conventions, tradeshow and meetings, while leveraging the group facility assets to book maximum lodging rooms.

- Increase Tourism Sales and Marketing – Increase individual traveler and group traveler business for Reno-Tahoe by marketing regionally, nationally and internationally.
- Special Events Philosophy and Funding – Develop and implement a reasonable special events philosophy and funding system that ties to increasing room nights, average daily rate and/or measurable increased brand awareness and propensity to visit Reno-Tahoe.
- Efficiently Manage Assets – Manage the RSCVA assets (primarily the public assembly facilities and golf courses) at maximum efficiency to free up additional funds to support RSCVA key priorities.
- Develop Capital Improvement Program – Create a reasonably phased capital improvement plan for RSCVA-owned facilities to ensure they remain safe and competitive with industry standards.
- Address Average Daily Rate – Act as a catalyst to create and foster a destination-wide revenue management culture through providing our stakeholders with tools, education and incentives that promote growth in average daily rate, revenue per available room and RSCVA resources.

The Convention Center is set for the arrival of a number of new events, along with the return engagement of other major trade and sports shows, namely Safari Club International. Among the year's larger convention/special event/trade shows are:

- Hot August Nights
- Worldwide Distributors Fall Show
- Lockett & Sullivan Fall Home Show & Pet Expo
- National Tour Association
- World Religious Travel Association
- National Agricultural Aviation Association
- Safari Club International
- Wild Sheep Foundation Convention
- National Archery Buyers Association
- Hot August Nights Winter Car Show
- Worldwide Distributors Spring Show
- Abbey Carpet/Floors To Go Tradeshow
- Rocky Mountain Elk Foundation
- Lockett & Sullivan Boat, Sport, RV and Spring Home Show
- Northern California Volleyball Association, Far Western Tournament
- Jam On It Basketball Memorial Day Tournament
- Northern California Volleyball Association, High Rollers Tournament

Many of these organizations are currently booked to return to Reno in future years.

Continued emphasis on marketing the Reno, Sparks, and North Lake Tahoe Areas.

Continued heavy emphasis will be placed on marketing the region as a whole, including the brand of "Reno-Tahoe, America's Adventure Place". Our advertising will continue to focus on the area's many unique attractions, facilities, and amenities irrespective of geopolitical subdivisions.

Cash Management. Cash temporarily idle during the course of the year was invested in various short-term securities. Maturity dates of such investments are determined by anticipated cash needs. Remaining cash was deposited in interest bearing and non-interest bearing checking accounts. Total interest earned during fiscal year 2008-09 was \$481,830.

Risk Management. One of the principle charges of the Human Resources Department has been the reduction of on-the-job accidents. The Authority is self-insured for industrial insurance claims. Medical, prescription drugs, dental, life, and vision benefits are currently being offered through a number of purchased insurance plans. The Authority also self-insures for unemployment insurance, which have increased as a result of the current economic climate.

Financial Policies. The financial policies of the Authority address the various activities of the Authority. Policies have remained consistent for the year ended June 30, 2009 in relation to the continuing revenue sources and related expenditure/expense of such sources.

OTHER INFORMATION

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

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. This was the twenty-second consecutive year the Authority has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Reno-Sparks Convention & Visitors Authority, Nevada for its annual budget for the fiscal year beginning July 1, 2008. This was the

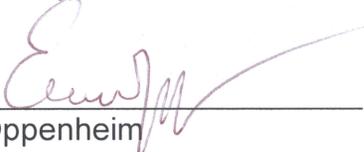
eighth consecutive year the Authority has received this prestigious award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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

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

Respectfully submitted,



Ellen Oppenheim
Chief Executive Officer



Tim D. Smith
Vice-President of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Reno-Sparks

Convention & Visitors Authority

Nevada

For its Comprehensive Annual

Financial Report

for the Fiscal Year Ended

June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



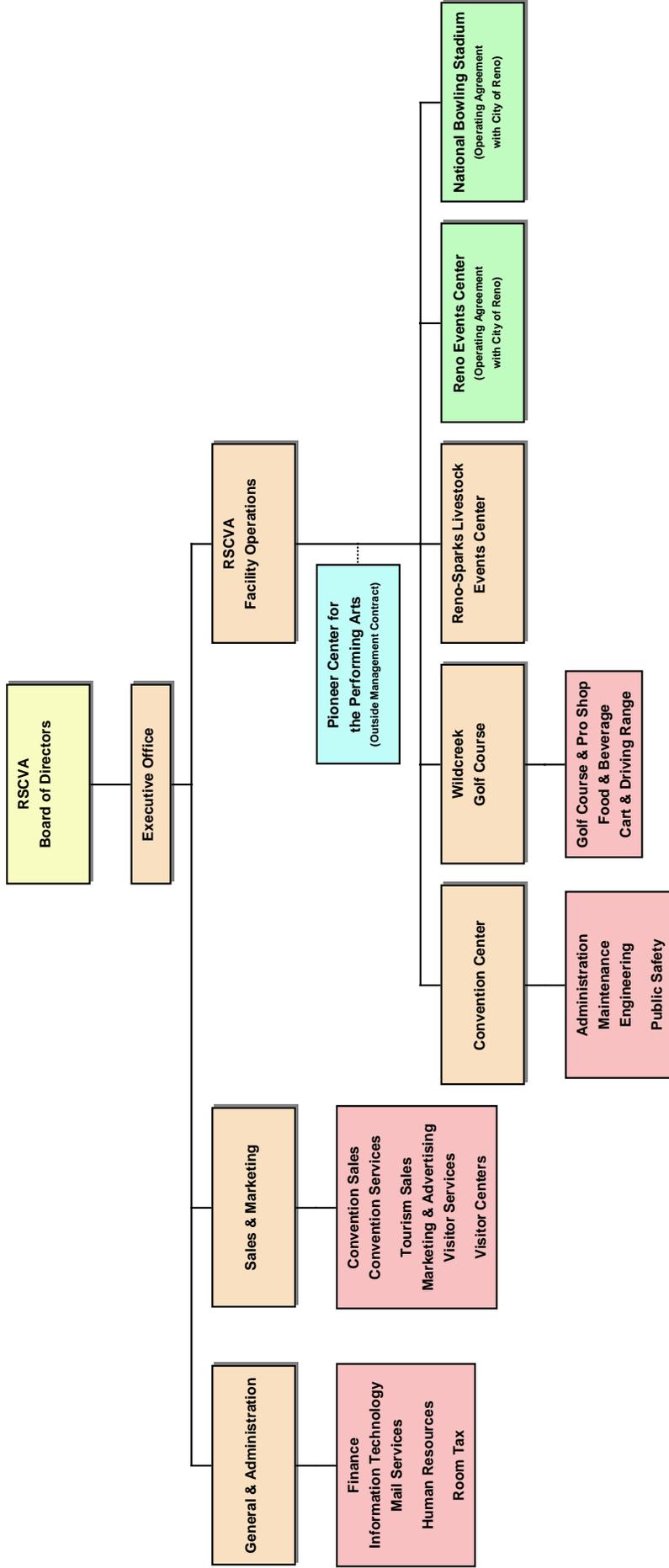
A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

Reno-Sparks Convention & Visitors Authority Financial Structure June 2009



RENO-SPARKS CONVENTION & VISITORS AUTHORITY

BOARD OF DIRECTORS



Sharon Zadra
Chairwoman
City of Reno
Term is Coterminous



Mark Pardue
Vice-Chairman
Incline Village/Crystal Bay
Term Expires January 2010



Jim DeVold
Secretary/Treasurer
Banking Industry
Term Expires July 2011

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

BOARD OF DIRECTORS - CONTINUED



Roberta Ross
Motel Industry
Term Expires June 2010



Phillip Salerno
City of Sparks
Term is coterminous



Glenn Carano
Gaming Industry
Term Expires November 2010



Dwight Dortch
City of Reno
Term is coterminous



Lynn Atcheson
Air Service Industry
Term Expires June 2010



Bonnie Weber
Washoe County
Term is coterminous



Howard A. "Hal" Lenox, Jr.
Business Industry
Term Expires March 2010



Tim Tretton
Gaming Industry
Term Expires July 2011



John Farahi
Gaming Industry
Term Expires December 2009



David Humke
Washoe County
Term is coterminous

RENO-SPARKS CONVENTION AND VISITORS AUTHORITY

EXECUTIVE STAFF



Ellen Oppenheim
President
Chief Executive Officer



Tim D. Smith
Vice-President
Finance



Joe Kelley
Vice-President
Facilities



Philip D'Amico
Vice-President
Convention Sales



Ralph Witsell
Executive Director
Tourism Sales



Michael Thomas
Executive Director
Marketing



Steve Casper
Executive Director
Human Resources



John House
General Manager
Reno-Sparks Livestock
Events Center

FINANCIAL SECTION



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

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

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 Reno-Sparks Convention & Visitors Authority, Nevada as of and for the year ended June 30, 2009, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the management of the Reno-Sparks Convention & Visitors Authority. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Reno-Sparks Convention & Visitors Authority as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2009, on our consideration of the Reno-Sparks Convention & Visitors Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and the Schedule of Funding Progress-Other Post Employment Benefits are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Reno-Sparks Convention & Visitors Authority's basic financial statements. The Introductory Section, individual fund schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Kafoury, Armstrong & Co.

Reno, Nevada
October 26, 2009

Reno-Sparks Convention & Visitors Authority Management's Discussion and Analysis

The following discussion and analysis is presented to provide the reader with an overview of the financial activity and overall financial condition of the Reno-Sparks Convention & Visitors Authority (referred to as RSCVA or Authority). 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

- The liabilities of the Authority exceeded its assets at the close of the most recent fiscal year by \$35,937,339 (net deficit). The primary reason for this deficit is that the assets included as a result of GASB 34 are exceeded by the debt included.
- The Authority's total net assets decreased by \$3,332,248. The principal causes of this decrease are 1) the payment of debt service, for which funds had been provided in a prior year, 2) depreciation on capital assets during the fiscal year and 3) the permanent closure of Northgate Golf Club. These decreases were partially offset by the contribution of water rights (previously held by Washoe County).
- At the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$15,512,811, a decrease of \$5,372,210 compared to the prior year. This change is a result of prepayment of outstanding bonds of \$3,732,821 and the poor economic conditions experienced during the year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$3,391,813, or 15.0% of total General Fund expenditures.
- The Authority's total debt decreased by \$5,257,115 during the fiscal year, as a result of principal payments on existing debt, accretion on capital appreciation bonds and bond prepayment.
- The Authority's room license tax collections decreased \$4,259,257 (16.4%) from the prior year. This decrease was primarily caused as a result of weakened economic conditions creating less visitation to the area.
- Cash and investments of the Authority decreased by \$6,631,189 (33.2%), as a result of bond prepayment, utilization of funds held in reserve and weakened economic conditions.

Overview of the Financial Statements

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

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

The Statement of Net Assets presents information on all assets and liabilities of the Reno-Sparks Convention & Visitors Authority. The difference between the total assets and total liabilities is reported as “net assets”. Over time, increases and decreases in net assets may serve as an indicator of improvement or deterioration of financial condition.

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

Governmental activities, which are supported primarily by room license taxes and facility usage fees, are distinguished from activities which are intended to recover all or a significant portion of costs through user fees and charges, as is the case with business-type functions, in the government-wide financial statements. Governmental activities include general government and community support, which includes operational costs of the facilities as well as costs associated with selling and marketing the Reno-Tahoe region. Business-type activities include the golf course operations of the RSCVA.

Fund financial statements. A fund is a legal and accounting entity with a self balancing set of accounts to track specific sources of funding and spending. The Reno-Sparks Convention & Visitors Authority, as with other governmental agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the RSCVA are divided into 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 government-wide financial statements, governmental funds focus on the current inflows and outflows of resources. This information is useful in determining current financial requirements.

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

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

Proprietary funds. The RSCVA 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. Internal service funds are used to

account for and allocate internal costs to the various departments of the RSCVA, and primarily benefit governmental rather than business-type activities. Consequently the internal service fund has been included within the governmental activities in the government-wide financial statements. The RSCVA maintains one enterprise fund (Golf Courses) and one internal service fund (Insurance).

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the Authority. These funds are not reflected in the government-wide financial statements because the resources are not available to support RSCVA programs. The Authority has established an Agency Fund to account for its Flexible Compensation (Internal Revenue Service Code Section 125 – “Cafeteria”) Plan. This Plan is available to all regular full-time employees.

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

Other information. In addition to the basic financial statements, this report also presents certain supplementary information. Individual fund statements and schedules are presented immediately following the notes to the financial statements within this report.

Government-wide Financial Analysis

By far the largest portion of the Authority’s assets (76%) reflects its investment in capital assets (e.g. buildings, machinery, and equipment). The Authority’s capital assets consist of three operating facilities – Reno-Sparks Convention Center, Reno-Sparks Livestock Events Center, and Wildcreek Golf Course - and other capital assets primarily consisting of the Pioneer Center for the Performing Arts and Incline Village Visitors Center.

The only component of net assets with a positive balance is those that are restricted for use, primarily for debt service. Both the net assets invested in capital assets, net of related debt and the unrestricted net asset classes have deficits.

Reno-Sparks Convention & Visitors Authority's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets:						
Current and other assets	\$ 18,601,511	\$ 26,915,056	\$ 9,948	\$ 25,279	\$ 18,611,459	\$ 26,940,335
Capital assets	77,114,483	82,100,747	4,358,702	2,311,832	81,463,185	84,412,579
Total assets	95,715,994	109,015,803	4,358,650	2,337,111	100,074,644	111,352,914
Liabilities:						
Long-term liabilities	130,459,957	135,721,656	65,857	61,273	130,525,814	135,782,929
Other liabilities	5,389,399	8,005,714	96,770	169,362	5,486,169	8,175,076
Total liabilities	135,849,356	143,727,370	162,627	230,635	136,011,983	143,958,005
Net Assets:						
Invested in capital assets, net of related debt	(35,103,743)	(35,530,135)	4,348,702	2,311,832	(30,755,041)	(33,218,303)
Restricted for:						
Debt service	8,205,523	8,481,707	-	-	8,205,523	8,481,707
Claims	16,381	568,404	-	-	16,381	568,404
Unrestricted / (deficit)	(13,251,523)	(8,231,543)	(152,679)	(205,356)	(13,404,202)	(8,436,899)
Total net assets	\$ (40,133,362)	\$ (34,711,567)	\$ 4,196,023	\$ 2,106,476	\$ (35,937,339)	\$ (32,605,091)

The majority of the deficit in net assets (invested in capital assets, net of related debt) is the result of 1) the Authority being unable to hold title to land (recent legislative changes have made this possible, and it is anticipated that this deficit will be reduced in FY 09-10) and 2) debt outstanding exceeds the net book value of capital assets the funds were used to construct.

The portions of the Authority's net assets that are subject to restrictions are debt service and insurance reserves.

The Authority's total net assets decreased by \$3,332,248. The principal causes of this change are:

- 1) the payment of debt service, for which funds had been provided in a prior year,
- 2) bond prepayment,
- 3) depreciation on capital assets during the fiscal year,
- 4) permanent closure of Northgate golf course, and
- 5) recording of water rights utilized for Northgate golf course (previously held by Washoe County) as an asset of the Authority.

Reno-Sparks Convention & Visitors Authority's Change in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
<i>Program revenues:</i>						
Charges for services	\$ 8,601,268	\$ 10,777,774	\$ 2,438,219	\$ 2,928,958	\$ 11,039,487	\$ 13,706,732
Operating grants and contributions	444,178	624,755	-	-	444,178	624,755
Capital grants and contributions	100,000	-	3,445,200	-	3,545,200	-
<i>General revenues:</i>						
Room taxes, penalties and interest	21,710,998	25,970,255	-	-	21,710,998	25,970,255
Unrestricted investment and interest earnings	37,652	254,163	-	-	37,652	254,163
Miscellaneous	42,422	22,615	-	-	42,422	22,615
Total revenues	30,936,518	37,649,562	5,883,419	2,928,958	36,819,937	40,578,520
Expenses:						
General government	3,587,489	3,729,349	-	-	3,587,489	3,729,349
Community support	25,387,470	30,203,964	-	-	25,387,470	30,203,964
Debt service	7,136,998	7,267,946	-	-	7,136,998	7,267,946
Golf courses	-	-	4,040,228	3,670,565	4,040,228	3,670,565
Total expenses	36,111,957	41,201,259	4,040,228	3,670,565	40,152,185	44,871,824
Increase/(decrease) in net assets before transfers	(5,175,439)	(3,551,697)	1,843,191	(741,607)	(3,332,248)	(4,293,304)
<i>Transfers</i>	(246,356)	(400,000)	246,356	400,000	-	-
Change in net assets	(5,421,795)	(3,951,697)	2,089,547	(341,607)	(3,332,248)	(4,293,304)
Net Assets, July 1	(34,711,567)	(30,759,870)	2,106,476	2,448,083	(32,605,091)	(28,311,787)
Net Assets, June 30	\$ (40,133,362)	\$ (34,711,567)	\$ 4,196,023	\$ 2,106,476	\$ (35,937,339)	\$ (32,605,091)

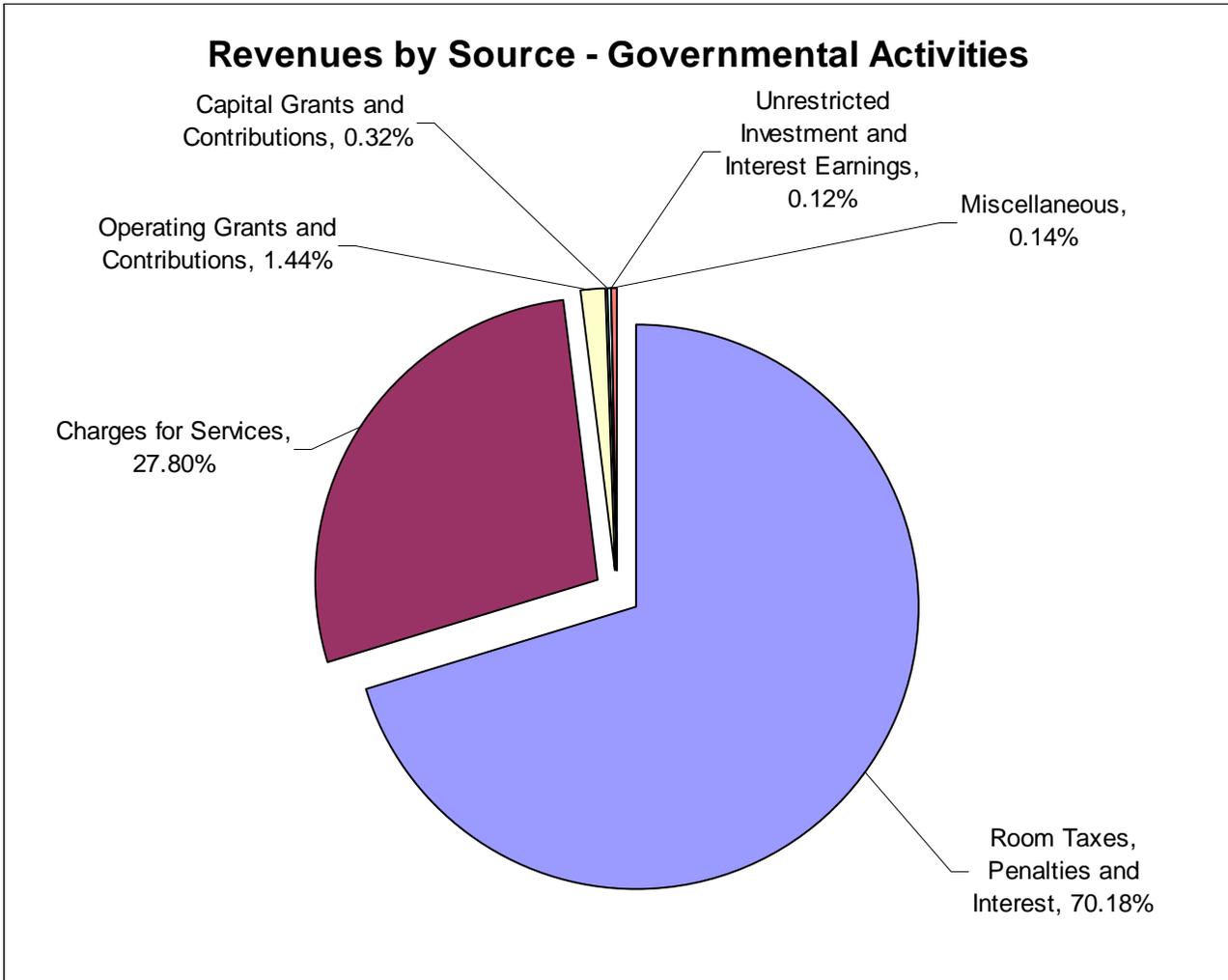
The primary revenue streams collected by the Authority are room license tax collections and charges for services (usage fees from facilities).

The Authority's room license tax collections decreased \$4,259,257 (16.4%) from the prior year. This decrease was primarily caused by decreased visitation to the area caused by the current economic downturn.

Business-type Activities reflect the loss associated with the permanent closure of Northgate Golf Club and the contribution of water rights (previously held by Washoe County) to the Authority.

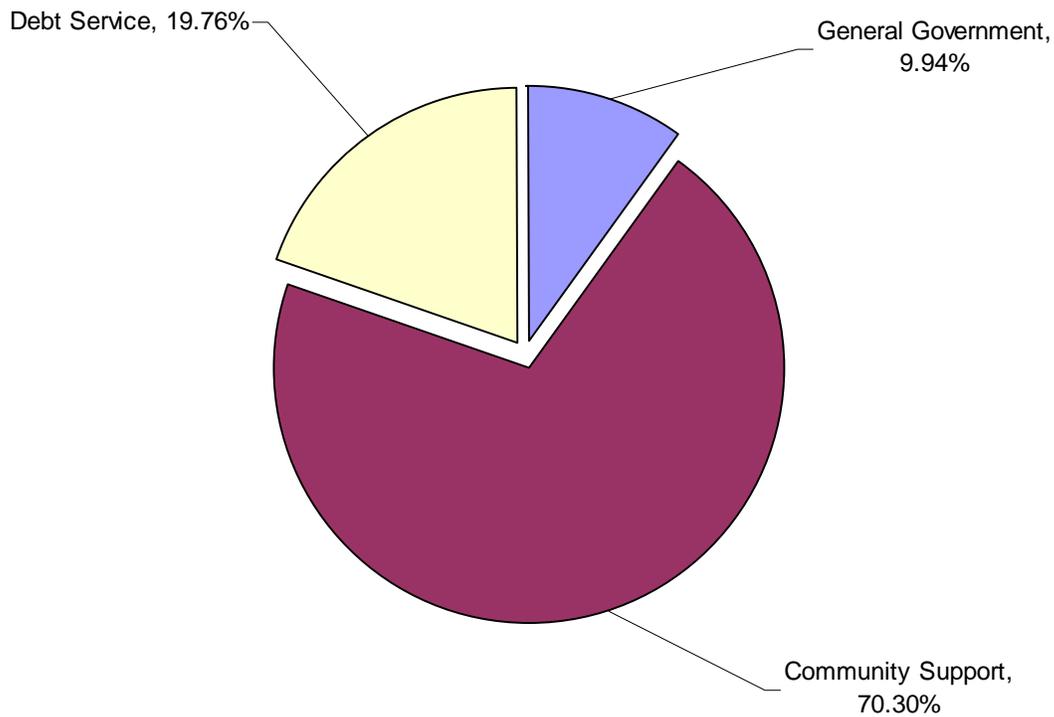
Governmental activities.

Total program revenues and expenses for governmental activities amounted to \$9,145,446 and \$36,111,957, respectively, for the 2008-09 fiscal year. As illustrated on the following chart, room tax collections are the largest revenue source, followed by charges for services.



As can be seen on the following chart, the majority of expenses are classified as Community Support. This category includes operation and maintenance costs for the facilities, as well as costs associated with selling and marketing the Reno-Tahoe region.

Expenses - Governmental Activities



Business-type activities.

Business-type activities are comprised of one enterprise fund including Wildcreek and Northgate (closed January 2009) Golf Courses. For the fiscal year 2008-09, the golf courses had revenues of \$5,883,419 and expenses of \$4,040,228 resulting in an increase in net assets (before transfers in) of \$1,843,191. Rounds played have decreased from the prior year (as the result of poor golfing weather in the early spring and the closure of Northgate Golf Club). Contributions related to water rights, were however realized. As it relates to the golf courses, the Organization's strategic plan addresses the following:

Northgate Golf Club

- Re-analyze self-operation potential by increasing use and/or prices, decreasing expenses and/or making an investment that would allow a change in financial dynamics
- Examine alternative golf operations
- Evaluate alternative uses

After evaluating the options listed above, the RSCVA Board of Directors voted to close Northgate permanently in January 2009.

Wildcreek Golf Course

- Increase rounds on the executive course
- Evaluate improvements necessary to allow revenue improvements and greater competitiveness with newer public golf courses
- Fine-tune to ensure continued break-even status

Financial Analysis of the Government's Funds

As noted earlier, the RSCVA uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

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

At the end of the current fiscal year, the RSCVA's governmental funds reported combined ending fund balances of \$15,512,811. Approximately 22% of this total amount (\$3,391,813) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to other purposes (debt, capital, encumbrances).

The General Fund is the chief operating fund of the RSCVA. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$3,391,813, while the total fund balance was \$3,439,858. As a measure of the General Fund's liquidity, it may be useful to compare fund balance with fund expenditures. The ratio of fund balance to expenditures is 15.2% for the year just completed.

The fund balance of the RSCVA's General Fund decreased by \$1,902,502 during the fiscal year. Key factors in this decrease include:

- Decreased room tax collections and facility revenues as a result of the weak economy,
- Utilization of cash from prior years to fund operations.

The Debt Service Fund has a total fund balance of \$10,655,032, all of which is reserved for the payment of debt service. The fund balance decrease of \$3,277,893 over the prior year is the result of prepayment of debt.

The Capital Projects Fund is being used primarily to track expenditures related to the expansion of the Reno-Sparks Convention Center and associated site work. The original construction project has been completed and the facility is operational. The remaining amounts in the fund are reserved for ongoing projects related to the facility. The fund balance decrease of \$191,815 is the result of expenditures for which funds had been set aside in prior years.

Proprietary funds. The RSCVA's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Golf Courses Enterprise Fund at the end of the year amounted to \$(49,307). Rounds played and revenues at the courses decreased over prior year, resulting in a reduction of net assets in the fund (excluding nonoperating loss on disposition of capital assets and capital contributions) after including a \$250,000 transfer from the General Fund.

Budgetary Highlights for the General Fund

During the year, there were no budgetary adjustments made by the Authority.

Capital Assets and Long-term Debt Activity

Capital assets. The RSCVA's investment in capital assets for its governmental and business type activities as of June 30, 2009, amounts to \$81,463,185 (net of accumulated depreciation). This investment in capital assets includes buildings, improvements and machinery and equipment. Major capital asset transactions during the fiscal year included the completion of a contract for site work at the former Liberty Belle restaurant adjacent to the Convention Center, equipment necessary for hosting basketball games at the Reno Events Center and an organization-wide telephone system.

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

Reno-Sparks Convention & Visitors Authority's Capital Assets

	Governmental Activities	Business-type Activities
Buildings and Improvements	\$ 76,157,009	\$ 135,552
Improvements	61,191	161,426
Water Rights	-	3,445,200
Machinery and Equipment	896,283	606,524
Total	\$ 77,114,483	\$ 4,348,702

Long-term debt. During fiscal year 2008-09, the Authority made payments of \$7,600,000 in principal and \$5,343,142 in interest on its outstanding debt. The chart below summarizes the Authority's outstanding bonds and loan. Additional information regarding the Authority's debt structure is presented in Note D in the Notes to Financial Statements section of this report.

Reno-Sparks Convention & Visitors Authority's Outstanding General Obligation Debt

Debt Series	Original Issue Amount	Amount Outstanding as of June 30, 2009
1999 Refunding Series	\$ 5,950,000	\$ 2,505,000
RSCC Expansion Bonds (Current Interest)	85,615,000	615,000
RSCC Expansion Bonds (Capital Appreciation)	19,384,075	31,534,882
2001 Refunding	92,995,000	92,250,000
2007 Bank Loan	3,000,000	2,800,000
Total	\$ 206,944,075	\$ 129,704,882

Known Economic Factors

- Lodging properties continue to invest capital into their current facilities:
 - Homewood Suites near the Convention Center, opened in October 2008 with 97 all suite rooms.
 - Holiday Inn Express near Reno-Tahoe International Airport, opened in October 2008 with 98 rooms and 8,000 square feet of meeting space.
 - Staybridge Suites in South Reno, opened in November 2008 with 94 rooms.
 - Hyatt Place at the Reno-Tahoe International Airport, currently under construction (to open in October 2009) with 127 all suite rooms.
 - Atlantis skybridge connecting to Reno-Sparks Convention Center and spa completed in November 2008.
 - Hyatt Summerfield Suites in Downtown Reno, planned with 149 rooms.
 - Fitzgerald's Reno – Property closed in November of 2008 to undergo conversion/renovation to a boutique hotel.
- Continued marketing and promotion directed towards bringing special events to the region that have a significant base of room nights.
- Major new retail amenities including Cabela's, in north Reno, and Scheels in Sparks.
- Triple A baseball (Reno Aces) ballpark opened in April 2009 and related retail and hotel investment forecast in the downtown area.
- \$1.2 billion Legends at the Sparks Marina destination retail and entertainment complex first phase in progress in Sparks.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

STATEMENT OF NET ASSETS

JUNE 30, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 13,336,326	\$ 5,425	\$ 13,341,751
Cash with fiscal agent	1,275,752	-	1,275,752
Receivables			
Accounts receivable	739,034	11,102	750,136
Room license taxes receivable	2,741,943	-	2,741,943
Other receivables	334,057	-	334,057
Internal balances	120,002	(120,002)	-
Inventories	-	110,992	110,992
Prepaid items	25,340	2,431	27,771
Deferred charges	29,057	-	29,057
Capital assets not being depreciated	-	3,445,200	3,445,200
Capital assets being depreciated (net of accumulated depreciation)	77,114,483	903,502	78,017,985
TOTAL ASSETS	95,715,994	4,358,650	100,074,644
LIABILITIES			
Accounts payable	286,651	46,014	332,665
Accrued liabilities	2,417,493	41,960	2,459,453
Accrued interest payable	2,449,509	-	2,449,509
Unearned revenue	235,746	8,796	244,542
Noncurrent liabilities:			
Due within one year	2,735,000	30,000	2,765,000
Due in more than one year	127,724,957	35,857	127,760,814
TOTAL LIABILITIES	135,849,356	162,627	136,011,983
NET ASSETS			
Invested in capital assets, net of related debt	(35,103,743)	4,348,702	(30,755,041)
Restricted for:			
Debt service	8,205,523	-	8,205,523
Claims	16,381	-	16,381
Unrestricted (deficit)	(13,251,523)	(152,679)	(13,404,202)
TOTAL NET ASSETS	\$ (40,133,362)	\$ 4,196,023	\$ (35,937,339)

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT FUNCTIONS/PROGRAMS						
Governmental activities:						
General government	\$ 3,587,489	\$ -	\$ -	\$ (3,213,690)	\$ -	\$ (3,213,690)
Community support	25,387,470	73,129	100,000	(16,986,872)	-	(16,986,872)
Debt service:						
Interest and fiscal charges	7,136,998	371,049	-	(6,765,949)	-	(6,765,949)
Total governmental activities	<u>36,111,957</u>	<u>444,178</u>	<u>100,000</u>	<u>(26,966,511)</u>	<u>-</u>	<u>(26,966,511)</u>
Business-type activities:						
Golf courses	4,040,228	2,438,219	3,445,200	-	1,843,191	1,843,191
TOTAL PRIMARY GOVERNMENT	<u>\$ 40,152,185</u>	<u>\$ 11,039,487</u>	<u>\$ 3,545,200</u>	<u>(26,966,511)</u>	<u>1,843,191</u>	<u>(25,123,320)</u>
GENERAL REVENUES						
Taxes:						
Room taxes, penalties and interest				21,710,998	-	21,710,998
Unrestricted investment and interest earnings				37,652	-	37,652
Miscellaneous				42,422	-	42,422
TRANSFERS				(246,356)	246,356	-
TOTAL GENERAL REVENUES AND TRANSFERS				<u>21,544,716</u>	<u>246,356</u>	<u>21,791,072</u>
CHANGE IN NET ASSETS				(5,421,795)	2,089,547	(3,332,248)
NET ASSETS, JULY 1				(34,711,567)	2,106,476	(32,605,091)
NET ASSETS, JUNE 30				<u>\$ (40,133,362)</u>	<u>\$ 4,196,023</u>	<u>\$ (35,937,339)</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

GOVERNMENTAL FUNDS
BALANCE SHEET

JUNE 30, 2009

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and investments	\$ 2,513,266	\$ 9,381,621	\$ 1,418,746	\$ 13,313,633
Cash with fiscal agent	-	1,275,752	-	1,275,752
Receivables				
Accounts receivable	739,034	-	-	739,034
Room license taxes receivable	2,741,943	-	-	2,741,943
Other receivables	334,057	-	-	334,057
Prepaid expenditures	25,340	-	-	25,340
TOTAL ASSETS	\$ 6,353,640	\$ 10,657,373	\$ 1,418,746	\$ 18,429,759
LIABILITIES				
Accounts payable	\$ 283,822	\$ 200	\$ -	\$ 284,022
Accrued liabilities	2,313,975	-	-	2,313,975
Deferred revenue	235,746	-	-	235,746
Due to other funds	80,239	2,141	825	83,205
TOTAL LIABILITIES	2,913,782	2,341	825	2,916,948
FUND BALANCES				
Reserved for				
Prepaid expenditures	25,340	-	-	25,340
Encumbrances	22,705	-	-	22,705
Debt service	-	10,655,032	-	10,655,032
Capital projects	-	-	1,417,921	1,417,921
Unreserved	3,391,813	-	-	3,391,813
TOTAL FUND BALANCES	3,439,858	10,655,032	1,417,921	15,512,811
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,353,640	\$ 10,657,373	\$ 1,418,746	\$ 18,429,759

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2009

TOTAL FUND BALANCES FOR THE GOVERNMENTAL FUNDS AS SHOWN ON THE BALANCE SHEET	\$	15,512,811
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Funds		77,114,483
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Funds:		
Accrued interest payable		(2,449,509)
Bonds and bank loan		(129,704,882)
Less: Deferred charge on funding escrow		78,919
Less: Deferred charge for issuance costs (to be amortized over life of debt)		29,057
Compensated absences		(505,831)
Net other postemployment benefits obligation		(328,163)
Internal balances are receivable from business-type activities		103,372
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in Governmental Activities in the Statement of Net Assets.		<u>16,381</u>
TOTAL NET ASSETS FOR GOVERNMENTAL ACTIVITIES AS SHOWN ON THE STATEMENT OF NET ASSETS	\$	<u>(40,133,362)</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2009

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Taxes				
Room license taxes, penalties and interest	\$ 21,710,998	\$ -	\$ -	\$ 21,710,998
Miscellaneous				
Facilities revenue	7,992,415	-	-	7,992,415
Convention and visitors service revenue	235,054	-	-	235,054
Interest on investments	37,652	371,049	73,129	481,830
Other	416,221	-	-	416,221
TOTAL REVENUES	30,392,340	371,049	73,129	30,836,518
EXPENDITURES				
Current				
General government	3,370,720	-	-	3,370,720
Community support	19,224,122	-	-	19,224,122
Debt Service				
Principal	-	7,600,000	-	7,600,000
Interest	-	5,343,142	-	5,343,142
Other bond costs	-	5,800	-	5,800
Capital outlay	-	-	714,944	714,944
TOTAL EXPENDITURES	22,594,842	12,948,942	714,944	36,258,728
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,797,498	(12,577,893)	(641,815)	(5,422,210)
OTHER FINANCING SOURCES (USES)				
Insurance recovery	-	-	100,000	100,000
Transfers from other funds	-	9,300,000	350,000	9,650,000
Transfers to other funds	(9,700,000)	-	-	(9,700,000)
TOTAL OTHER FINANCING SOURCES (USES)	(9,700,000)	9,300,000	450,000	50,000
NET CHANGE IN FUND BALANCES	(1,902,502)	(3,277,893)	(191,815)	(5,372,210)
FUND BALANCES, JULY 1	5,342,360	13,932,925	1,609,736	20,885,021
FUND BALANCES, JUNE 30	\$ 3,439,858	\$ 10,655,032	\$ 1,417,921	\$ 15,512,811

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2009

NET CHANGE IN FUND BALANCES FOR GOVERNMENTAL FUNDS AS SHOWN ON THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	\$	(5,372,210)
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Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay		433,987
Depreciation expense		(5,423,895)
Transfer of capital assets from business-type activities		3,644

The issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal of long-term debt consumes the current financial resources of Governmental Funds. Neither transaction, however, has any effect on Net Assets. Also, Governmental Funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Accretion on capital appreciation bonds		(1,921,416)
Principal payments on debt		7,600,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds.

Accrued interest		197,218
Compensated absences		(24,864)
Change in net other postemployment benefits obligation		(328,163)
Amortization on deferred charge on funding escrow		(63,858)
Amortization of issuance costs		(10,255)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net (expense) revenue of certain activities of the internal service fund is reported with Governmental Activities.

(511,983)

CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES AS SHOWN ON THE STATEMENT OF ACTIVITIES		
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\$ (5,421,795)

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
(with comparative actual amounts for the year ended June 30, 2008)
Page 1 of 2

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes					
Room license taxes, penalties and interest	\$ 27,272,613	\$ 27,272,613	\$ 21,710,998	\$ (5,561,615)	\$ 25,970,255
Miscellaneous					
Facilities revenue	10,586,650	10,586,650	7,992,415	(2,594,235)	10,089,266
Convention and visitor service revenue	308,528	308,528	235,054	(73,474)	299,008
Interest on investments	174,996	174,996	37,652	(137,344)	254,163
Other	436,802	436,802	416,221	(20,581)	412,115
TOTAL REVENUES	38,779,589	38,779,589	30,392,340	(8,387,249)	37,024,807
EXPENDITURES					
Current:					
General government					
Salaries and wages	1,730,844	1,730,844	1,504,038	226,806	1,699,281
Employee benefits	770,147	770,147	575,340	194,807	689,481
Services and supplies	1,254,142	1,254,142	1,279,004	(24,862)	1,173,660
Capital outlay	128,000	128,000	12,338	115,662	116,963
Total general government	3,883,133	3,883,133	3,370,720	512,413	3,679,385
Community support					
Facility operation					
Salaries and wages	5,264,991	5,264,991	4,204,254	1,060,737	4,828,775
Employee benefits	2,252,823	2,252,823	1,876,787	376,036	2,219,370
Services and supplies	5,768,514	5,768,514	4,916,356	852,158	6,120,836
Capital outlay	-	-	-	-	5,480
Total community support	13,286,328	13,286,328	10,997,397	2,288,931	13,174,461

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
(with comparative actual amounts for the year ended June 30, 2008)
Page 2 of 2

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
EXPENDITURES - continued					
Convention and tourism promotion					
Salaries and wages	\$ 2,841,426	\$ 2,841,426	\$ 2,222,538	\$ 618,888	\$ 2,670,305
Employee benefits	1,114,878	1,114,878	764,062	350,816	937,990
Services and supplies	6,614,615	6,614,615	4,124,744	2,489,871	6,577,209
Capital outlay	43,500	43,500	14,623	28,877	49,825
	<u>10,614,419</u>	<u>10,614,419</u>	<u>7,125,967</u>	<u>3,488,452</u>	<u>10,235,329</u>
Community grants and miscellaneous	<u>1,329,975</u>	<u>1,329,975</u>	<u>1,100,758</u>	<u>229,217</u>	<u>1,312,625</u>
Total community support	<u>25,230,722</u>	<u>25,230,722</u>	<u>19,224,122</u>	<u>6,006,600</u>	<u>24,722,415</u>
TOTAL EXPENDITURES	<u>29,113,855</u>	<u>29,113,855</u>	<u>22,594,842</u>	<u>6,519,013</u>	<u>28,401,800</u>
Excess (deficiency) of revenues over expenditures	<u>9,665,734</u>	<u>9,665,734</u>	<u>7,797,498</u>	<u>(1,868,236)</u>	<u>8,623,007</u>
OTHER FINANCING SOURCES (USES)					
Contingency	(500,000)	(500,000)	-	500,000	-
Transfers to other funds	<u>(9,600,000)</u>	<u>(9,600,000)</u>	<u>(9,700,000)</u>	<u>(100,000)</u>	<u>(10,400,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(10,100,000)</u>	<u>(10,100,000)</u>	<u>(9,700,000)</u>	<u>400,000</u>	<u>(10,400,000)</u>
Net change in fund balances	(434,266)	(434,266)	(1,902,502)	(1,468,236)	(1,776,993)
FUND BALANCE, JULY 1	<u>4,545,344</u>	<u>4,545,344</u>	<u>5,342,360</u>	<u>797,016</u>	<u>7,119,353</u>
FUND BALANCE, JUNE 30	<u>\$ 4,111,078</u>	<u>\$ 4,111,078</u>	<u>\$ 3,439,858</u>	<u>\$ (671,220)</u>	<u>\$ 5,342,360</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS

JUNE 30, 2009

	Business-type Activities <u>Enterprise Fund</u>	
	Golf Courses Fund	Governmental Activities Internal Service Fund
ASSETS		
Current assets		
Cash and investments	\$ 5,425	\$ 22,693
Accounts receivable	11,102	-
Prepaid expenses	2,431	-
Inventory	110,992	-
Due from other funds	-	99,835
Total current assets	<u>129,950</u>	<u>122,528</u>
Noncurrent assets		
Capital assets:		
Water rights	3,445,200	-
Buildings and improvements	1,322,063	-
Improvements	3,899,571	-
Furniture and equipment	1,647,011	-
	<u>10,313,845</u>	<u>-</u>
Accumulated depreciation	(5,965,143)	-
Net capital assets	<u>4,348,702</u>	<u>-</u>
TOTAL ASSETS	<u>4,478,652</u>	<u>122,528</u>
LIABILITIES		
Current liabilities		
Accounts payable	46,014	2,629
Accrued liabilities	41,960	103,518
Deferred revenue	8,796	-
Due to other funds	16,630	-
Compensated absences	30,000	-
Total current liabilities	<u>143,400</u>	<u>106,147</u>
Noncurrent liabilities		
Compensated absences	8,204	-
Net other postemployment benefits obligation	27,653	-
Total noncurrent liabilities	<u>35,857</u>	<u>-</u>
TOTAL LIABILITIES	<u>179,257</u>	<u>106,147</u>
NET ASSETS		
Invested in capital assets	4,348,702	-
Restricted for claims	-	16,381
Unrestricted (deficit)	(49,307)	-
TOTAL NET ASSETS	4,299,395	<u>\$ 16,381</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(103,372)</u>	
Net Assets of Business-type Activities	<u>\$ 4,196,023</u>	

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2009

	<u>Business-type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
	<u>Golf Courses Fund</u>	<u>Internal Service Fund</u>
OPERATING REVENUES		
Golf course operations	\$ 2,438,219	\$ -
Charges for benefits	-	1,753,128
TOTAL OPERATING REVENUES	<u>2,438,219</u>	<u>1,753,128</u>
OPERATING EXPENSES		
Salaries and wages	1,017,835	-
Employee benefits	330,520	-
Services and supplies	1,216,142	2,105,151
Depreciation	377,021	-
TOTAL OPERATING EXPENSES	<u>2,941,518</u>	<u>2,105,151</u>
OPERATING INCOME (LOSS)	(503,299)	(352,023)
NONOPERATING REVENUE (EXPENSES)		
Gain (loss) on disposition of capital assets	<u>(1,062,314)</u>	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(1,565,613)	(352,023)
CAPITAL CONTRIBUTIONS		
Contribution of water rights	<u>3,445,200</u>	-
INCOME (LOSS) BEFORE TRANSFERS	1,879,587	(352,023)
TRANSFERS IN (OUT)	<u>250,000</u>	<u>(200,000)</u>
CHANGE IN NET ASSETS	2,129,587	(552,023)
NET ASSETS, JULY 1		<u>568,404</u>
NET ASSETS, JUNE 30		<u>\$ 16,381</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(40,040)</u>	
Change in Net Assets of Business-type Activities	<u>\$ 2,089,547</u>	

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2009
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	Business-type Activities	
	Enterprise Fund	Governmental Activities Internal Service Fund
	Golf Courses Fund	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers or users	\$ 2,432,763	\$ 397,958
Cash received from interfund services provided	-	1,355,170
Cash paid to employees for services	(1,252,134)	-
Cash payments for internal services used	(117,730)	-
Cash paid to vendors for services and supplies	(1,236,294)	(2,003,684)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(173,395)	(250,556)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	250,000	-
Transfers out	-	(200,000)
Cash received from (paid to) other funds	(85,695)	455,490
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	164,305	255,490
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of capital assets	80,205	-
Purchase of capital assets	(111,210)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(31,005)	-
Net increase (decrease) in cash and investments	(40,095)	4,934
CASH AND INVESTMENTS, JULY 1	45,520	17,759
CASH AND INVESTMENTS, JUNE 30	\$ 5,425	\$ 22,693
NONCASH INVESTING AND FINANCING ACTIVITIES		
Capital assets acquired by contribution	\$ 3,445,200	\$ -
Capital assets disposed of by contribution	\$ 3,644	\$ -

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2009

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	Business-type Activities	
	<u>Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
	Golf Courses Fund	Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (503,299)	\$ (352,023)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation	377,021	-
(Increase) decrease		
Accounts receivable	(619)	-
Prepaid expenses	-	-
Inventory	21,510	-
Increase (decrease)		
Accounts payable	(41,662)	951
Accrued liabilities	(26,093)	100,516
Deferred revenue	(4,837)	-
Compensated absences payable	(23,069)	-
Net other postemployment benefits obligation	27,653	-
Total adjustments	<u>329,904</u>	<u>101,467</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ <u>(173,395)</u>	\$ <u>(250,556)</u>

See accompanying notes.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

FLEXIBLE COMPENSATION PLAN AGENCY FUND
STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2009

	<u>Agency Fund</u>
ASSETS	
Cash and investments	
Flexible compensation plan	\$ <u>14,213</u>
LIABILITIES	
Benefits payable	
Flexible compensation plan	<u>14,213</u>
NET ASSETS	\$ <u><u>-</u></u>

See accompanying notes.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity:

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

The Authority owns and operates the Reno-Sparks Convention Center, Wildcreek Golf Course, and the Reno-Sparks Livestock Events Center. The Authority also owns the Pioneer Center for the Performing Arts, which is operated by the Reno Performing Arts Council Association under contract with the Authority. Additionally, the Authority owns a building and various improvements at Incline Village (North Lake Tahoe), Nevada, which is operated by the Incline Village/Crystal Bay Visitor and Convention Bureau, a non-profit organization.

The Authority also manages the National Bowling Stadium and Reno Events Center which are owned by the City of Reno. The agreement provides possible subsidies to fund operating deficits and administrative expenditures. Net income, as defined by the agreement, will be allocated to the City of Reno (60%) and the Authority (40%).

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

The Board of Directors is responsible for establishing policy and procedures for the Organization and is not significantly influenced in any way by Washoe County or the incorporated cities of Reno and Sparks, nor are any of these entities financially accountable for the Authority as defined

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

by Statement No. 14, The Financial Reporting Entity, issued by the Governmental Accounting Standards Board. Accordingly, there is no basis for inclusion of the Authority as a component unit of any of these entities.

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

Government-wide and Fund Financial Statements:

The government-wide financial statements report information on all of the nonfiduciary activities of the primary government. Eliminations have been made to minimize the effect of interfund activity. Interfund activity does not include amounts related to services provided and used between functions. Governmental activities, which normally are supported by taxes, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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 associated with a specific function or business-type activity. 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, contributions and interest income that are restricted to meeting the operational or capital requirements of a particular function or business-type activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The fund financial statements provide information about the Authority's funds, including its fiduciary fund. Separate statements for each fund category—governmental, proprietary and fiduciary—are presented even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The fiduciary

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

fund (agency fund) is reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows.

The Authority applies all applicable GASB pronouncements, as well as, FASB Statements and Interpretations, APB Opinions and ARB's issued on or before November 30, 1989, except for those pronouncements that conflict with or contradict GASB pronouncements.

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

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

The Authority reports deferred revenues on its balance sheets. Deferred revenues arise in governmental fund types when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Authority before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Authority has a legal claim to the resources, the liability for deferred revenues is removed from the balance sheet and revenue is recognized. The majority of the deferred/(unearned) revenue reported by the Authority is as a result of money's received from customers for events at Authority facilities in future years.

The Authority reports the following major governmental funds:

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

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

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

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

The Authority reports the following major enterprise fund:

The Golf Courses Enterprise Fund is used to account for operations of the golf courses.

Additionally, the Authority reports the following fund types:

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

The Agency Fund, which is custodial in nature, accounts for the assets and liabilities of the flexible compensation program offered as benefits to the employees of the Authority.

Budgets and Budgetary Accounting:

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

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

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

2. Public hearings are conducted on the third Thursday or Friday in May to obtain public comments.
3. On or before June 1, the budget is legally enacted through passage of a resolution by a majority vote of the Authority Board.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

4. Department heads are authorized to transfer appropriations between accounts within their respective departments subject to approval of the Chief Executive Officer. The Chief Executive Officer is authorized to transfer appropriations between departments within the various functional levels of the General Fund. Any revisions that alter or augment total appropriations or transfer appropriations between functional levels must be approved by the Authority Board. Formal budgetary integration is employed as a management control device during the year for all funds of the Authority, except the Agency Fund which is not required to be budgeted.
5. Budgeted appropriations may not be exceeded by actual expenditures of the various governmental functions in the General Fund. State statutes do not require that debt service payments (Debt Service Fund) or programs of insurance (Insurance Internal Service Fund) be limited by the budget. Also, state statutes generally do not require that capital payments (Capital Projects Fund) be limited by the budget. At year-end, any unencumbered appropriations lapse. Actual expenses may not exceed the sum of budgeted operating and nonoperating expenses (excluding depreciation and loss on disposition of capital assets) in proprietary funds.

Cash and Investments:

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

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

Pursuant to Nevada Revised Statutes, the Authority may invest in United States securities, bond and indentures, negotiable certificates of deposit, certain bankers' acceptances, commercial paper, and AAA rated money market mutual funds that invest in securities issued by, or agencies of the U.S. government. The Authority, by statute, also may invest the proceeds from the Convention Center expansion bond issue in an investment contract.

In addition, the Authority may invest in the Local Government Investment Pool administered by the State Treasurer with oversight by the Board of Finance of the State of Nevada. Investment in the Local

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Government Investment Pool (LGIP) is carried at fair value, which is the same as the value of the pool shares.

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

Receivables:

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

Inventory:

Merchandise inventory for the Golf Course Pro Shop (Golf Courses Enterprise Fund) are valued at the lower of cost or market on a first-in, first-out (FIFO) basis. Charges are made to the operations at the time merchandise is sold. Miscellaneous supply purchases are expensed as incurred. Such inventories on hand at June 30, 2009 are not material and are not reflected in these financial statements.

Due To and Due From Other Funds:

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. All such balances within the governmental activities or business-type activities are eliminated in the government-wide statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as internal balances.

Capital Assets:

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

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

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

Buildings and improvements	5-30 years
Improvements	3-25 years
Furniture and equipment	3-10 years

Long-Term Liabilities:

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Issuance costs are deferred and amortized over the life of the debt. 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 deferred and amortized as a component of interest expense using the straight-line method. Bonds payable are reported net of these applicable deferred amounts.

In the governmental fund financial statements, bond costs are recognized during the current period.

Compensated Absences:

All vacation is accrued when earned in the government-wide and proprietary fund statements.

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

Fund Equity:

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

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

Restricted Net Assets – Consists of net assets with constraints placed on their use either by (1) external groups such as creditors,

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

contributors, or laws or regulations of other governments; (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Assets – All other net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

Restricted Net Assets consist of amounts restricted for debt service in accordance with bond indentures and claims for insurance for the benefit of employees in accordance with state statute.

In the governmental fund financial statements, fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Reservations of fund balance consist of amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Proprietary fund equity is classified the same as in the government-wide statements.

Revenues:

By statute and through interlocal agreement, the Authority is administrator and collection agent for all transient lodging license taxes imposed within Washoe County. Tax rates are 13.5% of gross transient lodging revenues within the City of Sparks, 13.5% of gross transient lodging revenues within the downtown of the City of Reno, and 12% of gross transient lodging revenues of properties not located in the downtown of the City of Reno and all unincorporated areas of Washoe County.

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

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

Effective June 1, 1999, transient lodging taxes increased 3%, except in the Railroad Improvement District where the increase was 2%. A 1% transient lodging tax was previously imposed on the Railroad Improvement District effective January 1, 1999. The Authority collects and remits the 1% transient lodging tax to the Railroad Improvement District. The increase in transient lodging taxes retained by the Authority is imposed by statute to be used for expansion of the Convention Center (2%). The increase in transient

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

lodging taxes not retained by the Authority (1% collected outside of the Railroad Improvement District) is remitted to the City of Reno for the Reno Events Center/National Bowling Stadium. Amounts, determined by the Special Acts of the State of Nevada, may be distributed to the City of Sparks or retained by the Authority based on allocations mandated in the Special Act. In addition, the legislation requires one-half of the proceeds received from transient lodging taxes (previously imposed taxes) collected in Incline Village, Nevada and Crystal Bay, Nevada to be granted to the Incline Village/Crystal Bay Visitor and Convention Bureau.

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

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

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

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

For the year ended June 30, 2009, principal and interest paid and total net pledged revenues were \$12,943,142 and \$13,246,958, respectively.

Comparability:

Comparative data shown for the year ended June 30, 2008 has been extracted from fiscal year 2007-08 financial statements. It has been provided to add comparability, but is not full disclosure of transactions for 2007-08. Such information can only be obtained by referring to the financial statements for that year.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE B - CASH AND INVESTMENTS

As of June 30, 2009 the Authority had the following investments and maturities:

	<u>Average Maturity</u>	<u>Fair Value</u>
Investments:		
Money Market Mutual Funds		
Fidelity Institutional Government Portfolio	50 days	\$ 3,232,378
State of Nevada Local Government Investment Pool (LGIP)	65 days	2,765,475
Guaranteed Investment Contracts	Currently available	<u>5,797,741</u>
Total Investments		11,795,594
Total Cash		<u>1,560,370</u>
Total Cash and Investments		<u>\$ 13,355,964</u>

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of investments. The Guaranteed Investment Contracts are unrated. The LGIP is an unrated external investment pool. As noted above, the Authority does not have a formal investment policy that specifies minimum acceptable credit ratings beyond those specified in statute. The ratings of the money market mutual fund investments are:

	<u>Standard & Poor's</u>	<u>Moody's</u>
Fidelity Institutional Government Portfolio	AAAm	Aaa

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Securities held by the Authority or by the Authority's custodians are diversified to eliminate risk of loss from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. The investment in the Guaranteed Investment Contracts issued by Bayerische Hypo represents 49% of investments.

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

Cash held by fiscal agent of \$1,275,752 is the payment due on bonds on July 1, 2009 (principal and interest). The amount is transferred from the collateralized account shortly before the payment is due. For that limited amount of time, the amount is uncollateralized.

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

NOTE C - CAPITAL ASSETS

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

Governmental Activities	
General government	\$ 85,931
Community support	<u>5,337,964</u>
Total depreciation expense-governmental activities	<u>\$ 5,423,895</u>
Business-Type Activities	
Golf Courses Fund	<u>\$ 377,021</u>

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance July 1, 2008	Additions and Transfers In	Deletions and Transfers Out	Completed Construction	Balance June 30, 2009
Governmental Activities					
Capital assets, not being depreciated					
Construction in progress	\$ 1,305,068	\$ 10,249	\$ -	\$ (1,315,317)	\$ -
Capital assets, being depreciated					
Buildings and improvements	148,934,839	102,670	-	1,315,317	150,352,826
Improvements	638,873	-	-	-	638,873
Furniture and equipment	2,395,297	326,747	(146,680)	-	2,575,364
Total capital assets, being depreciated	151,969,009	429,417	(146,680)	1,315,317	153,567,063
Less accumulated depreciation for					
Buildings and improvements	(69,010,777)	(5,185,040)	-	-	(74,195,817)
Improvements	(546,357)	(31,325)	-	-	(577,682)
Furniture and equipment	(1,616,196)	(209,565)	146,680	-	(1,679,081)
Total accumulated depreciation	(71,173,330)	(5,425,930)	146,680	-	(76,452,580)
Total capital assets, being depreciated, net	80,795,679	(4,996,513)	-	1,315,317	77,114,483
Governmental Activities Capital Assets, net	\$ 82,100,747	\$ (4,986,264)	\$ -	\$ -	\$ 77,114,483
Business-Type Activities					
Capital assets, not being depreciated					
Water rights	\$ -	\$ 3,445,200	\$ -	\$ -	\$ 3,445,200
Capital assets, being depreciated					
Buildings and improvements	2,686,871	18,970	(1,383,778)	-	1,322,063
Improvements	8,645,225	49,662	(4,795,316)	-	3,899,571
Furniture and equipment	2,221,252	42,578	(616,819)	-	1,647,011
Total capital assets, being depreciated	13,553,348	111,210	(6,795,913)	-	6,868,645
Less accumulated depreciation for					
Buildings and improvements	(2,264,529)	(38,112)	1,116,130	-	(1,186,511)
Improvements	(7,586,876)	(152,193)	4,000,924	-	(3,738,145)
Furniture and equipment	(1,390,111)	(186,716)	536,340	-	(1,040,487)
Total accumulated depreciation	(11,241,516)	(377,021)	5,653,394	-	(5,965,143)
Total capital assets, being depreciated, net	2,311,832	(265,811)	(1,142,519)	-	903,502
Business-Type Activities Capital Assets, net	\$ 2,311,832	\$ 3,179,389	\$ (1,142,519)	\$ -	\$ 4,348,702

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE D – AUTHORITY OBLIGATIONS

The Authority issues general obligation bonds to finance the purchase of major capital items and the acquisition or construction of major capital facilities. Bonded indebtedness has also been issued to advance refund several general obligation bonds. Medium term financing (bank loans) is also used for capital improvements.

There are a number of limitations and restrictions contained in the various general obligation bond indentures. The Authority is in compliance with all significant limitations and restrictions at June 30, 2009.

As noted, the Authority defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts' assets and liabilities for the defeased bonds are not included in the Authority's financial statements. On June 30, 2009, \$107,337,251 of bonds considered defeased are still outstanding.

Governmental activities debt is serviced through the Debt Service Fund, except for compensated absences which are funded by the General Fund. Business-type debt is serviced through the Golf Courses Enterprise Fund.

In fiscal year 2008-09, the Authority implemented GASB Statement No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This statement required the Authority to calculate and record a net other postemployment benefit obligation. At June 30, 2009, the net other postemployment benefit liability for the Authority was \$355,816. Currently, the Authority finances their liability on the pay-as-you-go basis with funds accumulated in the Insurance Internal Service Fund.

The Authority has entered into an agreement for the purchase and use of treated effluent for the Wildcreek Golf Course from the City of Sparks. The agreement calls for a base rate of \$300,000 annually to be paid in 12 equal monthly installments. The base rate may be adjusted every five years based on activity of the City of Sparks' system.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)**

The following is a schedule of minimum payments currently required under the agreement described above:

Year ending June 30,

2010	\$ 300,000
2011	300,000
2012	300,000
2013	300,000
2014	300,000
Thereafter	<u>2,375,000</u>
	<u>\$ 3,875,000</u>

During the year ended June 30, 2009, expense under the agreement was \$300,000 and is recorded in the Golf Courses Enterprise Fund.

The Authority has entered into a lease for its office facilities. The lease began during the June 30, 2004 fiscal year with \$28,920 as the monthly rent. The lease provides for fixed monthly rent plus additional rent for increases in expenses occurring during the lease term. The initial lease shall be for ten years with two options for extension of the lease for successive periods of five years each. The following is a schedule of minimum payments currently required under the agreement described above:

Year ending June 30,

2010	\$ 347,040
2011	347,040
2012	347,040
2013	347,040
2014	<u>115,680</u>
	<u>\$ 1,503,840</u>

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2009
(Continued)

Description	Interest Rate	Maturity Date	Original Issue
Governmental Activities			
General Obligation Bonds Payable			
(Limited Tax) Improvement			
and Refunding Bonds:			
August 1, 1995 Series	4.0 - 5.6%	2011	\$ 12,495,000
April 1, 1999 Series	4.0 - 4.5%	2010	5,950,000
January 2000 Series			
Current Interest	5.0 - 5.5%	2010	85,615,000
Capital Appreciation	-	2021	19,384,075
June 1, 2001 Refunding	4.0 - 5.25%	2030	92,995,000
Deferred amounts on funding			
2007 Bank Loan	3.97%	2012	3,000,000
Compensated Absences	N/A	N/A	N/A
Net Other Postemployment Benefits Obligation	N/A	N/A	N/A
Total Governmental Activities			
Business-type Activities			
Compensated Absences	N/A	N/A	N/A
Net Other Postemployment Benefits Obligation	N/A	N/A	N/A
Total Business-Type Activities			
Total Debt			

Presented below is a summary of debt service requirements to maturity of the Authority's obligations, excluding compensated absences and the net other postemployment benefits:

Year Ending June 30,	Governmental	
	Bonds	
	Principal	Interest
2010	\$ 2,235,000	\$ 4,809,738
2011	1,700,000	4,719,495
2012	2,156,269	4,890,447
2013	4,297,744	5,413,492
2014	4,066,859	5,627,404
2015-2019	19,650,267	32,224,569
2020-2024	28,333,743	26,024,748
2025-2029	52,325,000	10,278,081
2030	12,140,000	318,675
	<u>\$ 126,904,882</u>	<u>\$ 94,306,649</u>

<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>	<u>Due in</u> <u>2009-2010</u>
\$ 5,345,000	\$ -	\$ 5,345,000	\$ -	\$ -
3,675,000	-	1,170,000	2,505,000	1,220,000
1,220,000	-	605,000	615,000	615,000
29,613,466	1,921,416	-	31,534,882	-
92,630,000	-	380,000	92,250,000	400,000
(142,777)	-	(63,858)	(78,919)	-
<u>2,900,000</u>	<u>-</u>	<u>100,000</u>	<u>2,800,000</u>	<u>100,000</u>
<u>135,240,689</u>	<u>1,921,416</u>	<u>7,536,142</u>	<u>129,625,963</u>	<u>2,335,000</u>
<u>480,967</u>	<u>438,887</u>	<u>414,023</u>	<u>505,831</u>	<u>400,000</u>
<u>-</u>	<u>493,143</u>	<u>164,980</u>	<u>328,163</u>	<u>-</u>
<u>135,721,656</u>	<u>2,853,446</u>	<u>8,115,145</u>	<u>130,459,957</u>	<u>2,735,000</u>
<u>61,273</u>	<u>26,953</u>	<u>50,022</u>	<u>38,204</u>	<u>30,000</u>
<u>-</u>	<u>27,653</u>	<u>-</u>	<u>27,653</u>	<u>-</u>
<u>61,273</u>	<u>54,606</u>	<u>50,022</u>	<u>65,857</u>	<u>30,000</u>
<u>\$ 135,782,929</u>	<u>\$ 2,908,052</u>	<u>\$ 8,165,167</u>	<u>\$ 130,525,814</u>	<u>\$ 2,765,000</u>

Activities

<u>Medium Term</u>	
<u>Principal</u>	<u>Interest</u>
\$ 100,000	\$ 111,076
679,000	107,109
2,021,000	80,173
-	-
-	-
-	-
-	-
-	-
<u>\$ 2,800,000</u>	<u>\$ 298,358</u>

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE E - FLEXIBLE COMPENSATION PLAN

The Authority provides a Flexible Compensation (Internal Revenue Code Section 125) Plan for its employees. Under this Plan, employees may elect to contribute a portion of their compensation into the Plan for current and subsequent reimbursement of qualified expenses. An independent administrative firm has been retained to act as custodian of the Plan, maintain Plan records, and account for receipt and disbursement of Plan funds.

NOTE F - INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances (amounts paid on behalf of other funds) as of June 30, 2009 is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Insurance Internal Service Fund	General Fund	\$ 80,239
Insurance Internal Service Fund	Golf Courses Enterprise Fund	16,630
Insurance Internal Service Fund	Debt Service Fund	2,141
Insurance Internal Service Fund	Capital Projects Fund	825
		<u>\$ 99,835</u>

Internal Balances

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Insurance Internal Service Fund	Golf Courses Enterprise Fund	\$ (16,630)
Effects of Internal Service Fund activity		(103,372)
		<u>\$ (120,002)</u>

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

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Interfund transfers for the year ended June 30, 2009 consisted of the following:

	Transfers In			Total
	Debt Service Fund	Capital Projects Fund	Golf Courses Enterprise Fund	
Transfers Out:				
General Fund	\$9,100,000	\$350,000	\$250,000	\$9,700,000
Insurance				
Internal				
Service Fund	200,000	-	-	200,000
Total	\$9,300,000	\$350,000	\$250,000	\$9,900,000

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

NOTE G - RETIREMENT PLAN

Plan Description: The Authority contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple employer, defined benefit plan administered by the Public Employees Retirement System of the State of Nevada. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to participants of PERS. These benefit provisions may only be amended through legislation. The Public Employees Retirement System of the State of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 Nye Lane, Carson City, NV 89703-1599, or by calling (775) 687-4200.

**RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)**

Funding Policy: All of the employees of the Authority are under the employer pay contribution plan, where the Authority is required to contribute all amounts due under the plan. The contribution requirements of the Authority are established by Chapter 286 of the Nevada Revised Statutes. The funding mechanism may only be amended through legislation. The Authority's contribution rates based on employee members covered payroll and amounts contributed (equal to the required contributions) for the last three years are as follows:

<u>Fiscal Year</u>	<u>Contribution Rates</u>	<u>Total Contributions</u>
2008-09	20.50%	\$1,567,133
2007-08	20.50%	1,827,409
2006-07	19.75%	1,680,874

NOTE H - POSTEMPLOYMENT HEALTH INSURANCE BENEFITS

RSCVA Retiree Health Benefit Program:

Plan Description: In accordance with Nevada Revised Statutes 287.010, the Authority adopted the RSCVA Retiree Health Benefit Program to provide postemployment benefits to eligible employees on retirement. The plan is a single employer defined benefit plan. GASB Statement No. 45, *Accounting and Financial Reporting For Postemployment Benefits Other than Pensions*, has been implemented prospectively for the plan. Employees retiring from the Authority under PERS with a minimum of ten years service are allowed continued participation (for retiree and eligible dependents) in the Authority's group health insurance program (medical, prescription, vision, dental and life insurance). Retirees are responsible for payment of unsubsidized premiums as well as premiums for eligible dependents. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan; all required disclosures are included in these financial statements.

Eligibility requirements, benefit levels, employee contributions, and employer contributions are governed by the Authority and can be amended through the Authority.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Funding Policy: The retiree insurance premiums are subsidized by the Authority based upon length of service as follows:

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

The Authority finances the plan on a pay-as-you-go basis with transfers from the General Fund to the Insurance Internal Service Fund.

The Authority's obligation for subsidies is limited to payment of the required premium. The current year contribution was \$150,702 for 34 retirees and 3 retiree survivors and eligible dependents, which equaled the required contribution.

Annual OPEB Cost and Net OPEB Obligation: The Authority had an actuarial valuation performed for the plan as of January 1, 2009. The valuation was done to determine the funded status of the plan as well as the Authority's annual required contribution (ARC) for the fiscal year ended June 30, 2009. As of June 30, 2009 the plan was zero percent funded. For the fiscal year 2008-09, the Authority's employer contribution, including the value of the plan's implicit rate subsidy, for retirees' benefits was \$150,702 for 34 retirees and 3 retiree survivors and eligible dependents. The Authority's contribution was financed on the pay-as-you-go basis with funds transferred from the General Fund.

<u>Fiscal Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2009	\$ 506,380	\$ 150,702	29.76%	\$ 355,678

The net OPEB obligation as of June 30, 2009 was calculated as follows:

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Determination of Annual Required Contribution:	
Normal Cost	\$ 309,652
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	196,728
Annual Required Contribution (ARC)	\$ 506,380
Determination of Net OPEB Obligation:	
Annual Required Contribution	\$ 506,380
Interest on Net OPEB Obligation	-
Adjustment to ARC	-
Annual OPEB Cost	506,380
Retiree Benefits Paid by Authority	(150,702)
Increase (decrease) in Net OPEB Obligation	355,678
Net OPEB Obligation, July 1, 2008	-
Net OPEB Obligation, June 30, 2009	\$ 355,678

Funded Status and Funding Progress:

Actuarial Accrued Liability (AAL)	\$ 5,324,303
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 5,324,303
Funded Ratio (Actual Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members as of June 30, 2009)	\$ 6,446,418
UAAL as a Percentage of Covered Payroll	82.59%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimated are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information as it becomes available. The schedule will show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Actuarial Methods and Assumption: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2009 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions include a 4% valuation interest rate on investments and an annual healthcare trend rate beginning at 11.0% for fiscal year 2009, declining by 1.0% per year to an ultimate trend of 5% for the 2016 fiscal year. These rates include a 3.0% inflation assumption. The actuarial value of plan assets was not determined as the Authority has not advance-funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of payroll over 30 years on an open basis. It was assumed the Authority's payroll would increase 6.5% per year for the purpose of amortization.

State of Nevada's Public Employee Benefit Plan (PEBP):

Plan Description: NRS 287.023 allows retired employees of governmental entities within the State of Nevada to join the State's Public Employee Benefit Program (PEBP), an agent multiple-employer defined benefit OPEB plan administered by a nine member governing board. GASB Statement No. 45, *Accounting and Financial Reporting For Postemployment Benefits Other than Pensions*, has been implemented prospectively for the plan. PEBP provides medical, prescription, vision, life and accident insurance, and dental for retirees. Retirees can choose between a self funded preferred provider organization (PPO) and a health maintenance organization (HMO) plan. Retirees are responsible for payment of unsubsidized premiums. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan and no financial reports are issued.

Eligibility and subsidy requirements are governed by statutes of the State of Nevada and can only be amended through legislation. The statutes were revised with an effective date of November 30, 2008, to create new participation limitations so that only active

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

members of PEBP can elect coverage after retirement. Based on the statute revision, former Authority employees and retirees must have retired and joined PEBP by September 1, 2008 to elect PEBP membership. Consequently, no employees retiring from the Authority on or after September 1, 2008 will be eligible to participate in the PEBP plan as a retiree at the Authority's expense.

Funding Policy: The Authority is required to provide a subsidy for their retirees that have elected to join PEBP. The subsidy is paid on the pay-as-you-go basis. Contribution requirements for plan members and the participating employers are assessed by PEBP Board annually. The contributions required for PEBP subsidies depends on the date of retirement or prior years of Public Employees Retirement System (PERS) service former employees earned while working for the Authority. The subsidy depends on years of service and ranges from a minimum of \$9 to a maximum of \$503 per month. Subsidies for retiree premiums participating in the State PEBP are paid directly to the State when due. The Authority's obligation for subsidies is limited to payment of the statutorily required contribution. The current year contribution to PEBP was \$14,278 for 9 retirees, which equaled the required contribution.

Annual OPEB Cost and Net OPEB Obligation: The Authority had an actuarial valuation performed for the plan as of January 1, 2009. The valuation was done to determine the funded status of the plan as well as the Authority's annual required contribution (ARC) for the fiscal year ended June 30, 2009. As of June 30, 2009 the Plan was zero percent funded. For the fiscal year 2008-09, the Authority's employer contribution for retirees' benefits was \$14,278 for 9 eligible participants. The Authority's contribution was financed on the pay-as-you-go basis with PEBP subsidy payments paid directly to PEBP.

<u>Fiscal Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2009	\$ 14,416	\$ 14,278	99.04%	\$ 138

The net OPEB obligation as of June 30, 2009 was calculated as follows:

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Determination of Annual Required Contribution:	
Normal Cost	\$ -
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	14,416
Annual Required Contribution (ARC)	\$ 14,416
Determination of Net OPEB Obligation:	
Annual Required Contribution	\$ 14,416
Interest on Net OPEB Obligation	-
Adjustment to ARC	-
Annual OPEB Cost	14,416
Retiree Benefits Paid by Authority	(14,278)
Increase (decrease) in Net OPEB Obligation	138
Net OPEB Obligation, July 1, 2008	-
Net OPEB Obligation, June 30, 2009	\$ 138

Funded Status and Funding Progress:

Actuarial Accrued Liability (AAL)	\$ 390,146
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 390,146
Funded Ratio (Actual Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members as of June 30, 2009)	N/a
UAAL as a Percentage of Covered Payroll	N/a

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimated are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information as it becomes available. The schedule will show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2009 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions include a 4% valuation interest rate on investments and an annual healthcare trend rate beginning at 11.0% for fiscal year 2009, declining by 1.0% per year to an ultimate trend of 5% for the 2016 fiscal year. These rates include a 3.0% inflation assumption. The actuarial value of plan assets was not determined as the Authority has not advance-funded its obligation. The plan's unfunded actuarial accrued liability is amortized as a level dollar amount over 30 years on an open basis.

NOTE I – INSURANCE

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

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

- \$180,000 per claim in the first year
- \$120,000 in the second year
- \$100,000 in the third year, and
- \$300,000 self-insured aggregate retention

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

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

	<u>Workers'</u> <u>Compensation Claims</u>
Claims liability, July 1, 2007	\$ 26,091
Claims and changes in estimates	4,170
Claims payments	<u>(27,259)</u>
Claims liability, June 30, 2008	3,002
Claims and changes in estimates	32,230
Claims payments	<u>(28,368)</u>
Claims liability, June 30, 2009	<u>\$ 6,864</u>

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

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

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

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

Reno-Sparks Convention & Visitors Authority
Required Supplementary Information
June 30, 2009

Schedule of Funding Progress - Other Postemployment Benefits

RSCVA Retiree Health Benefit Program

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(a/b) Funded Ratio	(b-a) Accrued Liability (UAAL)	(c) Covered Payroll	(b - a) / (c) UAAL as a Percent of Covered Payroll
January 1, 2009	\$ -	\$ 5,324,303	0.00%	\$ 5,324,303	\$ 6,446,418	82.59%

RSCVA - State of Nevada Public Employment Benefit Plan (PEBP)

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(a/b) Funded Ratio	(b-a) Accrued Liability (UAAL)	(c) Covered Payroll	(b - a) / (c) UAAL as a Percent of Covered Payroll
January 1, 2009	\$ -	\$ 390,146	0.00%	\$ 390,146	N/a	N/a

Note: PEBP is a closed plan as of September 2008.

Multiyear information will be provided as it becomes available.

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DEBT SERVICE FUND

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

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
(with comparative actual amounts for the year ended June 30, 2008)

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
REVENUES					
Miscellaneous					
Interest on investments	\$ 483,422	\$ 483,422	\$ 371,049	\$ (112,373)	\$ 512,093
EXPENDITURES					
Debt service					
Principal	3,935,000	3,935,000	7,600,000	(3,665,000)	4,975,000
Interest	5,275,321	5,275,321	5,343,142	(67,821)	5,395,119
	<u>9,210,321</u>	<u>9,210,321</u>	<u>12,943,142</u>	<u>(3,732,821)</u>	<u>10,370,119</u>
Other bond costs					
Administrative fees	9,100	9,100	5,800	3,300	9,100
Total expenditures	<u>9,219,421</u>	<u>9,219,421</u>	<u>12,948,942</u>	<u>(3,729,521)</u>	<u>10,379,219</u>
Excess (deficiency) of revenues over expenditures	(8,735,999)	(8,735,999)	(12,577,893)	(3,841,894)	(9,867,126)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	8,700,000	8,700,000	9,300,000	600,000	9,500,000
Net change in fund balances	(35,999)	(35,999)	(3,277,893)	(3,241,894)	(367,126)
FUND BALANCE, JULY 1	<u>15,450,475</u>	<u>15,450,475</u>	<u>13,932,925</u>	<u>(1,517,550)</u>	<u>14,300,051</u>
FUND BALANCE, JUNE 30	<u>\$ 15,414,476</u>	<u>\$ 15,414,476</u>	<u>\$ 10,655,032</u>	<u>\$ (4,759,444)</u>	<u>\$ 13,932,925</u>

CAPITAL PROJECTS FUND

To account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
(with comparative actual amounts for the year ended June 30, 2008)

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
REVENUES					
Miscellaneous					
Interest on investments	\$ 79,050	\$ 79,050	\$ 73,129	\$ (5,921)	\$ 112,662
EXPENDITURES					
Capital outlay	1,440,000	1,440,000	714,944	725,056	1,414,696
Excess (deficiency) of revenues over expenditures	(1,360,950)	(1,360,950)	(641,815)	719,135	(1,302,034)
OTHER FINANCING SOURCES (USES)					
Insurance recovery	-	-	100,000	100,000	-
Transfers from other funds	700,000	700,000	350,000	(350,000)	500,000
TOTAL OTHER FINANCING SOURCES (USES)	700,000	700,000	450,000	(250,000)	500,000
Net change in fund balances	(660,950)	(660,950)	(191,815)	469,135	(802,034)
FUND BALANCE, JULY 1	1,550,573	1,550,573	1,609,736	59,163	2,411,770
FUND BALANCE, JUNE 30	\$ 889,623	\$ 889,623	\$ 1,417,921	\$ 528,298	\$ 1,609,736

ENTERPRISE FUND

The Enterprise Fund is established to account for operations of the golf courses, which are financed and operated in a manner similar to a private business enterprise, where the intent of the Authority is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
 GOLF COURSES ENTERPRISE FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
 (with comparative actual amounts for the year ended June 30, 2008)

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
OPERATING REVENUES					
Golf course operations	\$ 3,082,854	\$ 3,082,854	\$ 2,438,219	\$ (644,635)	\$ 2,928,958
OPERATING EXPENSES					
Salaries and wages	1,340,377	1,340,377	1,017,835	322,542	1,259,035
Employee benefits	437,750	437,750	330,520	107,230	414,655
Services and supplies	1,428,897	1,428,897	1,216,142	212,755	1,481,701
Depreciation	555,084	555,084	377,021	178,063	514,905
TOTAL OPERATING EXPENSES	3,762,108	3,762,108	2,941,518	820,590	3,670,296
OPERATING INCOME (LOSS)	(679,254)	(679,254)	(503,299)	175,955	(741,338)
NONOPERATING REVENUE (EXPENSES)					
Gain (loss) on disposition of capital assets	-	-	(1,062,314)	(1,062,314)	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(679,254)	(679,254)	(1,565,613)	(886,359)	(741,338)
CAPITAL CONTRIBUTIONS					
Contribution of water rights	-	-	3,445,200	3,445,200	-
INCOME (LOSS) BEFORE TRANSFERS	(679,254)	(679,254)	1,879,587	2,558,841	(741,338)
TRANSFERS IN (OUT)	500,000	500,000	250,000	(250,000)	400,000
CHANGE IN NET ASSETS	\$ (179,254)	\$ (179,254)	2,129,587	\$ 2,308,841	(341,338)
NET ASSETS, JULY 1			2,169,808		2,511,146
NET ASSETS, JUNE 30			\$ 4,299,395		\$ 2,169,808

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

GOLF COURSES ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
INCREASE (DECREASE) IN CASH AND INVESTMENTS
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
(with comparative actual amounts for the year ended June 30, 2008)

Page 1 of 2

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
CASH FLOWS FROM					
OPERATING ACTIVITIES					
Cash received from customers	\$ 3,082,854	\$ 3,082,854	\$ 2,432,763	\$ (650,091)	\$ 2,931,569
Cash paid to employees for services	(1,340,377)	(1,340,377)	(1,252,134)	88,243	(1,499,947)
Cash payments for internal services used	(150,000)	(150,000)	(117,730)	32,270	(163,698)
Cash paid to vendors for services and supplies	(1,716,647)	(1,716,647)	(1,236,294)	480,353	(1,502,123)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(124,170)	(124,170)	(173,395)	(49,225)	(234,199)
CASH FLOWS FROM NONCAPITAL					
FINANCING ACTIVITIES					
Transfers in	500,000	500,000	250,000	(250,000)	400,000
Cash received from (paid to) other funds	-	-	(85,695)	(85,695)	92,958
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	500,000	500,000	164,305	(335,695)	492,958
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of capital assets	-	-	80,205	80,205	-
Purchase of capital assets	(300,000)	(300,000)	(111,210)	188,790	(261,933)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(300,000)	(300,000)	(31,005)	268,995	(261,933)
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	75,830	75,830	(40,095)	(115,925)	(3,174)
CASH AND INVESTMENTS, JULY 1	146,199	146,199	45,520	(100,679)	48,694
CASH AND INVESTMENTS, JUNE 30	\$ 222,029	\$ 222,029	\$ 5,425	\$ (216,604)	\$ 45,520
NONCASH INVESTING AND FINANCING ACTIVITIES					
Capital assets acquired by contribution			\$ 3,445,200		\$ -
Capital assets disposed of by contribution			\$ 3,644		\$ -

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

GOLF COURSES ENTERPRISE FUND
 SCHEDULE OF CASH FLOWS
 INCREASE (DECREASE) IN CASH AND INVESTMENTS
 BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
 (with comparative actual amounts for the year ended June 30, 2008)
 Page 2 of 2

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (679,254)	\$ (679,254)	\$ (503,299)	\$ 175,955	\$ (741,338)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation	555,084	555,084	377,021	(178,063)	514,905
(Increase) decrease					
Accounts receivable	-	-	(619)	(619)	13,040
Prepaid expenses	-	-	-	-	(2,431)
Inventory	-	-	21,510	21,510	(5,716)
Increase (decrease)					
Accounts payable	-	-	(41,662)	(41,662)	(12,275)
Accrued liabilities	-	-	(26,093)	(26,093)	6,473
Deferred revenue	-	-	(4,837)	(4,837)	(10,429)
Compensated absences payable	-	-	(23,069)	(23,069)	3,572
Net other postemployment benefits obligation	-	-	27,653	27,653	-
Total adjustments	555,084	555,084	329,904	(225,180)	507,139
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (124,170)	\$ (124,170)	\$ (173,395)	\$ (49,225)	\$ (234,199)

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INTERNAL SERVICE FUND

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

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

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF NET ASSETS

JUNE 30, 2009
(with comparative totals at June 30, 2008)

	<u>2009</u>	<u>2008</u>
ASSETS		
Current assets		
Cash and investments	\$ 22,693	\$ 17,759
Due from other funds	<u>99,835</u>	<u>555,325</u>
TOTAL ASSETS	<u>122,528</u>	<u>573,084</u>
LIABILITIES		
Current liabilities		
Accounts payable	2,629	1,678
Accrued liabilities	<u>103,518</u>	<u>3,002</u>
TOTAL LIABILITIES	<u>106,147</u>	<u>4,680</u>
NET ASSETS		
Restricted for claims	<u>\$ 16,381</u>	<u>\$ 568,404</u>

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
(with comparative actual amounts for the year ended June 30, 2008)

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
OPERATING REVENUES					
Charges for benefits	\$ 2,039,027	\$ 2,039,027	\$ 1,753,128	\$ (285,899)	\$ 1,868,778
OPERATING EXPENSES					
Insurance and claims	2,241,000	2,241,000	2,089,625	151,375	1,854,579
Administrative expenses	17,120	17,120	15,526	1,594	16,434
TOTAL OPERATING EXPENSES	2,258,120	2,258,120	2,105,151	152,969	1,871,013
OPERATING INCOME (LOSS) BEFORE TRANSFERS	(219,093)	(219,093)	(352,023)	(132,930)	(2,235)
TRANSFERS IN (OUT)	(300,000)	(300,000)	(200,000)	100,000	-
CHANGE IN NET ASSETS	\$ (519,093)	\$ (519,093)	(552,023)	\$ (32,930)	(2,235)
NET ASSETS, JULY 1			568,404		570,639
NET ASSETS, JUNE 30			\$ 16,381		\$ 568,404

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

INSURANCE INTERNAL SERVICE FUND
 SCHEDULE OF CASH FLOWS
 INCREASE (DECREASE) IN CASH AND INVESTMENTS
 BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
 (with comparative actual amounts for the year ended June 30, 2008)
 Page 1 of 2

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Budget	Actual
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from users	\$ 589,027	\$ 589,027	\$ 397,958	\$ (191,069)	\$ 386,560
Cash received from internal services provided	1,450,000	1,450,000	1,355,170	(94,830)	1,482,218
Cash paid to vendors for services and supplies	(2,258,120)	(2,258,120)	(2,003,684)	254,436	(1,913,188)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(219,093)	(219,093)	(250,556)	(31,463)	(44,410)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers out	(300,000)	(300,000)	(200,000)	100,000	-
Cash received from (paid to) other funds	500,000	500,000	455,490	(44,510)	47,152
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	200,000	200,000	255,490	55,490	47,152
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	(19,093)	(19,093)	4,934	24,027	2,742
CASH AND INVESTMENTS, JULY 1	57,470	57,470	17,759	(39,711)	15,017
CASH AND INVESTMENTS, JUNE 30	\$ 38,377	\$ 38,377	\$ 22,693	\$ (15,684)	\$ 17,759

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

INSURANCE INTERNAL SERVICE FUND
 SCHEDULE OF CASH FLOWS
 INCREASE (DECREASE) IN CASH AND INVESTMENTS
 BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2009
 (with comparative actual amounts for the year ended June 30, 2008)
 Page 2 of 2

	2009 Budget Amount		2009		2008
	Original	Final	Actual	Variance to Final Budget	Actual
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (219,093)	\$ (219,093)	\$ (352,023)	\$ (132,930)	\$ (2,235)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
(Increase) decrease					
Prepaid expenses	-	-	-	-	-
Increase (decrease)					
Accounts payable	-	-	951	951	(1,285)
Accrued liabilities	-	-	100,516	100,516	(40,890)
Total adjustments	-	-	101,467	101,467	(42,175)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (219,093)	\$ (219,093)	\$ (250,556)	\$ (31,463)	\$ (44,410)

FIDUCIARY FUND

Agency funds are used to account for assets held by the government as an agent.

RENO-SPARKS CONVENTION & VISITORS AUTHORITY
FLEXIBLE COMPENSATION PLAN AGENCY FUND
SCHEDULE OF CHANGES IN AGENCY FUND ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
ASSETS				
Cash and investments				
Flexible compensation plan	\$ <u>18,557</u>	\$ <u>15,364</u>	\$ <u>19,708</u>	\$ <u>14,213</u>
 LIABILITIES				
Benefits payable				
Flexible compensation plan	\$ <u>18,557</u>	\$ <u>15,364</u>	\$ <u>19,708</u>	\$ <u>14,213</u>

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STATISTICAL SECTION

This part of the RSCVA's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

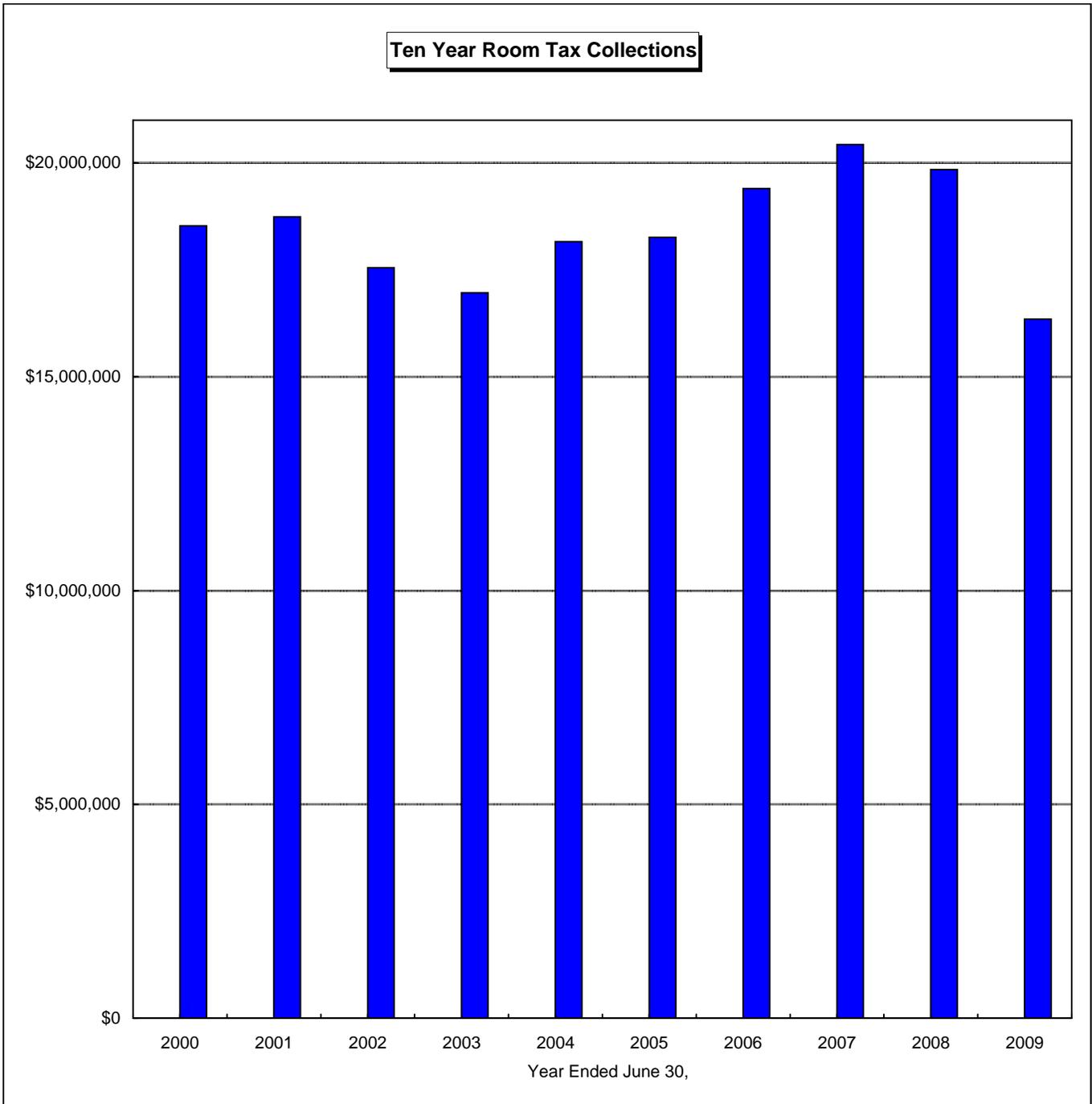
Reno-Sparks Convention & Visitors Authority
Net Assets by Component
For The Years Ended June 30, 2003 through 2009
(accrual basis of accounting)
(Unaudited)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net of related debt	\$ (16,586,514)	\$ (20,867,803)	\$ (24,417,320)	\$ (29,430,097)	\$ (32,648,256)	\$ (35,530,135)	\$ (35,103,743)
Restricted	19,802,495	9,715,694	9,185,562	9,217,909	9,568,412	9,050,111	8,221,904
Unrestricted (deficit)	(24,834,518)	(11,540,411)	(11,249,613)	(9,116,450)	(7,680,026)	(8,231,543)	(13,251,523)
Total governmental activities net assets	\$ (21,618,537)	\$ (22,692,520)	\$ (26,481,371)	\$ (29,328,638)	\$ (30,759,870)	\$ (34,711,567)	\$ (40,133,362)
Business-type activities							
Invested in capital assets, net of related debt	\$ 3,443,547	\$ 3,002,682	\$ 2,732,958	\$ 2,717,040	\$ 2,564,804	\$ 2,311,832	\$ 4,348,702
Unrestricted (deficit)	157,152	337,157	(59,546)	(192,094)	(116,721)	(205,356)	(152,679)
Total business-type activities net assets	\$ 3,600,699	\$ 3,339,839	\$ 2,673,412	\$ 2,524,946	\$ 2,448,083	\$ 2,106,476	\$ 4,196,023
Primary government							
Invested in capital assets, net of related debt	\$ (13,142,967)	\$ (17,865,121)	\$ (21,684,362)	\$ (26,713,057)	\$ (30,083,452)	\$ (33,218,303)	\$ (30,755,041)
Restricted	19,802,495	9,715,694	9,185,562	9,217,909	9,568,412	9,050,111	8,221,904
Unrestricted (deficit)	(24,677,366)	(11,203,254)	(11,309,159)	(9,308,544)	(7,796,747)	(8,436,899)	(13,404,202)
Total primary government net assets	\$ (18,017,838)	\$ (19,352,681)	\$ (23,807,959)	\$ (26,803,692)	\$ (28,311,787)	\$ (32,605,091)	\$ (35,937,339)

Reno-Sparks Convention & Visitors Authority
Changes in Net Assets
For The Years Ended June 30, 2003 through 2009
(accrual basis of accounting)
(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Fiscal Year 2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Expenses							
Governmental activities:							
General government	\$ 2,791,974	\$ 2,920,705	\$ 3,297,097	\$ 3,528,656	\$ 3,514,851	\$ 3,729,349	\$ 3,587,489
Community support	23,818,639	22,739,585	25,307,919	26,957,431	29,461,499	30,203,964	25,387,470
Debt service - interest and fiscal charges	7,391,061	7,843,794	7,683,781	7,530,910	7,366,517	7,267,946	7,136,998
Total governmental activities expenses	<u>34,001,674</u>	<u>33,504,084</u>	<u>36,288,797</u>	<u>38,016,997</u>	<u>40,342,867</u>	<u>41,201,259</u>	<u>36,111,957</u>
Business-type activities:							
Golf courses	3,799,637	3,304,888	3,311,425	3,424,086	3,504,610	3,670,565	4,040,228
Total business-type activities expenses	<u>3,799,637</u>	<u>3,304,888</u>	<u>3,311,425</u>	<u>3,424,086</u>	<u>3,504,610</u>	<u>3,670,565</u>	<u>4,040,228</u>
Total primary government expenses	<u>\$ 37,801,311</u>	<u>\$ 36,808,972</u>	<u>\$ 39,600,222</u>	<u>\$ 41,441,083</u>	<u>\$ 43,847,477</u>	<u>\$ 44,871,824</u>	<u>\$ 40,152,185</u>
Program Revenues							
Governmental activities:							
Charges for services:							
Community support	\$ 6,043,425	\$ 7,954,260	\$ 7,286,277	\$ 9,108,739	\$ 11,241,764	\$ 10,388,274	\$ 8,227,469
General government	239,332	212,179	340,563	376,406	395,736	389,500	373,799
Operating grants and contributions	862,083	598,126	544,580	619,997	691,315	624,755	444,178
Capital grants and contributions	-	-	455,132	-	-	-	100,000
Total governmental activities program revenues	<u>7,144,840</u>	<u>8,764,565</u>	<u>8,626,552</u>	<u>10,105,142</u>	<u>12,328,815</u>	<u>11,402,529</u>	<u>9,145,446</u>
Business-type activities:							
Charges for services	3,267,235	3,044,028	2,644,998	2,875,620	3,027,747	2,928,958	2,438,219
Capital grants and contributions	-	-	-	-	-	-	3,445,200
Total business-type activities program revenues	<u>3,267,235</u>	<u>3,044,028</u>	<u>2,644,998</u>	<u>2,875,620</u>	<u>3,027,747</u>	<u>2,928,958</u>	<u>5,883,419</u>
Total primary government program revenues	<u>\$ 10,412,075</u>	<u>\$ 11,808,593</u>	<u>\$ 11,271,550</u>	<u>\$ 12,980,762</u>	<u>\$ 15,356,562</u>	<u>\$ 14,331,487</u>	<u>\$ 15,028,865</u>
Net (expense)/revenue							
Governmental activities	\$ (26,856,834)	\$ (24,739,519)	\$ (27,662,245)	\$ (27,911,855)	\$ (28,014,052)	\$ (29,798,730)	\$ (26,966,511)
Business-type activities	(532,402)	(260,860)	(666,427)	(548,466)	(476,863)	(741,607)	1,843,191
Total primary government net expense	<u>\$ (27,389,236)</u>	<u>\$ (25,000,379)</u>	<u>\$ (28,328,672)</u>	<u>\$ (28,460,321)</u>	<u>\$ (28,490,915)</u>	<u>\$ (30,540,337)</u>	<u>\$ (25,123,320)</u>
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Room taxes, penalties and interest	\$ 22,084,691	\$ 23,638,425	\$ 23,775,071	\$ 25,262,091	\$ 26,672,321	\$ 25,970,255	\$ 21,710,998
Unrestricted investment and interest earnings	26,095	18,227	86,933	201,189	303,691	254,163	37,652
Miscellaneous	10,698	8,884	11,390	1,308	6,808	22,615	42,422
Transfers	-	-	-	(400,000)	(400,000)	(400,000)	(246,356)
Total governmental activities	<u>22,121,484</u>	<u>23,665,536</u>	<u>23,873,394</u>	<u>25,064,588</u>	<u>26,582,820</u>	<u>25,847,033</u>	<u>21,544,716</u>
Business-type activities:							
Transfers	-	-	-	400,000	400,000	400,000	246,356
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>246,356</u>
Total primary government	<u>\$ 22,121,484</u>	<u>\$ 23,665,536</u>	<u>\$ 23,873,394</u>	<u>\$ 25,464,588</u>	<u>\$ 26,982,820</u>	<u>\$ 26,247,033</u>	<u>\$ 21,791,072</u>
Change in Net Assets							
Governmental activities	\$ (4,735,350)	\$ (1,073,983)	\$ (3,788,851)	\$ (2,847,267)	\$ (1,431,232)	\$ (3,951,697)	\$ (5,421,795)
Business-type activities	(532,402)	(260,860)	(666,427)	(148,466)	(76,863)	(341,607)	2,089,547
Total primary government	<u>\$ (5,267,752)</u>	<u>\$ (1,334,843)</u>	<u>\$ (4,455,278)</u>	<u>\$ (2,995,733)</u>	<u>\$ (1,508,095)</u>	<u>\$ (4,293,304)</u>	<u>\$ (3,332,248)</u>

**Reno-Sparks Convention & Visitors Authority
 Governmental Activities Tax Revenues
 General Room Tax (6 5/8%) Collections
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (Unaudited)**



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

2000	\$	18,527,709	2005	\$	18,262,011
2001		18,737,762	2006		19,404,215
2002		17,550,841	2007		20,433,999
2003		16,963,290	2008		19,848,794
2004		18,157,051	2009		16,346,211

Reno-Sparks Convention & Visitors Authority
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 42,471	\$ 31,508	\$ 19,698	\$ 21,005	\$ 157,030	\$ 266,788	\$ 141,851	\$ 303,923	\$ 270,280	\$ 48,045
Unreserved	\$ 5,831,419	\$ 4,938,929	\$ 3,227,620	\$ 4,095,892	\$ 4,600,588	\$ 3,938,251	\$ 5,099,293	\$ 6,815,430	\$ 5,072,080	\$ 3,391,813
Total general fund	\$ 5,873,890	\$ 4,970,437	\$ 3,247,318	\$ 4,116,897	\$ 4,757,618	\$ 4,205,039	\$ 5,241,144	\$ 7,119,353	\$ 5,342,360	\$ 3,439,858
All other governmental funds										
Reserved	\$ 11,051,811	\$ 61,237,926	\$ 18,428,883	\$ 22,249,037	\$ 18,296,081	\$ 15,512,455	\$ 14,624,803	\$ 16,711,821	\$ 15,542,661	\$ 12,072,953
Unreserved, reported in:										
Capital projects fund	96,146,739	25,157,884	17,554,431	-	-	-	-	-	-	-
Special revenue funds	1,086,935	1,195,166	806,997	-	-	-	-	-	-	-
Total all other governmental funds	\$ 108,285,485	\$ 87,590,976	\$ 36,790,311	\$ 22,249,037	\$ 18,296,081	\$ 15,512,455	\$ 14,624,803	\$ 16,711,821	\$ 15,542,661	\$ 12,072,953

Reno-Sparks Convention & Visitors Authority
Change in Fund Balances of Governmental Funds and Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Room tax (Net 6%)	\$ 16,779,812	\$ 16,970,049	\$ 15,895,105	\$ 15,362,980	\$ 16,444,122	\$ 16,539,180	\$ 17,573,628	\$ 18,506,263	\$ 17,976,266	\$ 14,804,116
Room tax (State 5/8%)	1,747,897	1,767,713	1,655,736	1,600,310	1,712,929	1,722,831	1,830,587	1,927,736	1,872,528	1,542,095
Room tax (NBS 1%)	2,805,008	2,840,479	2,238,112	-	-	-	-	-	-	-
Room tax (RSCC 2%)	5,593,265	5,656,676	5,298,363	5,121,401	5,481,374	5,513,060	5,857,876	6,168,754	5,992,088	4,934,705
Room tax (City Ctr)	1,586,183	738,006	-	-	-	-	-	69,568	129,373	430,082
Facility use fees	5,342,047	5,143,684	3,351,522	5,821,904	7,648,105	6,995,470	8,774,732	10,840,245	10,089,266	7,992,415
Investment earnings	3,276,472	6,914,582	4,371,330	888,178	616,353	631,513	821,186	995,006	878,918	481,830
Miscellaneous	320,061	349,891	265,526	471,551	527,218	642,760	711,721	804,063	711,123	651,275
Total revenues	<u>37,450,745</u>	<u>40,381,080</u>	<u>33,075,694</u>	<u>29,266,324</u>	<u>32,430,101</u>	<u>32,044,814</u>	<u>35,569,730</u>	<u>39,311,635</u>	<u>37,649,562</u>	<u>30,836,518</u>
Expenditures										
General government	2,513,586	2,532,852	2,621,490	2,694,641	2,844,480	3,249,985	3,477,575	3,475,812	3,679,385	3,370,720
Community support	7,341,937	8,080,085	6,814,860	8,650,507	9,621,002	10,443,924	11,706,207	12,830,037	13,174,461	10,997,397
Facility operation	6,704,786	6,509,031	6,123,590	5,812,516	6,451,333	8,054,384	8,354,631	8,910,736	10,235,329	7,125,967
Convention and tourism promotion	1,206,616	1,262,773	1,185,542	1,011,309	1,074,439	1,304,520	1,325,215	1,425,526	1,312,625	1,100,758
Debt service	6,362,725	5,420,000	5,825,000	8,308,318	4,515,000	4,710,000	4,115,000	4,475,000	4,975,000	7,600,000
Principal	3,786,383	10,844,621	5,828,945	5,549,804	5,433,620	5,391,921	5,351,611	5,324,422	5,395,119	5,343,142
Interest	1,681,357	813,288	2,668,271	673,971	5,255	13,164	12,701	59,199	9,100	5,800
Other bond costs	5,675,942	27,398,418	54,531,780	9,736,953	5,597,207	2,089,017	678,337	1,445,676	1,414,696	714,944
Capital outlay	35,273,332	62,861,068	85,599,478	42,438,019	35,542,336	35,256,915	35,021,277	37,946,408	40,195,715	36,258,728
Total expenditures	<u>2,177,413</u>	<u>(22,479,988)</u>	<u>(52,523,784)</u>	<u>(13,171,695)</u>	<u>(3,112,235)</u>	<u>(3,212,101)</u>	<u>548,453</u>	<u>1,365,227</u>	<u>(2,546,153)</u>	<u>(5,422,210)</u>
Excess (deficiency) of revenues over expenditures										
Other financing sources (uses)										
Transfers in	24,304,704	24,901,136	21,400,000	19,530,205	11,000,000	8,750,000	8,650,000	9,700,000	10,000,000	9,650,000
Transfers out	(24,304,704)	(24,901,136)	(21,400,000)	(20,030,205)	(11,200,000)	(9,000,000)	(9,050,000)	(10,100,000)	(10,400,000)	(9,700,000)
Insurance recovery	-	-	-	-	-	-	-	-	-	100,000
Sale of capital assets	-	-	39,324,874	-	-	-	-	-	-	-
Issuance of medium term financing	-	-	-	-	-	-	-	3,000,000	-	-
Issuance of refunding bonds	-	89,523,283	-	-	-	-	-	-	-	-
Issuance of bonds	104,251,481	(88,641,257)	(39,324,874)	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	125,896	-	-	-	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>104,251,481</u>	<u>882,026</u>	<u>-</u>	<u>(500,000)</u>	<u>(200,000)</u>	<u>(124,104)</u>	<u>(400,000)</u>	<u>2,600,000</u>	<u>(400,000)</u>	<u>50,000</u>
Net change in fund balance	<u>\$ 106,428,894</u>	<u>\$ (21,597,962)</u>	<u>\$ (52,523,784)</u>	<u>\$ (13,671,695)</u>	<u>\$ (3,312,235)</u>	<u>\$ (3,336,205)</u>	<u>\$ 148,453</u>	<u>\$ 3,965,227</u>	<u>\$ (2,946,153)</u>	<u>\$ (5,372,210)</u>
Debt Service	<u>\$ 11,830,465</u>	<u>\$ 17,077,909</u>	<u>\$ 14,322,216</u>	<u>\$ 14,532,093</u>	<u>\$ 9,953,875</u>	<u>\$ 10,115,085</u>	<u>\$ 9,479,312</u>	<u>\$ 9,858,621</u>	<u>\$ 10,379,219</u>	<u>\$ 12,948,942</u>
Noncapital expenditures	<u>\$ 29,597,390</u>	<u>\$ 35,462,650</u>	<u>\$ 31,067,698</u>	<u>\$ 33,564,997</u>	<u>\$ 30,151,371</u>	<u>\$ 33,156,732</u>	<u>\$ 34,332,843</u>	<u>\$ 36,461,029</u>	<u>\$ 38,903,236</u>	<u>\$ 35,824,741</u>
Debt service as a percentage of noncapital expenditures	39.97%	48.16%	46.10%	43.30%	33.01%	30.51%	27.61%	27.04%	26.68%	36.15%

Reno-Sparks Convention & Visitors Authority
Room Tax Rates by Location
Last Ten Fiscal Years
(Unaudited)

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

Fiscal Year	RSCVA	City of Reno						Total
		City of Sparks	National Bowling (2)	Events Center	City Center (1)	Railroad	Park and Recreation	
2009	8,625	2.5	1.0	-	1.0	-	-	13.5
2008	8,625	2.5	1.0	-	1.0	-	-	13.5
2007	8,625	2.5	1.0	-	1.0	-	-	13.5
2006	8,625	2.5	1.0	-	1.0	-	-	13.5
2005	8,625	2.5	1.0	-	1.0	-	-	13.5
2004	8,625	2.5	1.0	-	1.0	-	-	13.5
2003	8,625	2.5	1.0	-	1.0	-	-	13.5
2002	8,625	-	1.0	-	1.0	-	-	11.0
2001	8,625	-	1.0	-	1.0	-	-	11.0
2000	8,625	-	1.0	-	1.0	-	-	11.0

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

Fiscal Year	RSCVA	City of Reno						Total
		City of Sparks	National Bowling (2)	Events Center	City Center (1)	Railroad	Park and Recreation	
2009	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2008	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2007	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2006	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2005	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2004	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2003	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2002	8,625	-	1.0	1.5	-	1.0	1.0	13.5
2001	8,625	-	1.0	-	-	1.0	1.0	12.0
2000	8,625	-	1.0	-	-	1.0	1.0	12.0

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

Fiscal Year	RSCVA	City of Reno						Total
		City of Sparks	National Bowling (2)	Events Center	City Center (1)	Railroad	Park and Recreation	
2009	8,625	-	1.0	-	1.0	-	1.0	12.0
2008	8,625	-	1.0	-	1.0	-	1.0	12.0
2007	8,625	-	1.0	-	1.0	-	1.0	12.0
2006	8,625	-	1.0	-	1.0	-	1.0	12.0
2005	8,625	-	1.0	-	1.0	-	1.0	12.0
2004	8,625	-	1.0	-	1.0	-	1.0	12.0
2003	8,625	-	1.0	-	1.0	-	1.0	12.0
2002	8,625	-	1.0	-	1.0	-	1.0	12.0
2001	8,625	-	1.0	-	1.0	-	1.0	12.0
2000	8,625	-	1.0	-	1.0	-	1.0	12.0

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

Fiscal Year	RSCVA	City of Reno						Total
		City of Sparks	National Bowling (2)	Events Center	City Center (1)	Railroad	Park and Recreation	
2009	8,625	-	1.0	-	1.0	-	-	12.0
2008	8,625	-	1.0	-	1.0	-	-	12.0
2007	8,625	-	1.0	-	1.0	-	-	12.0
2006	8,625	-	1.0	-	1.0	-	-	12.0
2005	8,625	-	1.0	-	1.0	-	-	12.0
2004	8,625	-	1.0	-	1.0	-	-	12.0
2003	8,625	-	1.0	-	1.0	-	-	12.0
2002	8,625	-	1.0	-	1.0	-	-	12.0
2001	8,625	-	1.0	-	1.0	-	-	12.0
2000	8,625	-	1.0	-	1.0	-	-	12.0

(1) This is a tax imposed for the purpose of building a multi-purpose facility in downtown Reno. The Authority retained the funds until a capital improvement plan was agreed upon and the methods in which the project will be funded had been identified. (Imposed June 1999; Retained through October 2000)

(2) This is a 1% tax imposed by the State of Nevada. The entire amount is collected and administered by the Authority. The proceeds are restricted and can only be used for the operations or payment of debt service associated with the National Bowling Stadium. Taxes transferred upon sale of the Stadium during 2002.

Reno-Sparks Convention & Visitors Authority
Principal Room Taxpayers
June 30, 2009 and 2000
(Unaudited)

Taxpayer	Fiscal Year					
	2009			2000		
	Number of Rooms	Rank	Percentage of Total Rooms	Number of Rooms	Rank	Percentage of Total Rooms
Grand Sierra Resort/Reno Hilton	1,994	1	7.97%	2,003	1	7.18%
Silver Legacy	1,710	2	6.83%	1,712	2	6.14%
Peppermill Hotel/Casino	1,623	3	6.48%	1,070	5	3.84%
Circus Circus	1,572	4	6.28%	1,572	3	5.64%
Nugget	1,382	5	5.52%	1,412	4	5.06%
Atlantis Hotel/Casino	974	6	3.89%	984	6	3.53%
Harrah's	928	7	3.71%	958	7	3.44%
Sands Regency	833	8	3.33%	836	8	3.00%
Eldorado Hotel/Casino	815	9	3.26%	816	9	2.93%
Hyatt - Lake Tahoe	422	10	1.69%	-	-	-
Flamingo Hilton	-	-	-	604	10	2.17%
All Other Hotels	3,191	-	12.75%	4,738	-	16.99%
Total All Hotels	15,444	-	61.71%	16,705	-	59.92%
Motels	2,156	-	8.61%	4,490	-	16.10%
Other Rental Properties	7,429	-	29.68%	6,687	-	23.98%
Total Room Inventory	25,029	-	100.00%	27,882	-	100.00%

The chief revenue source of the Authority is from room license taxes imposed on transient rental facilities located in Washoe County. The properties above represent the largest properties in this area and accordingly, represent the group which generates the largest volume of room license tax revenues.

Reno-Sparks Convention & Visitors Authority
Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

Fiscal Year	Governmental Activities			Business Type-Activities			Total Primary Government	Per Cash Occupied Room Night	Per Room Tax Revenue (8%)
	General Obligation Bonds	Medium Term Obligations	Capital Leases	Capital Leases					
2009	\$ 126,904,882	\$ 2,800,000	\$ -	\$ -	-	\$ 129,704,882	\$ 38.71	\$ 6.57	
2008	132,483,466	2,900,000	-	-	-	135,383,466	35.80	5.65	
2007	135,554,189	3,000,000	40,808	-	-	138,594,997	33.87	5.62	
2006	138,075,844	-	82,929	-	-	138,158,773	32.02	5.90	
2005	140,099,440	-	122,686	98,400	-	140,320,526	32.00	6.36	
2004	142,592,488	-	-	156,204	-	142,748,692	30.73	6.51	
2003	144,774,769	-	-	208,272	-	144,983,041	31.97	7.08	
2002	150,578,651	-	-	-	-	150,578,651	32.64	7.10	
2001	193,497,043	-	-	-	-	193,497,043	39.27	8.55	
2000	186,393,491	-	-	-	-	186,393,491	37.15	8.33	

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

Note: Payment of general obligation bonds and medium term obligations is provided by transient lodging taxes (governmental activities), payment of capital leases is provided by facility charges (governmental activities), payment of capital leases is provided by golf course operations (business-type activities).

**Reno-Sparks Convention & Visitors Authority
General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total
2009	\$ 129,704,882	\$ 10,655,032	\$ 119,049,850
2008	135,383,466	13,932,925	121,450,541
2007	138,554,189	14,300,051	124,254,138
2006	138,075,844	14,035,658	124,040,186
2005	140,099,440	14,461,016	125,638,424
2004	142,592,488	16,350,560	126,241,928
2003	144,774,769	16,801,315	127,973,454
2002	150,578,651	11,443,589	139,135,062
2001	193,497,043	11,319,665	182,177,378
2000	186,393,491	10,846,124	175,547,367

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

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

Reno-Sparks Convention & Visitors Authority
Direct and Overlapping Governmental Activities Bonded Debt
June 30, 2009
(Unaudited)

Name of Government Unit	General Obligation Debt Outstanding (Thousands)	Present Self-Supporting General Obligation Debt (Thousands)	Percent Applicable to Washoe County	Applicable Net Debt (Thousands)
Debt repaid with property taxes:				
Washoe County - Governmental Funds	\$ 391,689	\$ 314,255	100%	\$ 77,434
Washoe County School District	520,464	-	100%	520,464
City of Reno	85,998	78,738	100%	7,260
City of Reno - Special Assessments	23,530	-	100%	23,530
City of Sparks	63,072	55,347	100%	7,725
Washoe County (RSCVA)	129,705	126,905	100%	2,800
Total Overlapping Bonded Debt				\$ 639,213

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

Direct debt:	
Washoe County (RSCVA)	<u>\$ 129,705</u>

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

Source: JNA Consulting Group

Reno-Sparks Convention & Visitors Authority
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 238,287	\$ 251,736	\$ 250,255	\$ 255,914	\$ 280,764	\$ 309,508	\$ 393,232	\$ 412,360	\$ 453,165	\$ 465,753
Total net debt applicable to limit	175,547	182,177	139,135	127,973	126,242	125,638	124,040	124,254	121,450	119,050
Legal debt margin	<u>\$ 62,740</u>	<u>\$ 69,559</u>	<u>\$ 111,120</u>	<u>\$ 127,941</u>	<u>\$ 154,522</u>	<u>\$ 183,870</u>	<u>\$ 269,192</u>	<u>\$ 288,106</u>	<u>\$ 331,715</u>	<u>\$ 346,703</u>
Total net debt applicable to the limit as a percentage of debt limit	73.67%	72.37%	55.60%	50.01%	44.96%	40.59%	31.54%	30.13%	26.80%	25.56%
							Assessed value			<u>\$ 15,525,096</u>
							Debt limit (3% of assessed value)			<u>465,753</u>
							Debt applicable to debt limit			
							General obligation bonds			129,705
							Amounts set aside for repayment of general obligation debt			<u>(10,655)</u>
							Total net debt applicable to limit			<u>119,050</u>
							Legal debt margin			<u>\$ 346,703</u>

Note: The general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligations bonds.

Source: JNA Consulting Group

Reno-Sparks Convention & Visitors Authority
Pledged Revenue Coverage
Last Ten Fiscal Years and June 30, 2010 (Budgeted)
(Unaudited)

	Fiscal Year										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 (Budgeted)
Net General Room License Taxes (1)	\$ 16,779,812	\$ 16,970,049	\$ 15,895,104	\$ 15,362,980	\$ 16,444,122	\$ 16,539,180	\$ 17,573,628	\$ 18,506,263	\$ 17,976,266	\$ 14,804,116	\$ 14,064,322
Convention Center Room Taxes (2)	5,593,265	5,656,676	5,298,363	5,120,993	5,481,374	5,513,060	5,857,876	6,168,754	5,992,088	4,934,705	4,688,107
Other Income (3)	10,035,063	13,487,745	10,846,928	10,449,276	11,835,704	10,914,741	13,183,259	15,719,237	14,705,295	11,582,548	11,718,282
Subtotal	32,408,140	36,114,470	32,040,395	30,933,249	33,761,200	32,966,981	36,614,763	40,394,254	38,673,649	31,321,369	30,470,711
Less: Operating and Maintenance Expenses (4)	12,629,563	14,063,172	14,303,629	16,083,788	16,375,623	17,798,474	18,889,019	20,774,303	21,467,562	18,074,411	17,312,085
Net Pledged Revenues	\$ 19,578,587	\$ 22,051,298	\$ 17,736,766	\$ 14,849,461	\$ 17,385,577	\$ 15,168,507	\$ 17,725,744	\$ 19,619,951	\$ 17,206,087	\$ 13,246,958	\$ 13,158,626
Combined Maximum Annual Debt Service on Pledged Revenue Bonds (5)	\$ 5,134,491	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313	\$ 12,576,313
Coverage Factor (6)	3.81	1.75	1.41	1.18	1.38	1.21	1.41	1.56	1.37	1.05	1.05

- (1) Pledged Room License Taxes levied at a rate of 6%, Net of Collection Allowance.
- (2) Proceeds of 2% Convention Center Tax.
- (3) Includes RSCC, RSLEC, REC, Special Events, Golf Course, NBS (Fiscal Years 2003 - 2010) and Interest Revenues.
- (4) Includes General Government Expenditures, Community Support - Facility Operations Expenditures, and Certain Community Support - Convention and Tourism Promotion Expenditures. Community Support - Convention and Tourism Promotion Expenditures relating to promotion and advertising have been excluded.
- (5) Total of Maximum Annual Debt Service Requirements on the General License Tax Bonds per the bond requirements (\$12,576,313 in 2024).
- (6) Pledged revenues divided by combined maximum annual debt service on pledged revenue bonds.

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

Reno-Sparks Convention & Visitors Authority
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population (1)	Per Capita Income (Thousands) (1)	Median Age (2)	School Enrollment (3)	Unemployment Rate (Percent) (4)	Total Personal Income (Thousands) (1)	Taxable Sales (Thousands) (5)	Gross Gaming Win (Thousands) (6)	Total Passenger Air Traffic (7)
2009	428,195	\$ 43	36.4	63,310	11.50%	\$ 18,550,337	\$ 5,707,791	\$ 867,202	3,979,015
2008	423,833	42	36.5	63,635	6.80%	17,803,397	6,823,701	996,614	4,841,257
2007	418,061	44	34.5	63,044	4.60%	19,173,828	7,202,641	1,069,608	5,014,382
2006	409,085	43	36.5	62,390	4.00%	17,685,503	7,268,593	1,072,937	5,149,700
2005	396,844	42	36.1	62,098	4.00%	16,007,090	6,687,447	1,016,864	5,097,170
2004	383,453	41	35.1	60,411	4.20%	15,071,220	6,023,437	1,011,658	4,918,829
2003	373,233	37	35.8	58,908	4.60%	13,917,120	5,481,583	1,032,988	4,514,225
2002	359,423	37	35.6	57,404	4.90%	13,323,522	5,292,179	1,049,152	4,485,369
2001	353,271	37	35.6	55,673	4.50%	13,035,713	5,194,146	1,113,289	5,332,507
2000	333,566	37	37.3	54,121	3.70%	12,322,546	4,957,235	1,111,327	5,951,344

The above estimates were obtained from:

- (1) Washoe County Department of Community Development 2000-2002, 2009.
Nevada Department of Employment, Training and Rehabilitation, 2003-2004.
Bureau of Economic Analysis and Washoe County, 2005-2008.
- (2) Bureau of Economic and Business Research, University of Nevada - Reno, 2000 - 2004.
CB Richard Ellis Demographic Report 2005-2007.
Washoe County 2008-2009.
- (3) Washoe County School District.
- (4) Nevada Department of Employment Security.
- (5) State Department of Taxation.
- (6) State of Nevada, Gaming Control Board.
- (7) Bureau of Economic and Business Research, University of Nevada - Reno, 2000-2002.
Reno-Tahoe International Airport, 2003-2009.

Reno-Sparks Convention & Visitors Authority
Principal Employers
June 30, 2009 and 2000
(Unaudited)

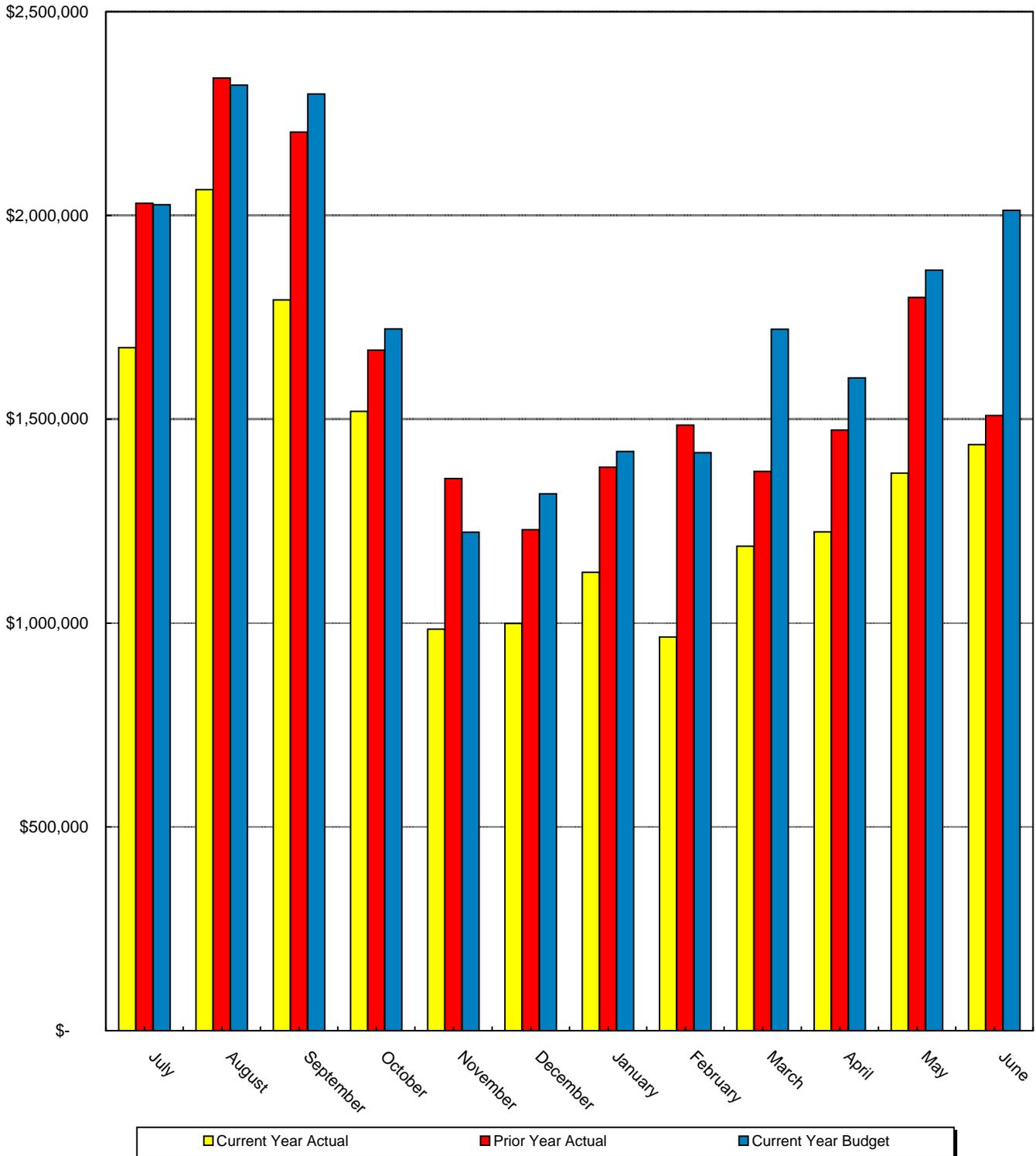
Employer	Fiscal Year					
	2009			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washoe County School District	8,500 - 8,999	1	4.2%	6,000 - 6,499	1	3.5%
University of Nevada - Reno	4,000 - 4,499	2	2.3%	3,000 - 3,499	2	1.8%
Washoe County	3,000 - 3,499	3	1.6%	2,500 - 2,999	4	1.5%
International Gaming Technology	2,500 - 2,999	4	1.3%			
Renown Regional Medical Center	2,000 - 2,499	5	1.1%	2,000 - 2,499	7	1.2%
Peppermill Hotel Casino - Reno	2,000 - 2,499	6	1.1%			
Silver Legacy Resort Casino	1,500 - 1,999	7	0.1%	2,500 - 2,999	5	1.5%
City of Reno	1,500 - 1,999	8	0.1%			
Atlantis Casino Resort	1,500 - 1,999	9	0.1%			
St. Mary's	1,500 - 1,999	10	0.1%			
Eldorado Hotel & Casino				2,000 - 2,499	6	1.2%
Circus Circus Casinos, Inc. - Reno				2,000 - 2,499	9	1.2%
Harrah's Reno				2,000 - 2,499	8	1.2%
Grand Sierra Resort (Reno Hilton)				2,500 - 2,999	3	1.5%
Sparks Nugget, Inc.				2,000 - 2,499	10	1.2%
Total County Covered Employment	210,082			180,745		

Note: Each of the years reflect respective 4th quarter (December) information. Nevada Revised Statute Chapter 612 stipulate that actual employment for individual employers may not be published.

Source: Nevada Department of Employment, Training and Rehabilitation, Division of Labor Marketing

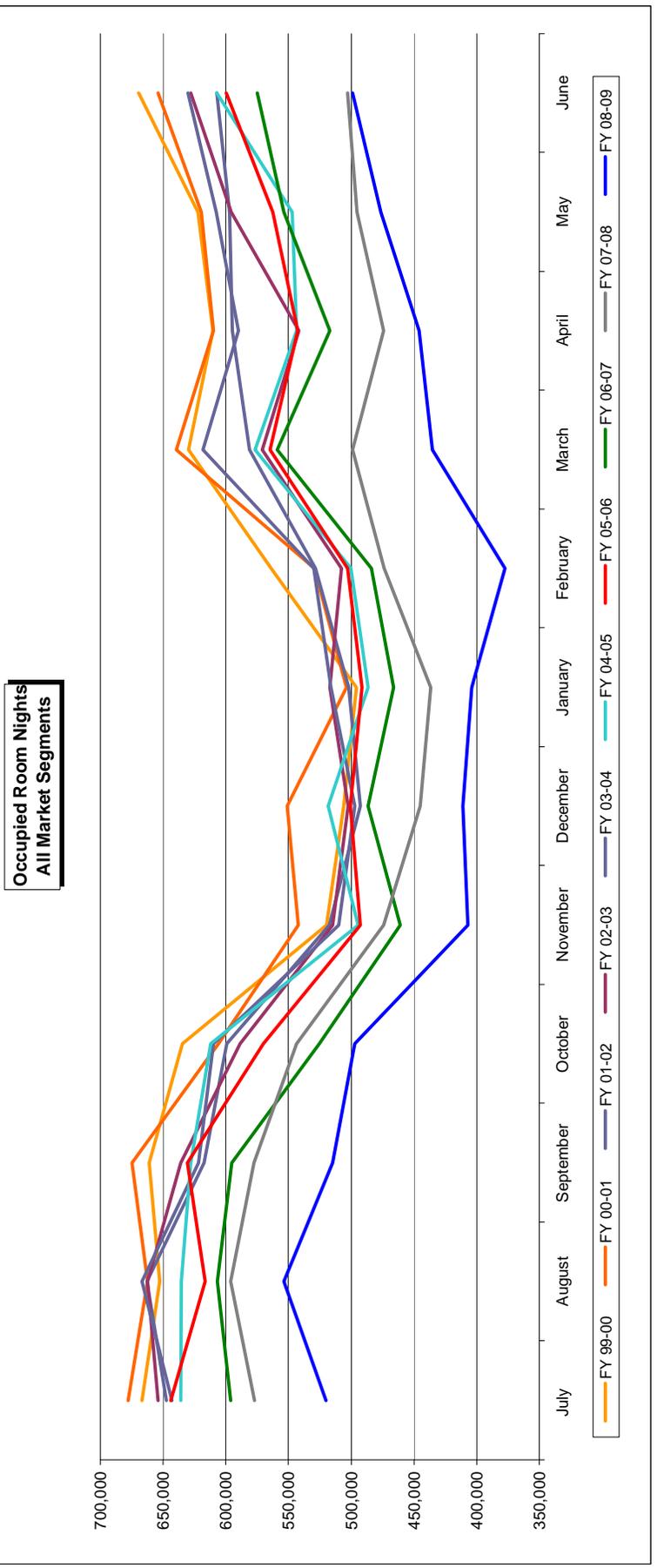
Reno-Sparks Convention & Visitors Authority
General Room Tax (6 5/8%) Collections
Fiscal Year 2008-09
(Unaudited)

Room Tax Collections By Month
 Actual, Prior Year and Budget



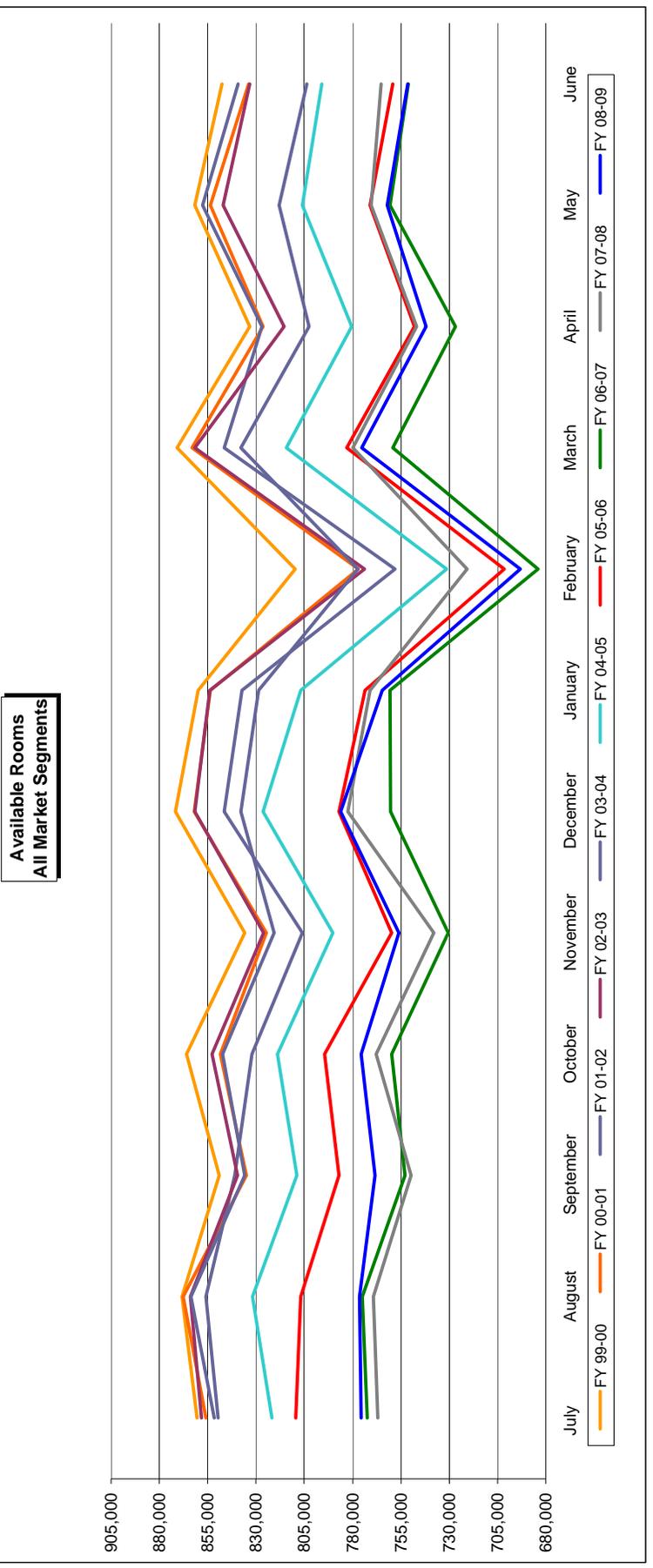
Reno-Sparks Convention and Visitors Authority
Occupied Rooms-Consolidated Summary
Trend
(Unaudited)

Month	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
July	666,705	678,116	647,469	654,079	642,968	635,871	643,844	596,020	577,156	520,007
August	652,872	662,324	663,045	662,333	666,824	635,277	616,416	606,682	596,250	553,766
September	661,285	674,714	617,401	635,938	621,836	628,046	630,400	595,348	577,555	514,878
October	634,548	606,087	599,133	588,566	609,894	611,885	569,925	525,369	543,719	497,277
November	519,851	542,095	517,439	514,780	510,002	494,628	492,740	461,022	474,276	406,796
December	506,212	551,106	492,622	502,428	497,101	518,475	500,500	486,464	445,120	410,860
January	495,903	503,759	502,079	517,104	516,194	486,689	491,446	466,076	436,636	404,089
February	563,747	529,483	528,746	507,723	530,022	500,345	502,738	483,795	473,654	377,511
March	629,600	639,544	581,245	570,837	618,367	576,497	564,924	559,015	498,942	435,453
April	610,423	609,865	594,940	541,999	590,044	543,363	542,643	516,868	474,188	445,716
May	622,067	619,398	597,011	595,555	607,484	546,883	562,470	553,881	495,241	476,219
June	669,637	654,100	607,317	627,769	630,226	607,053	599,788	574,737	502,758	498,947
Totals	7,232,850	7,270,591	6,948,447	6,919,111	7,040,962	6,785,012	6,717,834	6,425,277	6,095,495	5,541,519



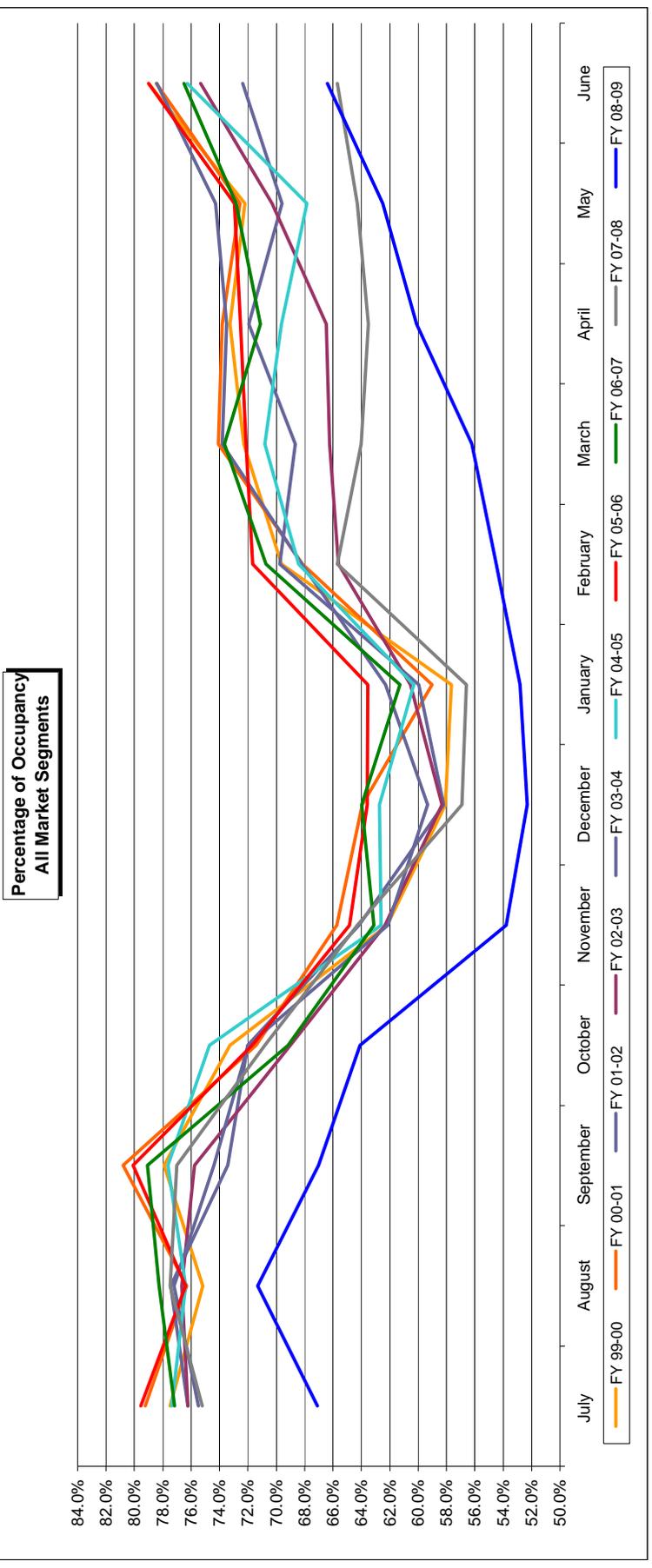
Reno-Sparks Convention and Visitors Authority
Available Rooms-Consolidated Summary
Trend
(Unaudited)

Month	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
July	860,478	855,890	849,489	858,140	851,506	821,855	809,432	772,362	767,095	775,491
August	868,228	867,732	856,017	864,085	863,706	831,760	806,798	775,069	769,316	776,351
September	848,930	835,070	840,900	839,520	835,750	808,883	787,023	752,809	749,768	768,250
October	866,058	848,326	832,144	852,653	847,259	818,864	794,639	759,714	767,730	775,684
November	835,960	824,590	806,130	825,991	820,572	790,082	759,824	730,385	737,915	755,912
December	871,788	861,930	846,547	861,565	837,757	826,326	786,979	760,281	782,484	786,122
January	859,951	853,534	837,383	853,959	828,752	806,786	773,441	760,639	771,058	764,704
February	809,586	776,916	758,128	773,864	777,422	731,367	701,665	684,069	720,629	693,272
March	870,951	863,077	846,461	861,565	837,850	814,299	782,987	759,150	779,890	775,375
April	833,110	826,380	826,872	815,592	802,662	780,431	748,137	726,767	746,735	741,988
May	861,563	853,627	857,737	847,104	817,995	806,092	770,997	760,525	770,431	762,173
June	847,640	833,760	839,220	833,160	803,746	796,014	759,230	751,048	765,133	751,552
Totals	10,234,243	10,100,832	9,997,028	10,087,198	9,924,977	9,632,759	9,281,152	8,992,818	9,128,184	9,126,874



Reno-Sparks Convention and Visitors Authority
Percentage of Occupancy-Consolidated Summary
Trend
(Unaudited)

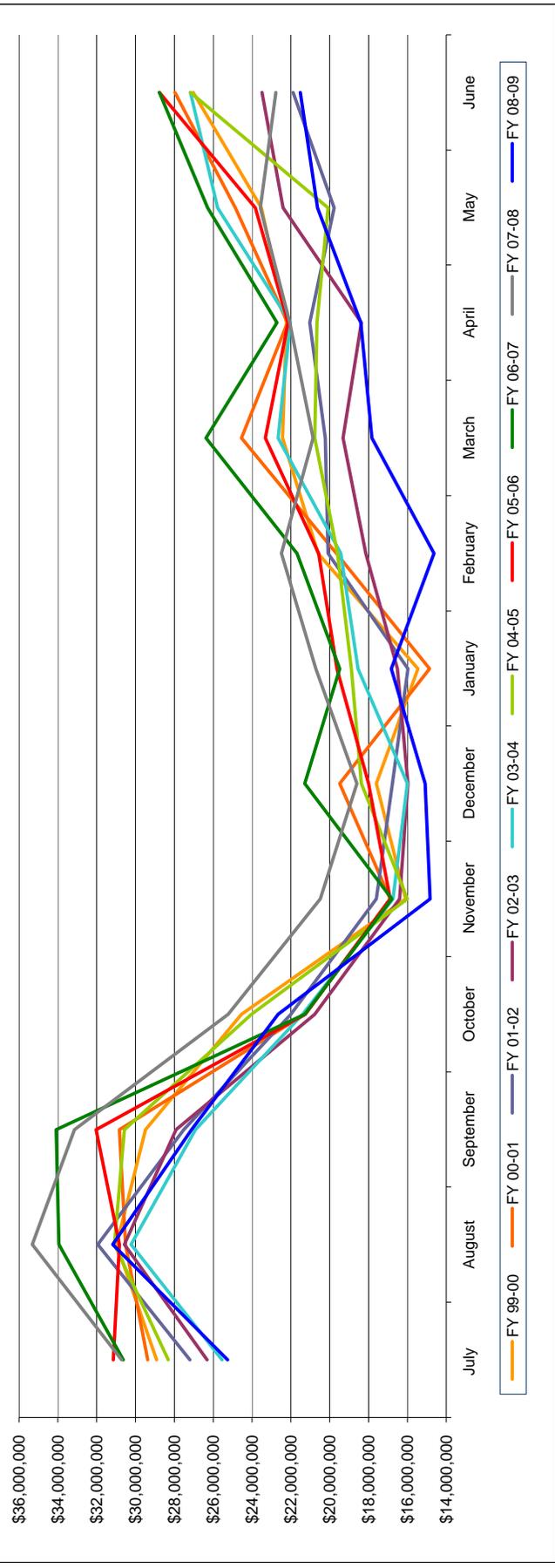
Month	Actual											
	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09		
July	77.5%	79.2%	76.2%	76.2%	75.5%	77.4%	79.5%	77.2%	75.2%	67.1%		
August	75.2%	76.3%	77.5%	76.7%	77.2%	76.4%	76.4%	78.3%	77.5%	71.3%		
September	77.9%	80.8%	73.4%	75.8%	74.4%	77.6%	80.1%	79.1%	77.0%	67.0%		
October	73.3%	71.4%	72.0%	69.0%	72.0%	74.7%	71.7%	69.2%	70.8%	64.1%		
November	62.2%	65.7%	64.2%	62.3%	62.2%	62.6%	64.8%	63.1%	64.3%	53.8%		
December	58.1%	63.9%	58.2%	58.3%	59.3%	62.7%	63.6%	64.0%	56.9%	52.3%		
January	57.7%	59.0%	60.0%	60.6%	62.3%	60.3%	63.5%	61.3%	56.6%	52.8%		
February	69.6%	68.2%	69.7%	65.6%	68.2%	68.4%	71.6%	70.7%	65.7%	54.5%		
March	72.3%	74.1%	68.7%	66.3%	73.8%	70.8%	72.1%	73.6%	64.0%	56.2%		
April	73.3%	73.8%	72.0%	66.5%	73.5%	69.6%	72.5%	71.1%	63.5%	60.1%		
May	72.2%	72.6%	69.6%	70.3%	74.3%	67.8%	73.0%	72.8%	64.3%	62.5%		
June	79.0%	78.5%	72.4%	75.3%	78.4%	76.3%	79.0%	76.5%	65.7%	66.4%		
Totals	70.7%	72.0%	69.5%	68.6%	70.9%	70.4%	72.4%	71.4%	66.8%	60.7%		



Reno-Sparks Convention and Visitors Authority
Taxable Room Revenues-Consolidated Summary
Trend
(Unaudited)

Month	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
July	\$ 28,913,842	\$ 29,368,277	\$ 27,197,718	\$ 26,321,281	\$ 25,552,003	\$ 28,322,099	\$ 31,147,952	\$ 30,641,192	\$ 30,700,843	\$ 25,269,467
August	\$ 30,964,904	\$ 30,508,983	\$ 31,946,929	\$ 30,579,848	\$ 30,223,274	\$ 31,096,218	\$ 30,832,073	\$ 33,940,996	\$ 35,322,264	\$ 31,179,828
September	\$ 29,493,614	\$ 30,837,032	\$ 27,509,020	\$ 27,921,061	\$ 26,915,769	\$ 30,566,205	\$ 32,016,233	\$ 34,088,596	\$ 33,131,689	\$ 27,125,604
October	\$ 24,553,134	\$ 21,290,223	\$ 22,008,322	\$ 20,763,427	\$ 21,407,644	\$ 24,020,249	\$ 21,244,385	\$ 21,275,712	\$ 25,218,368	\$ 22,666,404
November	\$ 16,096,885	\$ 16,896,113	\$ 17,591,649	\$ 16,402,250	\$ 16,752,533	\$ 15,998,036	\$ 16,891,340	\$ 16,793,375	\$ 20,487,609	\$ 14,823,108
December	\$ 17,599,327	\$ 14,847,196	\$ 16,780,581	\$ 15,982,354	\$ 18,529,133	\$ 18,385,404	\$ 18,008,851	\$ 21,290,237	\$ 18,592,622	\$ 15,090,956
January	\$ 15,465,829	\$ 19,480,961	\$ 15,969,883	\$ 16,515,142	\$ 18,529,133	\$ 18,885,929	\$ 19,629,308	\$ 19,487,810	\$ 20,713,242	\$ 16,836,019
February	\$ 20,590,876	\$ 19,664,723	\$ 20,094,403	\$ 18,141,736	\$ 19,441,676	\$ 19,608,946	\$ 20,575,251	\$ 21,679,078	\$ 22,477,801	\$ 14,627,430
March	\$ 22,432,440	\$ 24,545,795	\$ 20,235,335	\$ 19,302,573	\$ 22,665,830	\$ 20,763,913	\$ 23,318,905	\$ 26,376,498	\$ 20,856,851	\$ 17,828,479
April	\$ 22,239,581	\$ 22,161,140	\$ 21,020,474	\$ 18,357,600	\$ 22,039,890	\$ 20,670,377	\$ 22,141,665	\$ 22,713,994	\$ 22,049,440	\$ 18,392,572
May	\$ 23,516,047	\$ 24,852,896	\$ 19,775,294	\$ 22,409,700	\$ 25,784,731	\$ 20,088,809	\$ 23,815,851	\$ 26,278,892	\$ 23,564,842	\$ 20,638,629
June	\$ 27,019,264	\$ 27,979,520	\$ 21,872,779	\$ 23,473,836	\$ 27,169,358	\$ 27,165,953	\$ 28,782,970	\$ 28,766,938	\$ 22,781,887	\$ 21,526,190
Totals	\$ 278,885,741	\$ 282,432,859	\$ 262,002,387	\$ 256,170,808	\$ 272,474,511	\$ 275,572,138	\$ 288,404,784	\$ 303,333,318	\$ 295,897,458	\$ 246,004,686

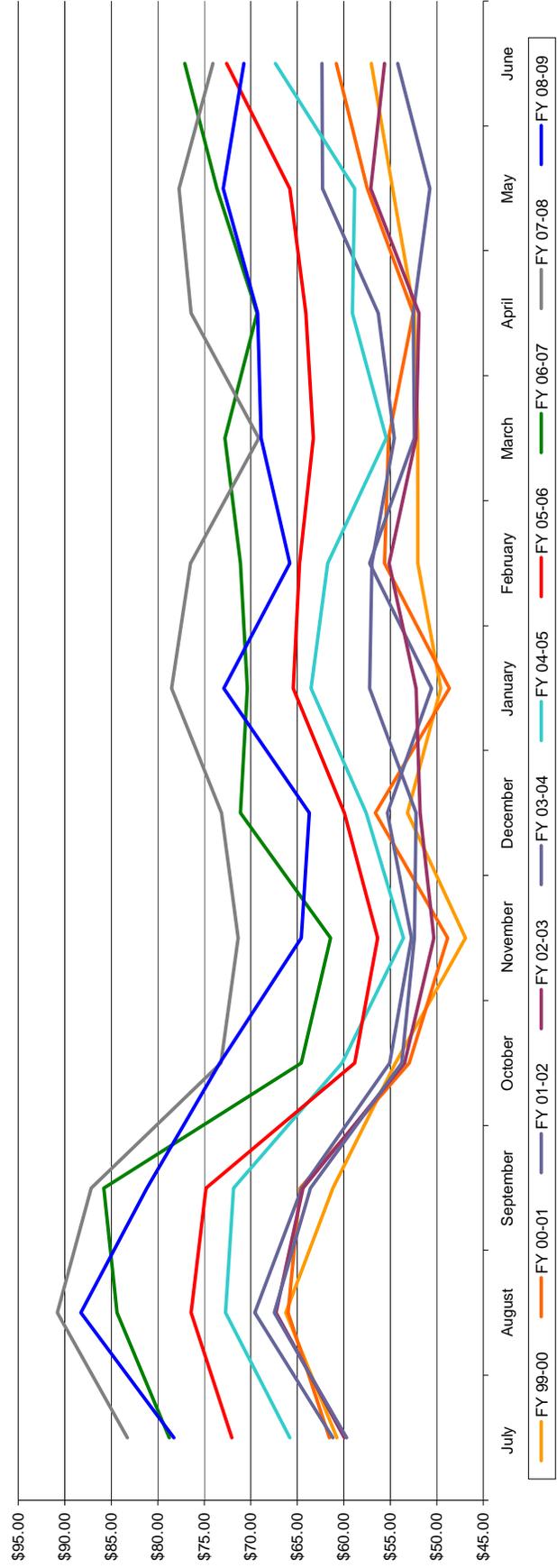
Taxable Room Revenues
All Market Segments



Reno-Sparks Convention and Visitors Authority
Average Cash Rates-Consolidated Summary
Trend
(Unaudited)

Month	Actual											
	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09		
July	\$ 60.77	\$ 61.53	\$ 61.14	\$ 59.92	\$ 59.66	\$ 65.83	\$ 72.06	\$ 78.77	\$ 83.27	\$ 78.30		
August	\$ 66.21	\$ 65.98	\$ 69.56	\$ 67.27	\$ 67.49	\$ 72.71	\$ 76.39	\$ 84.37	\$ 90.78	\$ 88.30		
September	\$ 61.17	\$ 64.66	\$ 64.51	\$ 64.36	\$ 63.59	\$ 71.82	\$ 74.82	\$ 85.81	\$ 87.17	\$ 81.17		
October	\$ 54.44	\$ 52.94	\$ 55.06	\$ 53.44	\$ 53.78	\$ 60.20	\$ 58.86	\$ 64.54	\$ 73.20	\$ 73.31		
November	\$ 46.94	\$ 48.86	\$ 52.73	\$ 50.29	\$ 52.42	\$ 53.59	\$ 56.34	\$ 61.39	\$ 71.35	\$ 64.56		
December	\$ 53.15	\$ 56.60	\$ 55.34	\$ 51.82	\$ 52.22	\$ 57.58	\$ 59.95	\$ 71.14	\$ 73.12	\$ 63.71		
January	\$ 49.54	\$ 48.65	\$ 50.55	\$ 52.21	\$ 57.24	\$ 63.49	\$ 65.46	\$ 70.38	\$ 78.54	\$ 72.93		
February	\$ 52.04	\$ 55.61	\$ 57.24	\$ 55.09	\$ 56.97	\$ 61.76	\$ 64.74	\$ 71.14	\$ 76.51	\$ 65.80		
March	\$ 52.01	\$ 55.18	\$ 52.43	\$ 52.22	\$ 54.54	\$ 55.42	\$ 63.28	\$ 72.80	\$ 69.13	\$ 68.89		
April	\$ 52.41	\$ 52.53	\$ 52.56	\$ 51.91	\$ 56.29	\$ 59.10	\$ 64.05	\$ 69.32	\$ 76.43	\$ 69.25		
May	\$ 54.74	\$ 57.47	\$ 50.77	\$ 57.08	\$ 62.29	\$ 58.83	\$ 65.78	\$ 73.64	\$ 77.71	\$ 72.99		
June	\$ 57.01	\$ 60.80	\$ 54.22	\$ 55.62	\$ 62.37	\$ 67.36	\$ 72.61	\$ 77.12	\$ 74.09	\$ 70.75		
Totals	\$ 55.58	\$ 57.32	\$ 56.80	\$ 56.49	\$ 58.66	\$ 62.85	\$ 66.83	\$ 74.12	\$ 78.23	\$ 73.43		

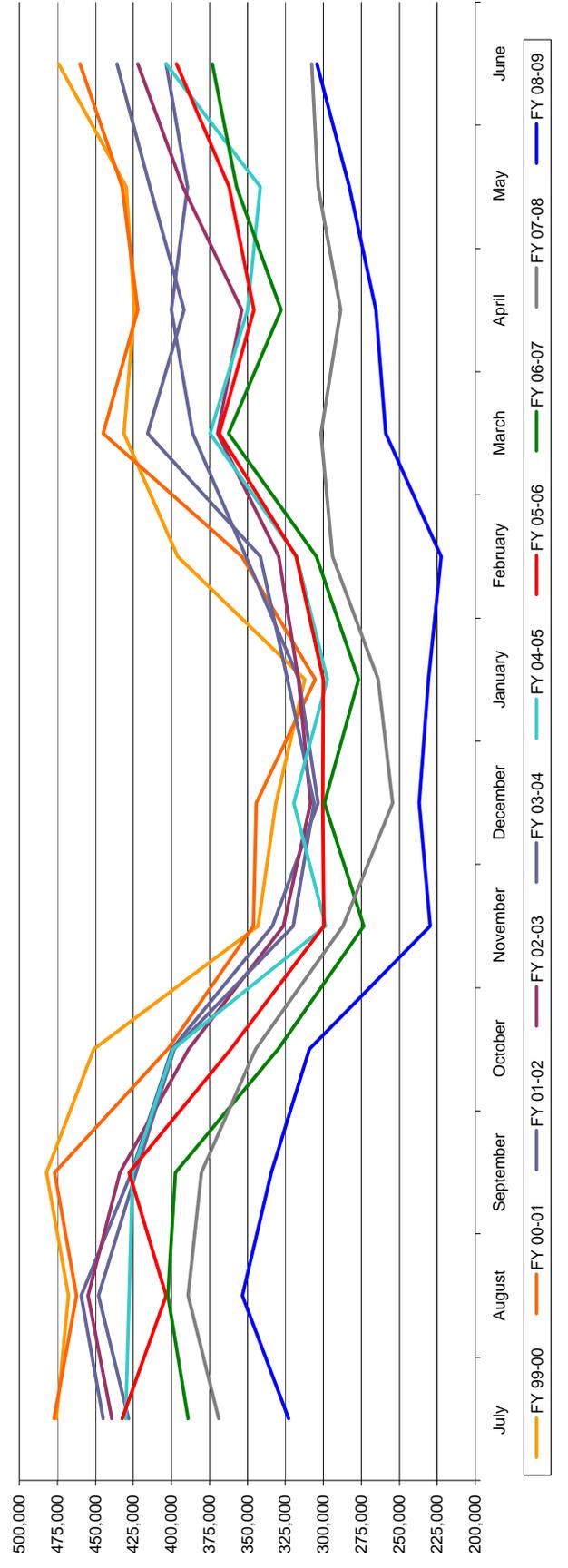
Average Cash Rates
All Market Segments



Reno-Sparks Convention and Visitors Authority
Cash Occupied Room Nights-Consolidated Summary
Trend
(Unaudited)

Month	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
July	475,813	477,320	444,827	439,278	428,267	430,227	432,236	388,972	368,708	322,743
August	467,645	462,420	459,288	454,575	447,815	427,670	403,601	402,269	389,098	353,119
September	482,168	476,884	426,423	433,840	423,286	425,583	427,932	397,251	380,061	334,189
October	451,046	402,174	399,728	388,565	398,083	398,986	360,958	329,644	344,490	309,192
November	342,956	345,835	333,637	326,143	319,589	298,511	299,799	273,546	287,135	229,591
December	331,155	344,181	303,238	308,437	306,235	319,288	300,413	299,286	254,279	236,875
January	312,206	305,154	315,951	316,342	323,712	297,460	299,857	276,900	263,728	230,867
February	395,702	353,596	351,056	329,286	341,286	317,507	317,830	304,750	293,779	222,298
March	431,302	444,827	385,940	369,635	415,550	374,691	368,516	362,331	301,683	258,793
April	424,348	421,887	399,924	353,664	391,563	349,746	345,684	327,670	288,489	265,579
May	429,607	432,433	389,513	392,582	413,978	341,471	362,051	356,849	303,257	282,767
June	473,961	460,188	403,434	422,069	435,646	403,290	396,411	373,006	307,471	304,255
Totals	5,017,909	4,926,899	4,612,959	4,534,416	4,645,010	4,384,430	4,315,288	4,092,474	3,782,178	3,350,268

Cash Occupied Room Nights
All Market Segments



Reno-Sparks Convention & Visitors Authority
Full-time Equivalent Employees by Function
Last Ten Fiscal Years
(Unaudited)

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government	20	26	28	27	25	25	25	27	26	18
Culture and Recreation	50	50	50	55	55	55	55	55	55	27
Community Support	155	160	160	160	165	170	200	200	180	169
Total	225	236	238	242	245	250	280	282	261	214

Notes:
(1) Information provided on budgeted employees.
(2) Culture and Recreation represents business-type activities (Golf Courses).

**Reno-Sparks Convention & Visitors Authority
Convention Center, Reno-Sparks Livestock Events Center, National Bowling Stadium
and Reno Events Center Activity Summary
(Unaudited)**

Future Bookings and Projected Attendance

Fiscal Year	Convention Center		Reno-Sparks Livestock Events Center		National Bowling Stadium		Reno Events Center	
	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance
2010	80	348,260	130	563,412	130	225,000	106	181,629
2011	27	296,850	130	574,680	140	225,000	104	178,996
2012	20	232,050	130	574,680	140	140,000	102	176,416
2013	21	255,750	130	586,173	140	225,000	100	180,000
2014	14	164,700	130	586,173	175	100,000	103	183,900

Notes:

- 1) Due to emphasis on hosting larger events, the number of events at certain facilities is estimated to decrease.
- 2) Number of events includes conventions and trade shows currently scheduled on a tentative basis. (Note: Firm contracted dates are issued only one year in advance.)

Historical Usage and Attendance

Fiscal Year	Convention Center		Reno-Sparks Livestock Events Center		National Bowling Stadium		Reno Events Center	
	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance	Number of Events	Estimated Attendance
2000	242	344,929	180	902,511	77	110,000	n/a	n/a
2001	82	201,095	180	902,511	135	150,000	n/a	n/a
2002	159	358,075	165	902,511	64	66,851	n/a	n/a
2003	157	354,377	142	885,225	108	97,166	n/a	n/a
2004	236	539,857	150	510,300	52	134,500	n/a	n/a
2005	229	504,628	145	511,125	127	47,500	61	72,925
2006	257	552,881	135	515,125	50	119,700	48	160,339
2007	285	576,161	133	522,125	89	239,268	83	169,014
2008	263	575,372	131	517,225	185	73,738	125	213,550
2009	171	326,176	129	537,225	115	130,844	109	198,054

Notes:

- 1) Due to emphasis on hosting larger events, the number of events at certain facilities has fallen slightly in recent years. However, the emphasis on fewer but larger events may result in increased attendance.
- 2) Number of events includes all show activity (conventions, trade shows, public consumer shows, concerts and meetings).
- 3) The Reno Events Center opened January 2005.

Reno-Sparks Convention & Visitors Authority
Capital Asset Statistics by Function
June 30, 2009
(Unaudited)

Community Support

Reno-Sparks Convention Center

The Reno-Sparks Convention Center (RSCC) complex hosts national and regional conventions and trade shows. The RSCC, located south of the downtown area, offers 381,000 square feet of contiguous exhibit space in five adjoining halls. More than 75,000 square feet of meeting room space in 53 meeting rooms with seating capacities ranging from 125 to 3,000 persons is available for breakout sessions. The facility is on ground level with unlimited floor load capacity. On-site parking capacity totals 1,900 stalls.

The Convention Center also features a 30,000 square foot ballroom – sub divisible into seven smaller rooms. A full range of food service capabilities are available ranging from concession stands, portable food stations, cocktail lounges to catered banquet arrangements for more formal dining. A central Food Court offers attendees the ability to select from three themed cafes. In addition, the RSCC furnishes 17,000 square feet of public concourse/registration space and improved show load-in/out capabilities, enabling concurrent major events.

Reno-Sparks Livestock Events Center

The Reno-Sparks Livestock Events Center is a large multi-purpose public assembly facility located on the northern edge of downtown Reno. The Center has a convenient exhibit hall that is most popular with the local community, hosting numerous public and consumer shows.

Home of the world famous Reno Rodeo and Nevada State Fair, the facility hosts a myriad of special events ranging from circus performances to premier equine competitions, including the Snaffle Bit Futurity and Regional International Arabian Horse Association competitions.

Reno Events Center

The Reno Events Center is owned by the City of Reno and operated by the RSCVA. The 118,000 square foot facility opened in January 2005. The Center consists of 56,000 square feet of free span exhibit space (which is utilized for both convention and meeting space, as well as concerts, boxing and basketball), 4,954 square feet of dedicated meeting space with nine rooms varying in size from 400 to 850 square feet, two loading docks, six dressing rooms and two event and promoter offices. When utilized for concerts, the Facility can accommodate up to 7,500 patrons.

Reno-Sparks Convention & Visitors Authority
Capital Asset Statistics by Function
June 30, 2009
(Continued)
(Unaudited)

Community Support – Continued

National Bowling Stadium

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

The National Bowling Stadium is a 78-lane tournament bowling facility situated within the central business/gaming/entertainment district of downtown Reno. Home to the prestigious United States Bowling Congress Open Championships, returning in 2010, 2011, 2013, and 2016, and the United States Bowling Congress Women’s Championships, returning in 2012, 2015 and 2018. The National Bowling Stadium hosts tournament play for a wide variety of national and international bowling competitions including the Professional Bowlers Tour and the United States Amateur Championships. Completed in 1995, this project not only revitalized an older, distressed section of the downtown corridor, but also served as a catalyst to an unprecedented surge of economic investment, construction, and expansion in the gaming-tourism industry throughout the area.

The National Bowling Stadium facility provides a wealth of visitor amenities including 300 covered parking spaces, a 10,000 square foot bowling pro shop which includes an instructional bowling lane, and a fully staffed visitor information center during major tournaments. A special feature of this facility is a 172-seat, 70mm IWERKS-projection movie theater, which was incorporated in the roof design and situated within a large spherical dome atop the building. The theater features films and movies specifically formatted and produced to enhance the unique character of the IWERKS experience.

Pioneer Center for the Performing Arts

The Pioneer Center for the Performing Arts, located in the City of Reno’s downtown arts district, has a seating capacity of 1,500 in the main theater. A 4,000 square foot exhibit hall is also available for meetings and special events and the Pioneer Underground. The Pioneer Center is home for the popular “Broadway Comes To Reno” series in its fifteenth season, The Reno Philharmonic, The Nevada Opera and A.V.A. Ballet Theatre. With its unique geodesic dome design, the Pioneer Center has been northern Nevada’s only performing arts center for the past forty years. The Pioneer Center is a Nevada State and National historic site. The facility is operated by the Pioneer Center for the Performing Arts, a 501(c)(3) Not for Profit Organization, under an agreement with the RSCVA.

Reno-Sparks Convention & Visitors Authority
Capital Asset Statistics by Function
June 30, 2009
(Continued)
(Unaudited)

Business-type Activities - Golf Courses

Wildcreek Golf Course

Wildcreek Golf Course, located three miles from the City of Reno, provides tourists and Washoe County residents with an 18-hole championship course as well as a 9-hole executive course. The Wildcreek Golf Course facilities also provide a 25-tee practice driving range, two practice putting greens and a 20,000 square foot clubhouse.

Northgate Golf Club

Northgate Golf Club, an 18-hole course, located in northwest Reno, was utilized for both tournament play and for individual play to both local and visiting individuals and groups. Construction of this course was completed and the course opened for play in May 1988. The course was permanently closed in January 2009.

COMPLIANCE SECTION



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Reno-Sparks Convention & Visitors Authority, Nevada, as of and for the year ended June 30, 2009, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated October 26, 2009. 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.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify

any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Reno-Sparks Convention & Visitors Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

This report is intended solely for the information and use of management, the Board of Directors, and others within the entity and is not intended to be and should not be used by anyone other than these specified parties.

Kafoury, Armstrong & Co.

Reno, Nevada
October 26, 2009



KAFOURY, ARMSTRONG & CO.
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**INDEPENDENT ACCOUNTANT'S REPORT ON
NEVADA REVISED STATUTE 354.6241**

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

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624 (5) (a):

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The reserved fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2009 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conform to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2009 (as previously noted under statute compliance),
- The balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of the Reno-Sparks Convention & Visitors Authority.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management, referred to above, is not fairly stated in all material respects.

Kafoury, Armstrong & Co.

Reno, Nevada
October 26, 2009

AUDITOR'S COMMENTS

STATUTE COMPLIANCE

The required disclosure on compliance with the Nevada Revised Statutes and the Nevada Administrative Code is contained in Note J to the financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The Authority conformed to all significant statutory constraints on its financial administration during the year ended June 30, 2008.

PRIOR YEAR RECOMMENDATIONS

There were no specific recommendations made in the audit report for the year ended June 30, 2008.

CURRENT YEAR RECOMMENDATIONS

We did not find any financial weaknesses of a magnitude to justify inclusion within our audit report.