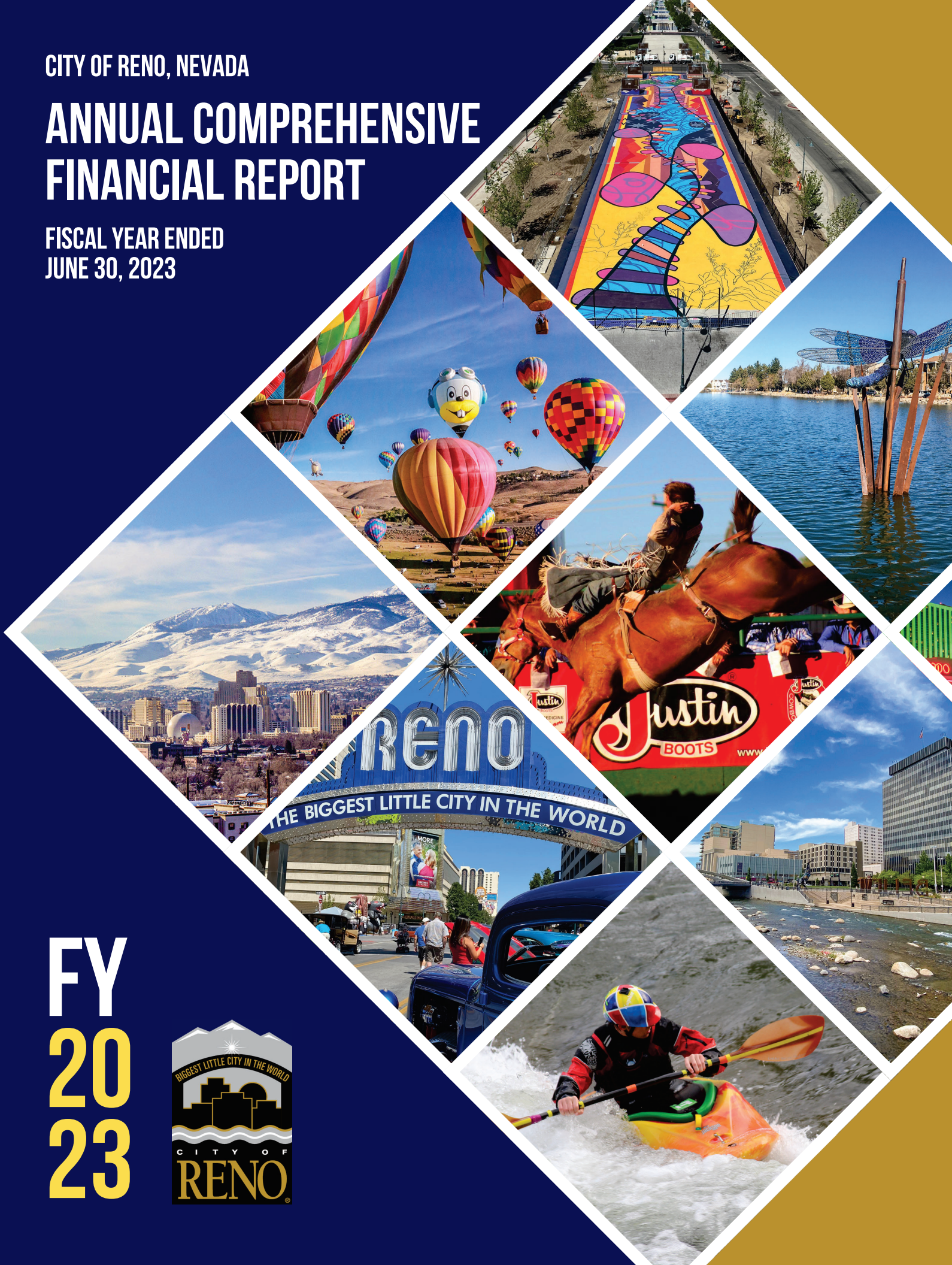


CITY OF RENO, NEVADA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2023

FY
20
23



City of Reno, Nevada

Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2023

Prepared by the Finance Department

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Special Thanks to the Budgeting and Sewer Billing
Divisions

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Introductory Section



December 5, 2023

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

The Annual Comprehensive Financial Report for the City of Reno for the fiscal year ended June 30, 2023 is hereby submitted. State law requires that local governments provide an annual audit of its financial statements by independent certified public accountants in accordance with generally accepted auditing standards.

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

The City of Reno's financial statements have been audited by Moss Adams LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Reno for the fiscal year ended June 30, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Reno's financial statements for fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Government

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

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

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

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

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

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

Local Economic Conditions

The region’s economy has long relied on consumption-related activities such as logistics, construction, tourism, and gaming, and the area, known as Truckee Meadows, offers an extensive array of hospitality and casino options as well as vast recreational opportunities. Over the last decade, the economic structure of the region has expanded to include more technology-based industries. This economic diversification supports increased revenue stabilization for the City.

In June 2023, the unemployment rate in the Reno-Sparks region stood at 4.5%, which has increased over the past year with a low of 3.4% in September 2022 and a high of 4.5% in January, February and June

2023. Overall, Nevada had an unemployment rate of 5.4%, exceeding the national average of 3.6% in June 2023. This is mainly due to the large gaming and tourism industries that remain the largest economy in southern Nevada.

The median price of residential properties sold in Reno peaked during July 2022. City of Reno home values decreased 9% over the past year, with the median home price of a single-family home peaking in July 2022 at \$574,755. Since July, the median home value of a single-family home has fallen to \$562,500 in September 2023. Home sales for the month of September 2023 were 370 units, which is a decrease from the same month in 2022, where units peaked at 476. The inventory of homes on the market remains low, which is keeping prices stable even with the rising interest rates.

In fiscal year 2022/23, property taxes increased 8.1% and for fiscal year 2023/24, the City budgeted for property taxes to increase 5.0%. Due to the formula in Nevada Revised Statutes, there is a cap on the increase allowed in property taxes except for taxes generated by new construction. For fiscal year 2023/24, the projected increase was estimated to be 3.0% from existing residential and commercial properties and the remaining 2.0% from growth. The Washoe County Assessor anticipates property taxes will continue to rise, though at a modest pace. The housing market has slowed down for single family homes; however, there is continued growth in commercial construction.

Consolidated tax for fiscal years 2010/11 through 2021/22 showed steady increases, with an average increase of 7.8%. However, in FY2022/23 receipts declined due to inflation and recession concerns nationwide. A 6% increase was budgeted and consolidated tax came in under budget by 8.2%. Franchise fees showed significant growth during the year and came in over budget for the year in an amount that filled the gap caused by a decline in consolidated tax. This trend was recognized mid-year, and an adjustment was not needed in the overall revenue totals projected. For fiscal year 2023/24, the City adjusted the budget to reflect the flattening out of the revenue and as of August 2023, consolidated tax receipts are exceeding budget for FY 2023/24 by 2.2%.

The State of Nevada, Washoe County and City of Reno continue to focus efforts on diversifying the regional economy. Although tourism still represents a key role in Reno's tax and employment base, the region has slowly diversified into other industries including high-tech and health care. The City has benefitted from its growing local tax base and correlated operating revenues in the last several years, allowing the City to build up its accumulated general fund reserves.

The Economic Development Association of Western Nevada (EDAWN) reports that Reno is ranked number 1 in the top 50 Small Cities to live in the United States in 2020 and ranked among the top U.S. cities for young professionals in 2021. This is due to the natural beauty of the region as well as the pro-business attitude of the area's leaders. The City offers dense startup connections and an innovation-focused entrepreneurial culture. Increasingly, technology companies and a highly educated workforce are driving Reno's popularity with companies like Tesla, Amazon, and Google. Other factors that increase the appeal of Reno are the thriving restaurants and many special events. The Reno Aces AAA baseball team, as well as the myriad of year-round outdoor activities from alpine skiing to hiking to kayaking, all contribute to Outside Magazine naming Reno the happiest place to live in the U.S. in 2023.

The area climate boasts four distinct seasons, each with mild variations and few extremes. Winters typically see lows in the 20s, while summers bring highs in the 90s. With the low humidity characteristic of the high-desert, even the coldest days feel less cold and hot days not so hot. Cloudy days and rainfall are infrequent occurrences, with Reno enjoying over 250 days of abundant sunshine annually. While snowfall is certain during the winter, it tends to melt away by late afternoon in the valleys. All of this makes the area spectacular for enjoying the outdoors, including hunting, fishing, biking, hiking, skiing and many other activities.

City management continues to control expenses given the uncertainty of the economy and high inflation. Restructuring has occurred at all levels in the organization to promote efficiencies in operations and service delivery, and additional opportunities are constantly being identified and analyzed. The City continues to

review vacancies prior to recruitment to determine if there are opportunities to restructure or provide service differently.

Long-Term Financial Planning

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

In order to position the City to successfully weather another long-term economic downturn while capitalizing on opportunities that can be developed under the current conditions, staff continues developing a number of financial planning tools. In addition to the measures mentioned above, a ten-year financial forecast is used to project future resource needs and adjust operating programs to meet the available resources.

Furthermore, the City is collaborating with other local agencies on analyzing opportunities for shared service and consolidation, as well as creating a regional approach to economic development. Partner organizations include Washoe County, the City of Sparks, University of Nevada – Reno, EDAWN, the Reno-Sparks Convention and Visitors Authority, the Regional Transportation Commission, Washoe County School District and many others, both formally and informally. The community has a long history of successfully collaborating on regional approaches to issues, with many services provided through interlocal agreements or as shared services.

Additionally, the management team has begun deploying different tactics designed to increase efficiency and effectiveness, including updated policies, process improvement initiatives and increased transparency.

Relevant Financial Policies

Rainy Day Reserves — In compliance with state law, the General Fund Financial Policy requires unreserved fund balance to be budgeted at 4% of prior year expenditures, which was included in the fiscal year 2022/23 adopted budget. The City is in compliance with this requirement and has budgeted for an ending fund balance of 15% for fiscal year 2023/24. In fiscal year 2014/15, the City committed \$2.1 million of consolidated tax revenues to begin funding a Stabilization Special Revenue Fund. The balance on June 30, 2023 is approximately \$3 million. The City recognizes the importance of these reserves, along with a conservative approach to spending, in giving the City a greater level of flexibility in responding to unforeseen revenue reductions. In addition, the City has funded a Contingency Account in the General Fund in the amount of \$1,000,000 for fiscal year 2023/24 for unanticipated expenditures.

OPEB Funding — The City's past practice of funding primarily pay-as-you-go costs rather than the full annual other post-employment benefit (OPEB) costs has resulted in continued growth in the City's net liability. The City does not have the resources, at this time, needed to fully fund the annual OPEB expense, including interest on the liability, but has created an OPEB trust so amounts may be put aside to fund this growing liability. Through the adoption of the Budget Guiding Principles, Council has begun a funding program through the allocation of a portion property tax growth to the OPEB trust. For the year ended June 30, 2023, the City transferred \$3,996,860 to the trust.

Risk Management – In fiscal year 2020/21, the City implemented a more robust risk management program to help control exposure to potential claims, and reduce costs. The current fiscal year is the second full year with this program closely monitoring revenues and expenditures. The City strives to aggressively litigate and resolve high exposure claims.

Major Initiatives

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

As part of a resilient budget strategy, two key financial planning tools were developed. A ten-year financial forecast to better project future resource needs, identify areas of concern and adjust operating programs to meet available resources is maintained. Second, a 20+ year history is maintained that tracks significant data points that assist with future projections. Although revenues have increased over the past decade, the future is still uncertain. The influx of federal stimulus funds has bolstered revenues. High inflation and market uncertainty are major concerns, and the full impact is difficult to predict. Long term planning that incorporates resilient budget practices is critical during uncertain economic times.

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

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Reno for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the 40th consecutive year that the City of Reno has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Respectfully submitted,



Vicki Van Buren
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Reno
Nevada**

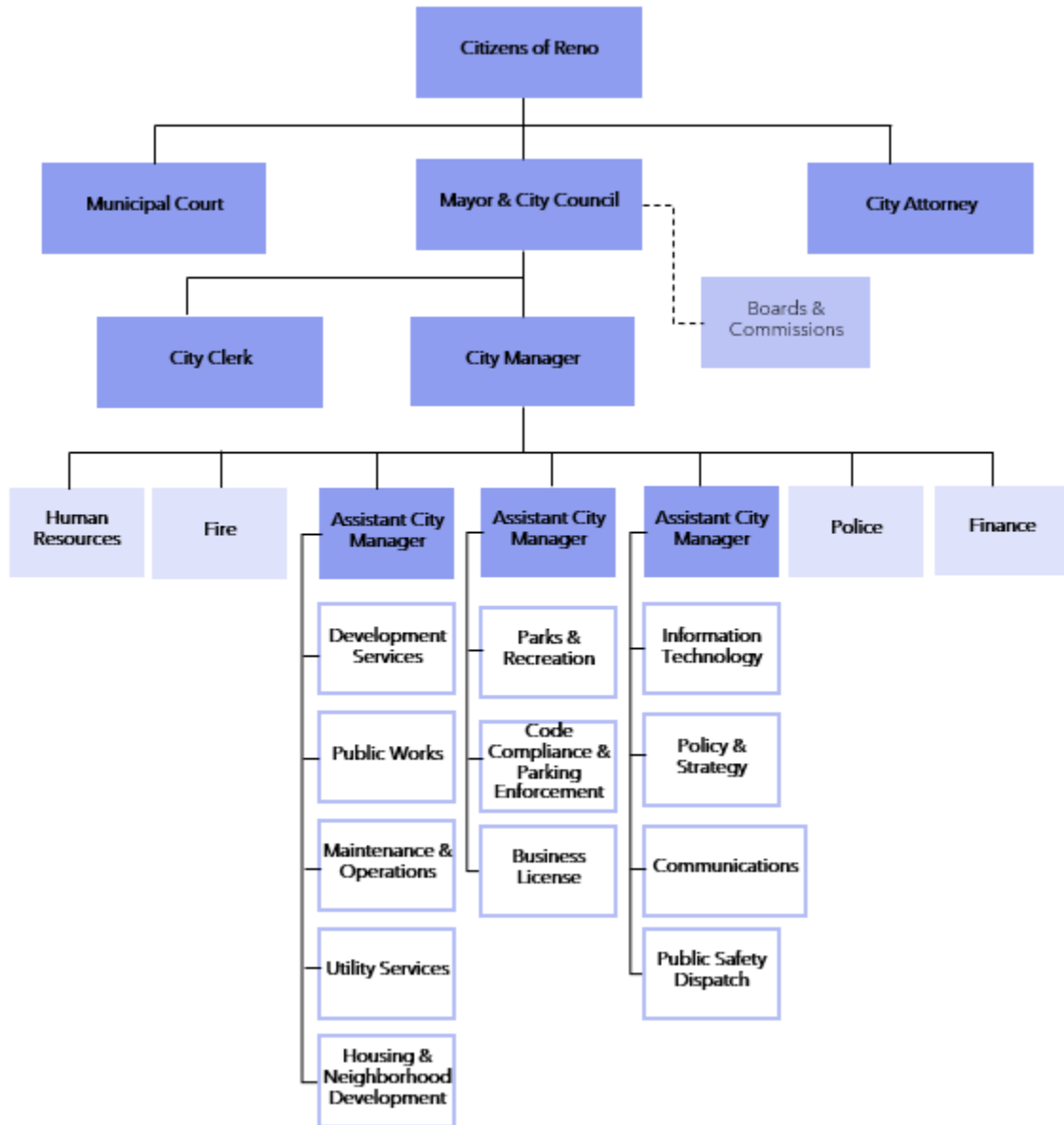
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

City of Reno, Nevada
Organization Chart
For the Year Ended June 30, 2023



City of Reno, Nevada
City Officials
For the Year Ended June 30, 2023

CITY COUNCIL

Hillary Schieve, Mayor
Jenny Brekhus, Councilmember, Ward 1
Naomi Duerr, Councilmember, Ward 2
Miguel Martinez, Councilmember, Ward 3
Megan Ebert, Councilmember, Ward 4
Kathleen Taylor, Councilmember, Ward 5
Devon Reese, Councilmember, At Large

OTHER ELECTED OFFICIALS

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

CITY MANAGEMENT

(Appointed by the City Council)

Doug Thornley, City Manager
Mikki Huntsman, City Clerk

(Appointed by City Manager)

Jackie Bryant, Assistant City Manager
JW. Hodge, Assistant City Manager
Eric Edelstein, Assistant City Manager
Vicki Van Buren, Finance Director
David Cochran, Fire Chief
Norma Santoyo, Human Resources Director
Craig Franden, Information Technology Director
Rebecca Venis, Director of Communications
Kathryn Nance, Police Chief
Calli Wilsey, Director of the Office of Policy & Strategy
Cynthia Esparza-Trigueros, Chief Equity and Community Relations Officer
Ashley Turney, Chief Innovation & Experience Officer
Kerrie Koski, Public Works Director
Travis Truhill, Director of Operations and Maintenance
John Flansberg, Regional Infrastructure Administrator
Trina Magoon, Utilities Services Director

(Appointed by Judges)

Veronica Lopez, Court Administrator

Financial Section

Report of Independent Auditors

Honorable Mayor and City Council Members
City of Reno, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Reno, Nevada (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison information, postemployment benefits other than pension schedules, multiple-employer cost-sharing defined benefit plan schedules, and agent multiple-employer defined benefit pension plan schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (collectively, the supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2023 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon
December 5, 2023

Management's Discussion and Analysis

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

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

Financial Highlights

Summary of Selected Statement of Net Position Information

	Total Primary Government			
	2023	2022	Change	
Cash, cash equivalents and investments, unrestricted and restricted	\$ 526,259,938	\$ 474,117,935	\$ 52,142,003	11%
Truckee Meadows Water Reclamation Facility	83,340,822	83,128,787	212,035	0%
Capital assets, net	1,513,596,152	1,426,171,191	87,424,961	6%
Bonds and notes payable, net of unamortized premiums and discounts	518,325,293	470,857,329	47,467,964	10%
Net other post-employment benefits liability	121,310,461	133,546,458	(12,235,997)	-9%
Net pension liability	352,299,545	173,851,338	178,448,207	103%
Total net position	1,031,449,491	967,206,046	64,243,445	7%

The increase in cash, cash equivalents and investments is due to the funds received from the bond issued to construct the Public Safety Center and Moana Springs pool. There was also an increase in charges for services from business licenses as well as in the enterprise funds in sewer fees.

The increase experienced in the City's net position is largely attributable to an increase in cash due to 1) the issuance of long-term and medium-term obligations in the amount of \$68,639,002 for the construction of the Public Safety Center, Moana Springs Pool and police protective equipment 2) growth in property tax revenues and other intergovernmental shared revenues; and 3) growth in charges for service, particularly in the enterprise funds.

The City's investment in the Truckee Meadows Water Reclamation Facility remained consistent due to new capital contributions being equal to depreciation realized during the current fiscal year.

Capital assets, net of depreciation increased primarily due to dedicated streets, sewer lines and storm drains, as well as new construction in progress related to infrastructure, the new Public Safety Center and the Moana Springs Pool.

The City issued two obligations during the year amounting to a \$68.6 million increase for the Public Safety Center, Moana Springs Pool, Fire Headquarters, and police protective equipment. The City also recorded the final \$3.29 million in new draws on the \$55 million 2020 State Clean Water Revolving Loan Fund loan contract, the proceeds of which are being used to expand the Reno/Stead Water Reclamation Facility in the growing North Valleys. Now that the project is complete and all of the funds are drawn, the loan contract was converted to the 2020 bonds. Due to the additional draws and obligations, total bonds and notes payable increased net of scheduled principal reductions.

The City's other post-employment benefits other than pensions (OPEB) report for the fiscal year ending June 30, 2023, is a new valuation for the current fiscal year. No assumptions were changed from the previous valuation other than to increase the discount rate from 6.0% to 6.5%, the effect of which was a 9% decrease in the total OPEB liability. Deferred inflows related to OPEB declined by \$7.0 million and deferred outflows declined by \$0.5 million, so the net impact on the Statement of Net Position was a \$18.7 million decrease.

City of Reno, Nevada

Management's Discussion and Analysis

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The net pension liability increased significantly at 103%. Deferred outflows of resources were 19% higher, while deferred inflows were 70% lower. In accordance with generally accepted accounting principles, the City records its proportionate share of PERS' unfunded liability and related amounts, even though Nevada Revised Statutes state that the City is not liable for such amounts.

Summary of Selected Statement of Activity Information

	Total Primary Government			
	2023	2022	Change	
Charges for services	\$ 202,313,059	\$ 182,041,843	\$ 20,271,216	11%
Operating grants and contributions	27,420,988	24,057,072	3,363,916	14%
Capital grants and contributions	74,512,432	33,427,552	41,084,880	123%
Property taxes	101,958,471	92,257,926	9,700,545	11%
Intergovernmental shared revenue, unrestricted	100,722,789	101,812,439	(1,089,650)	-1%
Total expenses	484,842,878	379,807,610	105,035,268	28%
Change in net position	64,243,446	67,271,735	(3,028,289)	-5%

Property tax collections continued to increase due to new construction that was started in prior years and the continued rebounding of property values although growth in assessed values is limited by caps established in 2005 by Nevada's State Legislature. Charges for service increased for business licensing activity, gaming licenses, and certain other activities, reflecting the effect of the reopening of businesses and State and local government offices. The City saw a tapering off in building permit activity. Intergovernmental shared revenues, led by consolidated tax revenues, decreased 1% as consumer spending was lowered due to increases in interest rates.

Capital grants and contributions increased significantly due to streets which were reconstructed by the Regional Transportation Commission of Washoe County, Nevada and belong to the City of Reno. The construction costs are recognized by the City as a contribution in the year the construction is completed.

Expenses increased by 28% as the City had large cost of living adjustments of 7% (on average) for staff as well as an increase in the overall number of full time equivalent staff members. The medium term obligation in the amount of \$9M was spent on police protective equipment that was not capitalized under the City's existing policy. The City also increased spending of the ARPA Funds that were received in FY 2021.

Financial Overview

The basic financial statements of the City are comprised of government-wide financial statements, fund financial statements, and notes to the basic financial statements. Additionally, supplemental information to the financial statements is contained in this report.

Government-wide Financial Statements

The government-wide financial statements are presented to provide readers with a broad overview of the City that is similar to that of the private sector.

The statement of net position presents information on all assets and liabilities for the City. The difference between the total assets and total liabilities is reported as "net position." Over time, increases and decreases in net position may serve as an indicator of improvement or deterioration of financial condition.

The statement of activities reflects the changes which have occurred during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes.

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

Fund Financial Statements

A fund is a legal and accounting entity with a self-balancing set of accounts to record activity involving assets and liabilities. The City, as with other governmental agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City are divided into governmental, proprietary, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental funds focus on the current inflows and outflows of resources. This information is useful in determining current financial requirements.

The City maintains 84 separate funds/fund groups that make up the governmental fund category. Information is presented separately in the governmental balance sheet and the governmental statement of revenues, expenditures, and changes in fund balance in the following four (4) funds because they qualify as major funds under the GASB 34 definition: General Fund, Street Special Revenue Fund, Cabela's Debt Service Fund, and the City of Reno Capital Project Fund. Information for the remaining funds, which did not meet the definition of a major fund, is aggregated for reporting purposes.

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

Proprietary Funds

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

Fiduciary Funds

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

Notes to the Basic Financial Statements

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

Other Information

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

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

Financial Statement Analysis

Government-wide Financial Statement Analysis

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

Summary Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Assets						
Current, restricted and other assets	\$ 401,814,016	\$ 357,619,340	\$ 202,483,791	\$ 197,217,467	\$ 604,297,807	\$ 554,836,807
Investment in Truckee Meadows Water Reclamation Facility			83,340,822	83,128,787	83,340,822	83,128,787
Capital Assets	1,023,200,391	960,978,841	490,395,761	465,192,349	1,513,596,152	1,426,171,190
Total Assets	1,425,014,407	1,318,598,181	776,220,374	745,538,603	2,201,234,781	2,064,136,784
Deferred Outflows of Resources						
Deferred amounts related to pensions	122,378,891	105,789,368	12,311,474	9,350,530	134,690,365	115,139,898
Deferred amounts related to OPEB	990,119	1,462,824	54,379	68,508	1,044,498	1,531,332
Deferred loss on debt refunding activity	17,960,925	18,545,787	-	-	17,960,925	18,545,787
Total Deferred Outflows of Resources	141,329,935	125,797,979	12,365,853	9,419,038	153,695,788	135,217,017
Liabilities						
Current liabilities	128,359,935	127,162,698	35,463,650	32,371,892	163,823,585	159,534,590
Long-term liabilities	999,912,460	772,844,552	95,259,020	82,274,504	1,095,171,480	855,119,056
	1,128,272,395	900,007,250	130,722,670	114,646,396	1,258,995,065	1,014,653,646
Deferred Inflows of Resources						
Deferred amount related to pensions	2,810,476	136,304,805	279,434	12,043,114	3,089,910	148,347,919
Deferred amounts related to OPEB	53,068,886	56,162,533	1,914,703	5,816,991	54,983,589	61,979,524
Deferred amounts related to leases	6,412,513	7,166,669	-	-	6,412,513	7,166,669
Total Deferred Inflows of Resources	62,291,875	199,634,007	2,194,137	17,860,105	64,486,012	217,494,112
Net Position						
Net investment in capital assets	607,909,984	599,449,583	423,519,492	400,350,066	1,031,429,476	999,799,649
Restricted	128,026,846	90,213,451	30,466,787	89,428,695	158,493,633	179,642,146
Unrestricted	(360,156,758)	(344,908,131)	201,683,140	132,672,379	(158,473,618)	(212,235,752)
Total Net Position	\$ 375,780,072	\$ 344,754,903	\$ 655,669,419	\$ 622,451,140	\$ 1,031,449,491	\$ 967,206,043

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

	Summary Statement of Net Position					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	Change		Change		Change	
Assets						
Current, restricted and other assets	\$ 44,194,676	12.36%	\$ 5,266,324	2.67%	\$ 49,461,000	8.91%
Investment in Truckee Meadows Water Reclamation Facility			212,035	0.26%	212,035	0.26%
Capital Assets	62,221,550	6.47%	25,203,412	5.42%	87,424,962	6.13%
Total Assets	106,416,226	8.07%	30,681,771	4.12%	137,097,997	6.64%
Deferred Outflows of Resources						
Deferred amounts related to pensions	16,589,523	15.68%	2,960,944	31.67%	19,550,467	16.98%
Deferred amounts related to OPEB	(472,705)	-32.31%	(14,129)	-20.62%	(486,834)	-31.79%
Deferred loss on debt refunding activity	(584,862)	-3.15%	-		(584,862)	-3.15%
Total Deferred Outflows of Resources	15,531,956	12.35%	2,946,815	31.29%	18,478,771	13.67%
Liabilities						
Current liabilities	1,197,237	0.94%	3,091,758	9.55%	4,288,995	2.69%
Long-term liabilities	227,067,908	29.38%	12,984,516	15.78%	240,052,424	28.07%
	228,265,145	25.36%	16,076,274	14.02%	244,341,419	24.08%
Deferred Inflows of Resources						
Deferred amount related to pensions	(133,494,329)	-97.94%	(11,763,680)	-97.68%	(145,258,009)	-97.92%
Deferred amounts related to OPEB	(3,093,647)	-5.51%	(3,902,288)	-67.08%	(6,995,935)	-11.29%
Deferred amounts related to leases	(754,156)	-10.52%	-		(754,156)	-10.52%
Total Deferred Inflows of Resources	(137,342,132)	-68.80%	(15,665,968)	-87.71%	(153,008,100)	-70.35%
Net Position						
Net investment in capital assets	8,460,401	1.41%	23,169,426	5.79%	31,629,827	3.16%
Restricted	37,813,395	41.92%	(58,961,908)	-65.93%	(21,148,513)	-11.77%
Unrestricted	(15,248,627)	4.42%	69,010,761	52.02%	53,762,134	-25.33%
Total Net Position	\$ 31,025,169	9.00%	\$ 33,218,279	5.34%	\$ 64,243,448	6.64%

Governmental Activities

The increase experienced in the City's current, restricted, and other assets relates primarily to the receipt of a \$60 million General Obligation Bond, issued in July 2022, for the purpose of constructing a Public Safety Center and the Moana Springs Aquatic Center.

Investment in capital assets, net of depreciation and amortization increased primarily due to dedicated streets, as well as new construction in progress related to infrastructure of the new Public Safety Center and the Moana Springs Aquatic Center.

The decrease in current liabilities is due to the recognition of the ARPA Funds that were recorded as unearned revenue when received in 2021 have been spent in the current year using the five major categories outlined by the U.S. Department of the Treasury.

An increase in long-term liabilities is due to the additional debt of a \$60 million General Obligation Bond issued in July 2022 and a \$160 million increase in the City's proportionate share of net pension liability as reported by the State of Nevada.

Business-type Activities

Total assets for the City's business-type activities increased by 4.12%. The increase in current, restricted and other assets is due to an increase of \$5 million related to sewer connection fees that will be spent over the next 5 years to expand plant operations; a reduction in the note receivable between the City and the City of Sparks; and an overall increase in charges for services related to building permits.

City of Reno, Nevada

Management's Discussion and Analysis

For the Year Ended June 30, 2023

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

The long-term liabilities for the City's business-type activities increased by 15.78% mainly due to an \$18 million increase in the City's proportionate share of net pension liability as reported by the State of Nevada

Statement of Changes in Net Position

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

	Summary Statement of Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 110,322,666	\$ 95,325,262	\$ 91,990,393	\$ 86,716,581	\$ 202,313,059	\$ 182,041,843
Operating grants and contributions	25,031,092	24,047,072	2,389,896	10,000	27,420,988	24,057,072
Capital grants and contributions	61,356,011	18,155,583	13,156,421	15,271,969	74,512,432	33,427,552
Total Program Revenues	196,709,769	137,527,917	107,536,710	101,998,550	304,246,479	239,526,467
General revenues:						
Property taxes	101,958,471	92,257,926			101,958,471	92,257,926
Room taxes	12,873,390	12,705,342			12,873,390	12,705,342
Sales tax dedicated to debt	15,058,567	14,259,513			15,058,567	14,259,513
Other sales taxes	2,662,465	2,647,955			2,662,465	2,647,955
Consolidated tax revenue	93,449,652	94,501,974			93,449,652	94,501,974
Intergov. shared revenue, unrestricted	7,273,137	7,310,465			7,273,137	7,310,465
Investment income	3,631,993	(8,137,719)	3,441,282	(4,736,615)	7,073,275	(12,874,334)
Gain (loss) on disposal of capital assets	743,831	(7,092,728)		(863,058)	743,831	(7,955,786)
Miscellaneous	3,747,057	4,680,871		18,952	3,747,057	4,699,823
Total Revenue	438,108,332	350,661,516	110,977,992	96,417,829	549,086,324	447,079,345
Expenses						
General government	76,250,789	62,079,032			76,250,789	62,079,032
Judicial	9,490,006	9,395,021			9,490,006	9,395,021
Public safety	187,612,256	121,191,358			187,612,256	121,191,358
Public works	70,482,717	42,817,258			70,482,717	42,817,258
Community development & support	13,806,001	28,401,311			13,806,001	28,401,311
Culture & recreation	20,159,760	19,352,526			20,159,760	19,352,526
Urban redevelopment	4,015,348	4,154,809			4,015,348	4,154,809
Debt service:						
Interest & fiscal charges	25,378,288	20,978,696			25,378,288	20,978,696
Sanitary sewer			64,505,805	60,135,606	64,505,805	60,135,606
Building permits			13,141,908	11,301,993	13,141,908	11,301,993
Total Expenses	407,195,165	308,370,011	77,647,713	71,437,599	484,842,878	379,807,610
Change in net position	30,913,167	42,507,956	33,330,279	24,763,779	64,243,446	67,271,735
Transfers	112,000	216,451	(112,000)	(216,451)	-	-
Net position, beginning of year	344,754,905	302,246,949	622,451,140	597,687,361	967,206,045	899,934,310
Net position, end of year	\$ 375,780,072	\$ 344,754,905	\$ 655,669,419	\$ 622,451,140	\$ 1,031,449,491	\$ 967,206,045

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

	Summary Statement of Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	Change		Change		Change	
Revenues						
<i>Program revenues:</i>						
Charges for services	\$ 14,997,404	15.73%	\$ 5,273,812	6.08%	\$ 20,271,216	11%
Operating grants and contributions	984,020	4.09%	2,379,896	23798.96%	3,363,916	14%
Capital grants and contributions	43,200,428	237.95%	(2,115,548)	-13.85%	41,084,880	123%
Total Program Revenues	59,181,852	43.03%	5,538,160	5.43%	64,720,012	27%
General revenues:						
Property taxes	9,700,545	10.51%			9,700,545	11%
Room taxes	168,048	1.32%			168,048	1%
Sales tax dedicated to debt	799,054	5.60%			799,054	6%
Other sales taxes	14,510	0.55%			14,510	1%
Consolidated tax revenue	(1,052,322)	-1.11%			(1,052,322)	-1%
Intergov. shared revenue, unrestricted	(37,328)	-0.51%			(37,328)	-1%
Investment income	11,769,712	144.63%	8,177,897	-172.65%	19,947,609	-155%
Gain (loss) on disposal of capital assets	7,836,559	-110.49%	863,058		8,699,617	-109%
Miscellaneous	(933,814)	-19.95%	(18,952)	-100.00%	(952,766)	-20%
Total Revenue	87,446,816	24.94%	14,560,163	15.10%	102,006,979	23%
Expenses						
General government	14,171,757	22.83%			14,171,757	23%
Judicial	94,985	1.01%			94,985	1%
Public safety	66,420,898	54.81%			66,420,898	55%
Public works	27,665,459	64.61%			27,665,459	65%
Community development & support	(14,595,310)	-51.39%			(14,595,310)	-51%
Culture & recreation	807,234	4.17%			807,234	4%
Urban redevelopment	(139,461)	-3.36%			(139,461)	-3%
Debt service:						
Interest & fiscal charges	4,399,592	20.97%			4,399,592	21%
Sanitary sewer			4,370,199	7.27%	4,370,199	7%
Building permits			1,839,915	16.28%	1,839,915	16%
Total Expenses	98,825,154	32.05%	6,210,114	8.69%	105,035,268	28%
Change in net position	(11,594,789)	-27.28%	8,566,500	34.59%	(3,028,289)	-5%
Transfers	(104,451)	-48.26%	104,451	-48.26%	-	
Net position, beginning of year	42,507,956	14.06%	24,763,779	4.14%	67,271,735	7%
Net position, end of year	\$ 30,808,716	8.94%	\$ 33,218,279	5.34%	\$ 64,243,446	7%

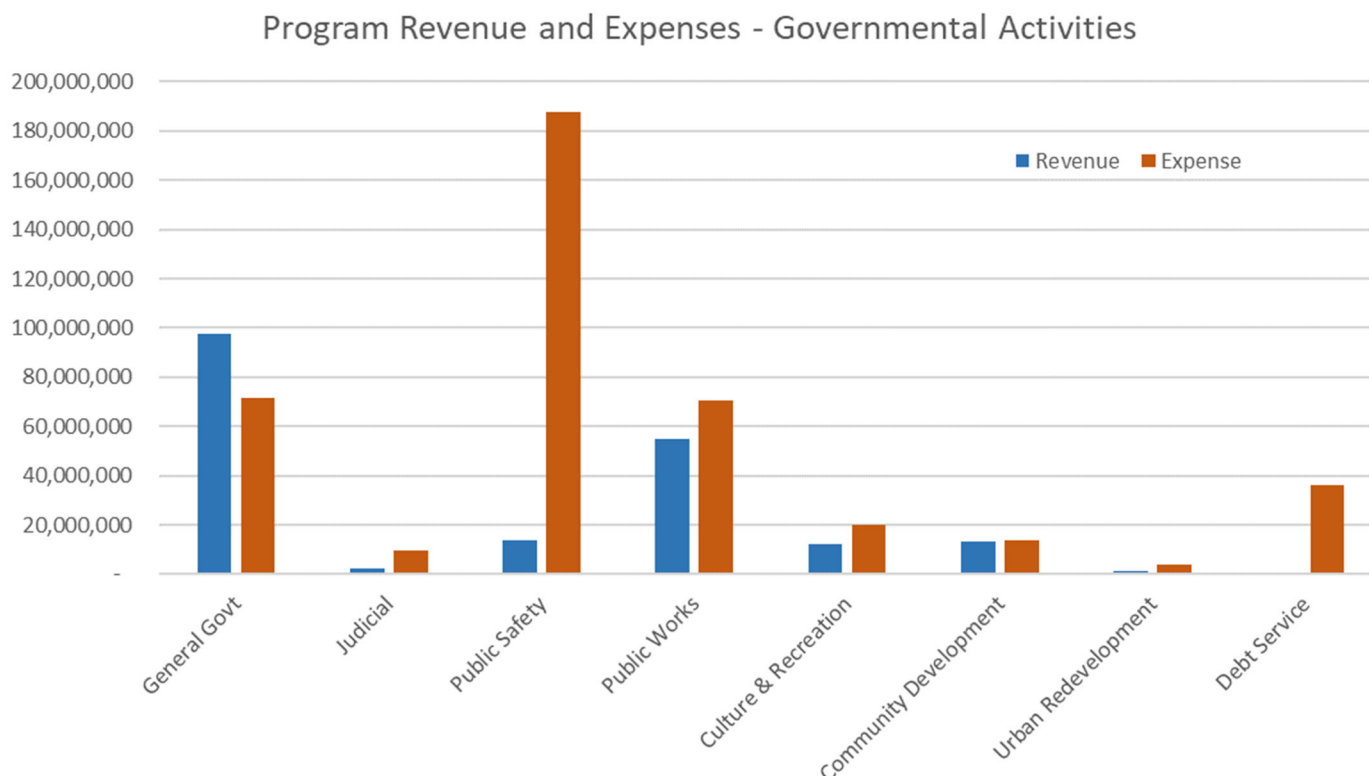
City of Reno, Nevada

Management's Discussion and Analysis

For the Year Ended June 30, 2023

Governmental Activities

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



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

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

For governmental activities, charges for services became the largest revenue contributor at 25.03%, with property taxes a close second at 23.32%. Consolidated taxes were the third, contributing 23.04% of all revenues for governmental activities.

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

Charges for services rose by 15.73% compared to the prior fiscal year. The primary increases in revenue related to an increase in business license revenues, an increase in electric franchise fees and an increase in EMS transport revenue. Business licenses and EMS transport revenues increased because of an increase in demand combined with a CPI increase in rates. Electric franchise fees increased because NV Energy increased rates and the winter for the fiscal year was colder and longer than normally for the area.

The 4.09% increase in operating grants and contributions primarily relates recognizing revenues from ARPA funds that were received in advance in 2021 and recorded in unearned revenue until the funds have been spent on approved projects.

The 237.95% increase in capital grants and contributions is the result of the dedication of streets, as well as new construction in progress related to the infrastructure for the new Public Safety Center and the Moana Springs Aquatic Center.

Property taxes had a 10.51% increase from the increased valuation of existing properties combined with additional homes being completed during the fiscal year.

The slight decrease in consolidated tax and unrestricted intergovernmental shared revenues is related to the slowdown of the local economy impacted from the increase in federal interest rates.

Interest and investment earnings saw a large increase due to the change in value of the City's investment portfolio. As interest rates change, the impact to unrealized gains and losses will increase and decrease depending on the City's current portfolio position. During the current year interest rates were on the rise and the City's investment portfolio was regularly reviewed for value opportunities to take advantage of increasing rates.

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

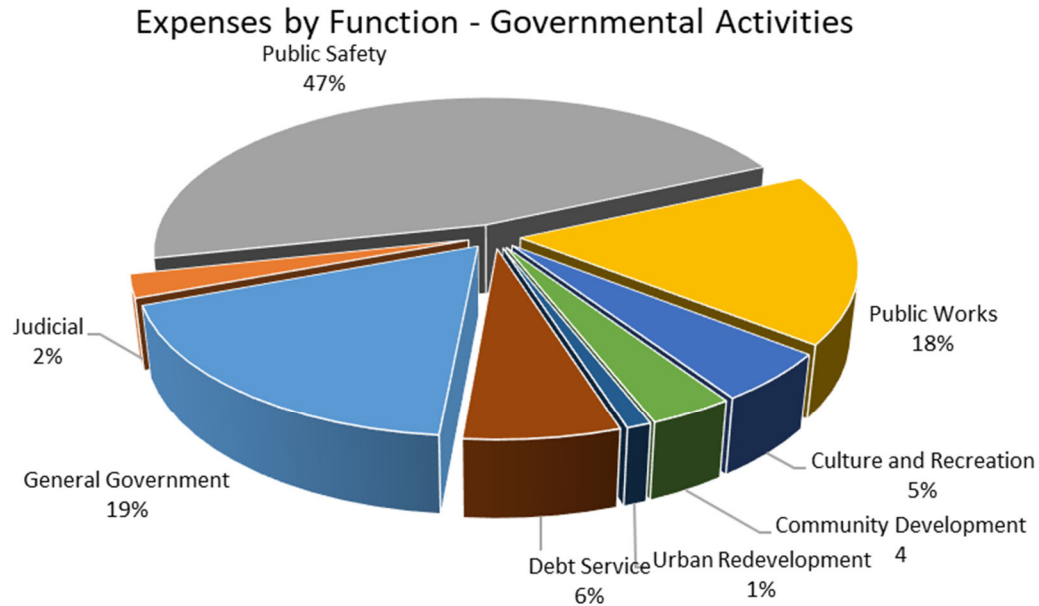
The increases in expenses for the general government, public safety, and public works functions are the net difference of increased salaries, benefits and number of employees at the City of Reno and the change in pension and OPEB valuation.

The 51.39% decrease in community development in the current year is because in the prior year there were many projects that were expensed due to not meeting the City's policy for capital assets. These expenses were not recorded as capital assets and depreciated over their useful lives, so the expense for the prior year was higher than in the current year.

Interest and fiscal charges increased 20.97% due to the fees associated with the new \$60 million bond issuance and associated interest payments for the new bond.

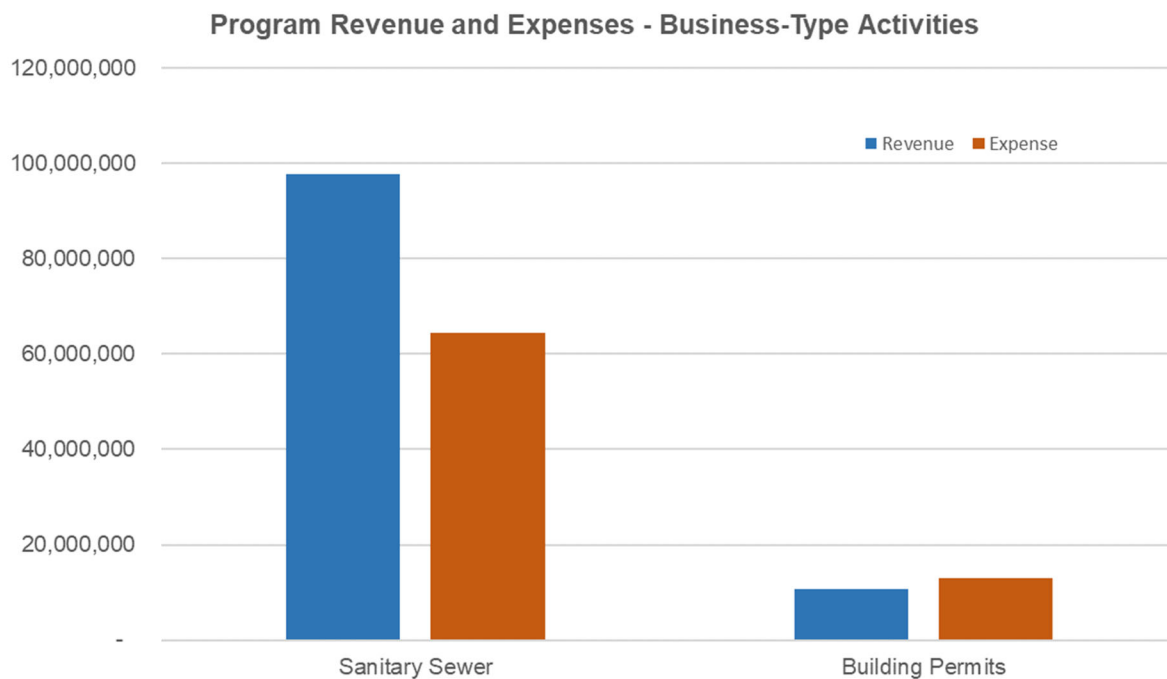
The following chart provides a comparison of expenses by function/program as a percentage of total expenses for all government activities. The public safety function (police, fire and dispatch) continues to pose the largest cost to the City. The general government function is second for reasons previously explained. The public works function is third as infrastructure depreciation will continue to keep public works as one of the most costly functions.

City of Reno, Nevada
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For the Year Ended June 30, 2023



Business-type Activities

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



City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

Business-type activities realized a 5.43% increase in program revenue and a 15.10% increase in overall revenue. Much of the increase is due to the increase in the valuation of investments and the increase from sewer user fees. Expenses increased by 8.52%, resulting in 5.36% increase in net position for the business-type activities. Most of this increase in expenses was due to the increase related to OPEB and pension adjustments as well as additional employees hired for inspections and building permits.

The building permit function experienced a 20.10% decrease in overall building permits issued when compared to fiscal year 2021/22. The decline puts building permits back to similar levels as fiscal year 2020 prior to the pandemic. This translated into a 17.69% decrease in charges for service in the Building Permit Fund. The decrease in charges for services also relates to waived fees to promote low income housing. Expenses were 15.90% higher than the previous year due to higher salaries and wages from regularly scheduled merit increases, adjustments for cost of living and compensated absence accruals, and additional employees to cover the additional work from development expansion.

The sanitary sewer function continues to be self-supporting, with program revenues exceeding operating expenses. This allows the function to continue funding its capital needs without relying upon the issuance of debt except for the planned Stead wastewater treatment plant expansion. Sewer connection fee revenue remained consistent, which is expected given the decrease in building permits combined with connection fees being waived to promote low income housing and an increase in connection fees. Expenses increased 7.13% and charges for services increased by 6.78% which contributed to the increase in net position.

Financial Analysis of the Government's Funds

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

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

Total Assets - Governmental Funds				
	2023	2022	Change	
General Fund	\$ 70,133,861	\$ 61,353,319	\$ 8,780,542	14.31%
Streets Special Revenue Fund	40,229,034	42,774,410	(2,545,376)	-5.95%
Cabela's Debt Service Fund	1,235,966	1,662,024	(426,058)	-25.63%
Public Works Capital Projects Fund	136,682,141	108,977,115	27,705,026	25.42%
Non-major Governmental Funds	92,056,981	87,291,349	4,765,632	5.46%
Total Liabilities - Governmental Funds				
	2023	2022	Change	
General Fund	\$ 14,232,249	\$ 12,154,287	\$ 2,077,962	17.10%
Streets Special Revenue Fund	7,036,911	3,769,200	3,267,711	86.70%
Cabela's Debt Service Fund	16,424,488	14,449,238	1,975,250	13.67%
Public Works Capital Projects Fund	48,404,208	49,998,029	(1,593,821)	-3.19%
Non-major Governmental Funds	3,213,434	5,905,213	(2,691,779)	-45.58%
Total Fund Balance - Governmental Funds				
	2023	2022	Change	
General Fund	\$ 48,218,827	\$ 41,254,404	\$ 6,964,423	16.88%
Streets Special Revenue Fund	32,913,113	38,793,234	(5,880,121)	-15.16%
Cabela's Debt Service Fund	(15,188,522)	(12,787,214)	(2,401,308)	18.78%
Public Works Capital Projects Fund	88,277,933	58,979,086	29,298,847	49.68%
Non-major Governmental Funds	85,113,676	75,210,989	9,902,687	13.17%
Total Revenues - Governmental Funds				
	2023	2022	Change	
General Fund	\$ 278,451,477	\$ 257,655,124	\$ 20,796,353	8.07%
Streets Special Revenue Fund	34,551,988	32,116,317	2,435,671	7.58%
Cabela's Debt Service Fund	1,082,030	1,054,403	27,627	2.62%
Public Works Capital Projects Fund	21,378,639	5,003,669	16,374,970	327.26%
Non-major Governmental Funds	61,505,450	55,579,905	5,925,545	10.66%
Total Expenditures - Government Funds				
	2023	2022	Change	
General Fund	\$ 265,828,670	\$ 230,520,516	\$ 35,308,154	15.32%
Streets Special Revenue Fund	40,342,109	27,824,776	12,517,333	44.99%
Cabela's Debt Service Fund	3,483,338	3,383,263	100,075	2.96%
Public Works Capital Projects Fund	64,848,055	28,119,779	36,728,276	130.61%
Non-major Governmental Funds	53,458,683	51,986,283	1,472,400	2.83%
Total Other Financing Sources (Uses) - Governmental Funds				
	2023	2022	Change	
General Fund	\$ (5,658,384)	\$ (37,169,902)	\$ 31,511,518	-84.78%
Streets Special Revenue Fund	(90,000)	(101,329)	11,329	-11.18%
Cabela's Debt Service Fund	-	-	-	0.00%
Public Works Capital Projects Fund	72,768,264	41,753,103	31,015,161	74.28%
Non-major Governmental Funds	1,855,920	3,077,969	(1,222,049)	-39.70%

Of the above fund balances, \$3 million is categorized as nonspendable, \$104 million as restricted, \$105.2 million as assigned, and \$27 million as unassigned.

City of Reno, Nevada
Management's Discussion and Analysis
For the Year Ended June 30, 2023

Major Governmental Funds

The primary operating fund of the City is the General Fund. At the end of the fiscal year presented, its total fund balance was \$48.2 million, an increase of 16.88% over the previous fiscal year. Unassigned fund balance increased by 22.63% in the current year to \$42.2 million which is due to increased salary and benefits for City employees; transfers to capital improvement funds for existing projects; netted against higher than anticipated property tax revenues, franchise fees and business licensing activity. One of the City's goals is to maintain a reserve in the general fund between 8.30% and 25.00% of the prior fiscal year's total operating expenditures. As of June 30, 2023, this calculation yielded a reserve of 15.92%.

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

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

The Public Works Capital Project Fund met the criteria for a major fund again this fiscal year due to the receipt of ARPA funds, which is reported as unearned revenue until such time as a formal, qualified spending plan is adopted by the City Council.

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

Major Proprietary Funds

The Sanitary Sewer Fund accounts for sewer services provided to Reno's citizens and some residents of Washoe County. The unrestricted net position at the end of the fiscal year amounted to \$189.1 million. Operating revenues were slightly higher at 55.19% from prior fiscal year level. Higher charges for service due to a modest sewer rate increase, the number of active sewer accounts and investment earnings were up from the prior fiscal year. Operating expenses increased 8.0% due to increased salaries and benefits. Capital projects increased during the year to work towards completion of the sewer plant expansion.

The City contributed \$1.7 million to the Truckee Meadows Reclamation Facility for capital improvements, and its share of the joint venture's loss was \$5.2 million, which was made up primarily of depreciation expense.

The Building Permit Fund accounts for resources provided by the issuance of building permit fees and performing plan checks/reviews related to new construction and remodeling/structure rehabilitation projects. Operationally, the fund's revenues were 17.69% lower than fiscal year 2021/22 levels due to slowing growth in the various categories of building permits issued. Operating expenses increased by 16.67% due to increased salaries and benefits, additional employees and due to an adjustment to pension and OPEB.

City of Reno, Nevada

Management's Discussion and Analysis

For the Year Ended June 30, 2023

Budgetary Highlights for General Fund

Summary of Selected General Fund Budgety to Actual Information				
	Original Budget	Final Budget	Actual	Variance
Total Revenues	\$ 266,126,024	\$ 278,624,327	\$ 278,451,477	\$ (172,850)
Total Expenditures	254,813,410	282,101,984	265,828,670	16,273,314
Total Fund Balance	44,454,406	36,773,002	48,218,827	11,445,825

The functions represent the legal level of budgetary control. Budgeted revenues increased for reasons discussed previously. The expenditure budget for the general government function was increased to address the additional equipment purchased by the police department related to officer safety and retirement payouts for employees who left the organization in the current year. The public safety function specifically received budget increases related to grant-funded overtime and services and supplies and for payouts of compensated absences/leave balances upon retirement. Other department's budgets were increased modestly for various reasons. However, due to the conservative spending measures taken, every function's actual expenditures were less than their respective final budgets with the exception of public safety which went over budget in salaries and benefits due to unforeseen overtime costs and payouts of compensated absences/leave upon retirement.

Capital Assets Activity

At June 30, 2023, the City had total capital assets net of depreciation and amortization of \$1,513.6 million. This represents a 6.13% increase when compared to the prior year.

Major capital investment activities for fiscal year included:

- \$48.9 million increase in street infrastructure before depreciation, \$32.0 million of which was either contributed by developers or annexed and \$4.8 million of which was capitalized staff expenses.
- \$65.7 million in new construction in progress including the Public Safety Center and Moana Springs Pool, with completion of \$14.1 million of projects previously in construction in progress.
- \$3.7 million in new construction in progress related to the Reno/Stead Water Reclamation Facility which should be completed and placed into service in the subsequent fiscal year.
- \$28.2 million in new construction in progress in sewer line and storm drain rehabilitation and lift station improvement/replacement projects.

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

Long-term Debt Activity

Bonds and notes payable outstanding at June 30, 2023, totaled \$518.3 million, net of premiums and discounts, a 10.08% increase when compared to the prior year. Debt for governmental activities represents 88.18% of total debt outstanding, with debt related to business type activities accounting for 11.82% of the total debt outstanding.

At June 30, 2023, the City had \$148.5 million of general obligation debt outstanding that is subject to the legal debt limit of \$2,079.3 million.

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

Additional information on long-term debt activity is presented in Note 6 in the Notes to the Financial Statements section of this report.

Known Economic Factors

For the first three months of fiscal year 2023/24, intergovernmental consolidated tax revenues have risen 2.86% over the first three months of fiscal year 2022/23. For June of 2023, statewide taxable sales were up 2.8% over June of 2022; whereas in Washoe County, taxable sales increased 0.5% for the same period. For the fiscal year as a whole, statewide taxable sales and Washoe County taxable sales for 2022/23 were 6.3% and 0.9%, respectively, higher over 2021/22 levels.

In June of 2023 the unemployment rate in the Reno-Sparks MSA was 4.5%, which is slightly lower than the state unemployment rate of 5.4% and higher than the national rate of 3.6%. This rate is significantly lower than the all-time high of 20.4% experienced in April of 2020, which was the first full month after the pandemic shutdown was instituted on March 17 by Nevada Governor Sisolak. The Reno MSA unemployment was 3.3% for the same time period one year ago.

The annual job growth rate for the Reno metropolitan area between June 2023 and June 2022 was 4.2% compared to the (8.6%) growth rate between June 2021 and June 2020. This percentage reflects a job recovery of 10,500. Statewide, job growth between June 2021 and June 2020 was 6.6%, or 90,400 jobs, with food service, hospitality, and leisure industries showing the strongest growth.

Requests for Information

This financial report is designed to provide a general overview of the financial activity and condition of the City to all having such an interest in the City. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Reno Finance Department
One East First Street
P. O. Box 1900
Reno, Nevada, 89505.

Basic Financial Statements

Government-Wide Financial Statements

City of Reno, Nevada
Statement of Net Position
June 30, 2023

	Primary Government		
	Government	Business-type	
	Activities	Activities	Total
ASSETS			
Current assets:			
Cash, cash equivalents and investments	\$ 340,845,107	\$ 130,752,656	\$ 471,597,763
Cash, cash equivalents and investments, restricted	-	54,662,175	54,662,175
Receivables:			
Accounts	11,910,300	13,052,792	24,963,092
Leases	6,588,746	-	6,588,746
Taxes	874,296	-	874,296
Special assessments	4,180,600	-	4,180,600
Accrued interest on receivables	1,569,342	-	1,569,342
Due from other governments	31,229,310	2,725,012	33,954,322
Notes receivable	-	259,105	259,105
Inventories	1,471,617	421,219	1,892,836
Prepaid items	2,647,892	66,429	2,714,321
Property held for resale	1,041,209	-	1,041,209
Internal balances	(544,403)	544,403	-
Total current assets	<u>401,814,016</u>	<u>202,483,791</u>	<u>604,297,807</u>
Noncurrent assets:			
Joint Venture in TMWRF	-	83,340,822	83,340,822
Non-depreciated capital assets			
Construction in progress	72,966,926	108,162,024	181,128,950
Land	148,063,471	12,774,426	160,837,897
Water rights	1,125,000	1,812,114	2,937,114
Depreciable capital assets, net			
Buildings	144,929,533	5,891,790	150,821,323
Improvements other than buildings	244,384,635	347,810,409	592,195,044
Machinery, equipment and software	38,003,521	9,599,971	47,603,492
Infrastructure	368,471,763	-	368,471,763
Art and historical treasures	2,886,283	-	2,886,283
Subscription software	259,883	-	259,883
Right of use lease asset	2,109,376	4,345,027	6,454,403
Total noncurrent assets	<u>1,023,200,391</u>	<u>573,736,583</u>	<u>1,596,936,974</u>
TOTAL ASSETS	<u>1,425,014,407</u>	<u>776,220,374</u>	<u>2,201,234,781</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on debt refunding activity	17,960,925	-	17,960,925
Deferred amounts related to pensions	122,378,891	12,311,474	134,690,365
Deferred amounts related to OPEB	990,119	54,379	1,044,498
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>141,329,935</u>	<u>12,365,853</u>	<u>153,695,788</u>

City of Reno, Nevada
Statement of Net Position (Continued)
June 30, 2023

	Primary Government		
	Government Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	10,437,427	391,052	10,828,479
Accrued salaries and benefits	8,720,708	-	8,720,708
Contracts payable	19,621,302	8,126,118	27,747,420
Due to other governments	128,811	3,399,865	3,528,676
Deposits	2,288,857	11,241,187	13,530,044
Other liabilities	433,724	828,327	1,262,051
Unearned revenue	34,997,950	884,040	35,881,990
Long-term liabilities due within one year:			
Bonds and notes payable	15,468,371	8,321,724	23,790,095
Compensated absences	19,071,276	1,698,283	20,769,559
Self-insurance liability	9,921,117	-	9,921,117
Interest payable	6,895,100	450,847	7,345,947
Leases and subscription service liabilities	375,292	122,207	497,499
TOTAL CURRENT LIABILITIES	128,359,935	35,463,650	163,823,585
Noncurrent liabilities:			
Long-term liabilities due in more than one year:			
Bonds and notes payable	440,319,708	54,215,490	494,535,198
Compensated absences	10,931,068	913,487	11,844,555
Self-insurance liability	73,171,249	-	73,171,249
Interest payable	35,802,331	-	35,802,331
Net post employment benefits other than pensions	117,669,356	3,641,105	121,310,461
Net pension liability	320,027,455	32,272,090	352,299,545
Lease and subscription service liabilities	1,991,293	4,216,848	6,208,141
TOTAL NONCURRENT LIABILITIES	999,912,460	95,259,020	1,095,171,480
TOTAL LIABILITIES	1,128,272,395	130,722,670	1,258,995,065
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	2,810,476	279,434	3,089,910
Deferred amounts related to OPEB	53,068,886	1,914,703	54,983,589
Deferred amounts related to leases	6,412,513	-	6,412,513
TOTAL DEFERRED INFLOWS OF RESOURCES	62,291,875	2,194,137	64,486,012
NET POSITION			
Net investment in capital assets	607,909,984	423,519,492	1,031,429,476
Restricted for:			
Capital projects	36,257,528	30,466,787	66,724,315
Debt service	40,156,799	-	40,156,799
Public safety program	2,004,868	-	2,004,868
Cultural and development programs	2,942,261	-	2,942,261
Risk claims	23,934,513	-	23,934,513
Other government programs	22,730,877	-	22,730,877
Unrestricted (deficit)	(360,156,758)	201,683,140	(158,473,618)
TOTAL NET POSITION	\$ 375,780,072	\$ 655,669,419	\$ 1,031,449,491

See accompanying notes.

City of Reno, Nevada
Statement of Activities
For the Year Ended June 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT FUNCTIONS/PROGRAMS	Expenses						
Governmental activities							
General government	\$ 76,250,789	\$ 86,136,193	\$ 12,355,236	\$ -	\$ 22,240,640	\$ -	\$ 22,240,640
Judicial	9,490,006	1,650,964	594,289	-	(7,244,753)	-	(7,244,753)
Public safety	187,612,256	9,592,963	4,320,611	13,947	(173,684,735)	-	(173,684,735)
Public works	70,482,717	6,271,114	240,101	48,369,990	(15,601,512)	-	(15,601,512)
Culture and recreation	20,159,760	4,106,130	690,604	7,361,974	(8,001,052)	-	(8,001,052)
Community Development & Support	13,806,001	1,116,723	6,723,564	5,610,100	(355,614)	-	(355,614)
Urban redevelopment	4,015,348	1,448,579	106,687	-	(2,460,082)	-	(2,460,082)
Debt Service							
Interest Payments	25,061,641	-	-	-	(25,061,641)	-	(25,061,641)
Administrative/fiscal charges	316,647	-	-	-	(316,647)	-	(316,647)
Total governmental activities	407,195,165	110,322,666	25,031,092	61,356,011	(210,485,396)	-	(210,485,396)
Business-type activities							
Sanitary Sewer	64,505,805	81,391,470	2,389,896	13,156,421	-	32,431,982	32,431,982
Building Permit	13,141,908	10,598,923	-	-	-	(2,542,985)	(2,542,985)
Total business-type activities	77,647,713	91,990,393	2,389,896	13,156,421	-	29,888,997	29,888,997
TOTAL PRIMARY GOVERNMENT	\$ 484,842,878	\$ 202,313,059	\$ 27,420,988	\$ 74,512,432	(210,485,396)	29,888,997	(180,596,399)
GENERAL REVENUES							
Taxes							
Property taxes					101,958,471	-	101,958,471
Sales taxes restricted for debt service					15,058,567	-	15,058,567
Other sales taxes					2,662,465	-	2,662,465
Room Taxes					12,873,390	-	12,873,390
Unrestricted intergovernmental consolidated tax revenues					100,722,789	-	100,722,789
Unrestricted investment and interest earnings (losses)					(730,893)	1,216,001	485,108
Change in fair value of investments					4,362,886	2,225,281	6,588,167
Miscellaneous					3,747,057	-	3,747,057
Gain on sale of capital assets					743,831	-	743,831
Transfers (net)					112,000	(112,000)	-
TOTAL GENERAL REVENUES AND TRANSFERS					241,510,563	3,329,282	244,839,845
CHANGE IN NET POSITION					31,025,167	33,218,279	64,243,446
NET POSITION, BEGINNING OF YEAR					344,754,905	622,451,140	967,206,045
NET POSITION, END OF YEAR					\$ 375,780,072	\$ 655,669,419	\$ 1,031,449,491

Fund Financial Statements

City of Reno, Nevada
Balance Sheet – Governmental Funds
June 30, 2023

	General Fund	Streets Special Revenue Fund	Cabela's Sales Tax Increment Debt Service Fund	Public Works Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 30,482,067	\$ 36,215,607	\$ 1,061,249	\$ 133,085,132	\$ 77,982,633	\$ 278,826,688
Accounts receivable	7,953,863	783,302	-	250	601,680	9,339,095
Lease receivable	6,588,746	-	-	-	-	6,588,746
Accrued interest	1,510,489	-	-	-	59,510	1,569,999
Due from other governments	19,891,077	1,781,628	174,717	3,104,460	6,277,430	31,229,312
Taxes receivable	617,841	174,896	-	-	81,558	874,295
Special assessment current	-	-	-	-	1,581,675	1,581,675
Special assessments delinquent	11,508	-	-	-	2,070	13,578
Special assessments deferred	-	-	-	-	2,585,345	2,585,345
Due from other funds	1,444,634	-	-	-	-	1,444,634
Advances to other funds	-	310,007	-	-	-	310,007
Inventories	667,380	482,844	-	-	-	1,150,224
Prepaid items	966,256	480,750	-	-	861,848	2,308,854
Property held for resale	-	-	-	-	1,041,209	1,041,209
Notes receivable, net	-	-	-	492,299	982,023	1,474,322
Total assets	<u>\$ 70,133,861</u>	<u>\$ 40,229,034</u>	<u>\$ 1,235,966</u>	<u>\$ 136,682,141</u>	<u>\$ 92,056,981</u>	<u>\$ 340,337,983</u>
LIABILITIES						
Accounts payable	\$ 2,435,576	\$ 1,024,930	\$ -	\$ 632,003	\$ 2,142,402	\$ 6,234,911
Accrued salaries and benefits	8,720,709	-	-	-	-	8,720,709
Contracts and retained percentage payable	581,964	5,462,545	-	13,085,387	196,607	19,326,503
Accrued interest payable	-	-	-	-	45,233	45,233
Due to other funds	-	361,488	-	-	38,673	400,161
Due to other governments	64,497	40	-	-	64,274	128,811
Deposits	1,991,416	187,908	-	-	109,532	2,288,856
Other liabilities	433,566	-	-	-	-	433,566
Advances from other funds	-	-	-	-	310,007	310,007
Unearned Revenue	4,521	-	-	34,686,818	306,706	34,998,045
Interest payable	-	-	5,534,488	-	-	5,534,488
Debt obligations payable	-	-	10,890,000	-	-	10,890,000
Total liabilities	<u>14,232,249</u>	<u>7,036,911</u>	<u>16,424,488</u>	<u>48,404,208</u>	<u>3,213,434</u>	<u>89,311,290</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, property taxes	617,841	174,896	-	-	81,558	874,295
Unavailable revenue, special assessments	11,508	-	-	-	2,630,918	2,642,426
Unavailable revenue, other	7,053,436	104,114	-	-	1,017,395	8,174,945
Total deferred inflows of resources	<u>7,682,785</u>	<u>279,010</u>	<u>-</u>	<u>-</u>	<u>3,729,871</u>	<u>11,691,666</u>
Total liabilities and deferred inflows of resources	<u>21,915,034</u>	<u>7,315,921</u>	<u>16,424,488</u>	<u>48,404,208</u>	<u>6,943,305</u>	<u>101,002,956</u>

City of Reno, Nevada
Balance Sheet – Governmental Funds (Continued)
June 30, 2023

	General Fund	Streets Special Revenue Fund	Cabela's Sales Tax Increment Debt Service Fund	Public Works Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
FUND BALANCES (DEFICITS)						
Nonspendable						
Inventories	667,380	482,843	-	-	-	1,150,223
Prepaid items	966,256	28,021	-	-	861,848	1,856,125
Restricted						
Capital projects	-	-	-	36,257,528	-	36,257,528
Debt service	-	-	-	-	40,156,799	40,156,799
Court programs	36,033	-	-	-	-	36,033
Cultural & community devpt programs	-	-	-	-	2,942,261	2,942,261
Fire, police and other public safety programs	742,447	-	-	-	1,262,421	2,004,868
Other government programs	104,105	-	-	-	3,021,182	3,125,287
Capital improvement projects	22,879	771,294	-	-	18,775,384	19,569,557
Assigned						
Capital improvement projects	-	31,630,955	-	52,020,405	27,791	83,679,151
Fire, police and other public safety programs	-	-	-	-	165,474	165,474
Other government programs	3,473,880	-	-	-	17,900,516	21,374,396
Unassigned	42,205,847	-	(15,188,522)	-	-	27,017,325
Total fund balances (deficits)	<u>48,218,827</u>	<u>32,913,113</u>	<u>(15,188,522)</u>	<u>88,277,933</u>	<u>85,113,676</u>	<u>239,335,027</u>
Total liabilities and fund balances (deficits)	<u>\$ 70,133,861</u>	<u>\$ 40,229,034</u>	<u>\$ 1,235,966</u>	<u>\$ 136,682,141</u>	<u>\$ 92,056,981</u>	<u>\$ 340,337,983</u>

City of Reno, Nevada
Reconciliation of the Balance Sheet – Governmental Funds to the
Statement of Net Position – Governmental Activities
June 30, 2023

FUND BALANCE, GOVERNMENTAL FUNDS		\$ 239,335,027
Capital assets used in Governmental Activities are not financial resources; and, therefore, are not reported in Governmental Funds:		
Capital Assets	\$ 2,143,983,318	
Less Accumulated Depreciation	<u>(1,135,924,937)</u>	
		1,008,058,381
Long-term liabilities, including bonds payable, are not due and payable in the current period; and therefore, are not reported in government funds:		
Bonds, notes, and installment purchase agreements	(433,181,214)	
Lease liability	(232,529)	
Subscription service liability	(2,134,056)	
Unamortized premiums and discounts	(11,716,865)	
Unamortized deferred refunding charges	17,960,925	
Compensated absences payable	(29,821,525)	
Net Postemployment benefits other than pensions	(117,274,752)	
Net pension liability	(316,909,115)	
Deferred outflows related to other post-employment benefits	984,225	
Deferred inflows related to other post-employment benefits	(52,861,381)	
Deferred outflows related to pensions	121,189,277	
Deferred inflows related to pensions	<u>(2,783,476)</u>	
		(826,780,486)
Other liabilities are not due and payable in the current period; and, therefore, are not reported in governmental funds:		
Interest payable	<u>(37,093,711)</u>	
		(37,093,711)
Unavailable revenue represents amounts that were not available to fund current expenditures; and, therefore, are not reported in governmental funds:		
Unavailable revenue	<u>5,279,155</u>	
		5,279,155
Internal service funds are used by management to charge the costs of certain activities to individual funds:		
Internal service fund assets and liabilities included in governmental activities in the statement of net position	(11,526,232)	
Internal services fund balance receivable from business-type activities from cumulative prior years' activities	(804,137)	
Internal service fund balance receivable from business-type activities for current year activity	<u>(687,925)</u>	
		(13,018,294)
TOTAL NET POSITION FOR GOVERNMENTAL ACTIVIES AS SHOWN ON THE STATEMENT OF NET POSITION		<u>\$ 375,780,072</u>

City of Reno, Nevada

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds
For the Year Ended June 30, 2023

	General Fund	Streets Special Revenue Fund	Cabela's Sales Tax Increment Debt Service Fund	Public Works Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 70,905,726	\$ 22,231,338	\$ -	\$ -	\$ 8,489,348	\$ 101,626,412
Room and construction taxes	-	-	-	-	16,127,041	16,127,041
Special assessments	3,033,322	-	-	-	1,674,430	4,707,752
Franchise fees	37,349,096	3,189,675	-	-	-	40,538,771
Licenses and permits	31,537,462	501,467	-	429,235	170,051	32,638,215
Intergovernmental consolidated tax revenue	93,449,652	-	-	-	-	93,449,652
Intergovernmental SCCR (AB104) taxes	6,013,848	-	-	-	-	6,013,848
Intergovernmental marijuana fees	272,253	-	-	-	-	272,253
Motor vehicle taxes	-	7,362,154	-	-	106,687	7,468,841
Intergovernmental gaming licenses	1,259,289	-	-	-	-	1,259,289
Intergovernmental, other	62,082	-	-	-	816,457	878,539
Dedicated sales tax revenues	2,662,465	-	-	-	-	2,662,465
Grants and contributions	4,129,853	236,609	1,043,167	15,623,901	27,819,005	48,852,535
Charges for services	20,842,424	-	-	-	18,745	20,861,169
Fines and forfeitures	3,291,391	5,044	-	-	86,426	3,382,861
Private grants and contributions	310,344	-	-	4,525,669	896,000	5,732,013
Interest & investment earnings	668,687	461,691	38,863	36,200	1,413,513	2,618,954
Change in fair value of investments	(299,154)	304,326	-	(209,434)	143,368	(60,894)
Rents and royalties	406,446	-	-	972,621	1,471,857	2,850,924
Reimbursements and restitution	2,484,382	148,559	-	447	521,979	3,155,367
Miscellaneous	71,909	111,125	-	-	1,750,543	1,933,577
TOTAL REVENUES	278,451,477	34,551,988	1,082,030	21,378,639	61,505,450	396,969,584
EXPENDITURES						
Current						
General government	37,963,141	-	-	4,531,157	1,955,931	44,450,229
Judicial	8,950,682	-	-	-	68,682	9,019,364
Public safety	170,442,767	-	-	6,437,944	73,968	176,954,679
Public works	10,356,250	24,512,516	-	979,031	481,727	36,329,524
Community Development & Support	5,099,243	-	-	100,744	8,403,175	13,603,162
Culture and recreation	14,019,130	-	-	183,256	14,397	14,216,783
Urban redevelopment	-	-	-	-	2,452,224	2,452,224
Non-Departmental	16,690,663	-	-	-	-	16,690,663
Debt service						
Principal retirement	688,457	-	2,610,000	-	16,175,626	19,474,083
Interest	-	-	869,238	-	16,758,772	17,628,010
Administrative charges	-	-	4,100	-	344,812	348,912
Debt issuance costs	-	-	-	-	1,959	1,959
Capital Outlay						
General government	798,236	-	-	435,892	101,080	1,335,208
Public safety	695,393	-	-	26,556,156	46,287	27,297,836
Public works	45,138	15,829,593	-	7,179,784	534,429	23,588,944
Culture and recreation	63,230	-	-	18,444,091	2,733,719	21,241,040
Community Development & Support	16,340	-	-	-	3,311,895	3,328,235
TOTAL EXPENDITURES	265,828,670	40,342,109	3,483,338	64,848,055	53,458,683	427,960,855
Excess (deficiency) of revenues over (under) expenditures	12,622,807	(5,790,121)	(2,401,308)	(43,469,416)	8,046,767	(30,991,271)
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	60,717	-	-	64,081	-	124,798
Issuance of debt	5,912,631	-	-	-	60,000,000	65,912,631
Premium on bonds issued	-	-	-	-	2,726,371	2,726,371
Transfers in	2,916,000	-	-	72,840,183	5,255,633	81,011,816
Transfers out	(14,547,732)	(90,000)	-	(136,000)	(66,126,084)	(80,899,816)
Total other financing sources (uses)	(5,658,384)	(90,000)	-	72,768,264	1,855,920	68,875,800
Net change in fund balances	6,964,423	(5,880,121)	(2,401,308)	29,298,848	9,902,687	37,884,529
Fund balances - beginning	41,254,404	38,793,234	(12,787,214)	58,979,085	75,210,989	201,450,498
Fund balances - ending	\$ 48,218,827	\$ 32,913,113	\$ (15,188,522)	\$ 88,277,933	\$ 85,113,676	\$ 239,335,027

See accompanying notes.

City of Reno, Nevada
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances – Governmental Funds to the Statement of
Activities – Governmental Activities
For the Year Ended June 30, 2023

NET CHANGE IN FUND BALANCES FOR GOVERNMENTAL FUNDS AS SHOWN ON THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES			\$ 37,884,529
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and depreciated over estimated useful lives:			
Expenditures for capital assets	76,782,489		
Less current year depreciation	(52,557,032)		
Deposition of capital assets	(584,819)		
Expense for staff engineering capitalized as part of infrastructure capital assets	4,803,832		
Expense of prior year construction in progress	(20,856)		
			28,423,614
Revenues in the Statement of Activities, which do not provide current financial resources, are not reported as revenues in governmental funds:			
Change in unavailable revenue	(1,885,929)		
Capital contributions	32,045,755		
			30,159,826
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of debt principal is an expenditure in government funds, but the repayment reduces liabilities in the statement of net position. This is the amount by which repayments exceeded debt issued:			
Capitalized Leases	296,052		
Premiums from issuance of debt	(2,726,371)		
Debt principal payments	19,474,083		
Debt issuance proceeds	(65,912,631)		
			(48,868,867)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:			
Change in post-employment benefits other than pensions	14,310,780		
Change in net pension liability	(9,973,091)		
Change in compensated absences	(2,132,673)		
Amortization of deferred refunding charges	(8,552,693)		
Change of debt premiums and discounts	(2,020,059)		
Change in accrued interest	3,211,944		
			(5,155,792)
Inter activities to individual funds:			
Internal service fund change in net position included in governmental activities in the statement of activities	(10,730,218)		
The internal service funds change in net position related to business- type activities	(687,925)		
			(11,418,143)
			\$ 31,025,167
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES			

City of Reno, Nevada
Statement of Net Position – Proprietary Funds
June 30, 2023

	Business-type Activities			Governmental
	Sanitary Sewer	Building Permit	Total Enterprise Funds	Internal Service Funds
ASSETS				
Current assets				
Cash, cash equivalents and investments	\$ 108,213,194	\$ 22,539,462	\$ 130,752,656	\$ 61,723,419
Receivables:				
Accounts Receivable	13,044,616	8,176	13,052,792	1,096,225
Due from other governments	2,725,012	-	2,725,012	-
Inventories	421,219	-	421,219	321,393
Prepaid expenses	53,493	12,936	66,429	339,040
Restricted assets				
Cash, cash equivalents and investments	54,662,175	-	54,662,175	295,000
Notes receivable, net	259,105	-	259,105	-
Total current assets	<u>179,378,814</u>	<u>22,560,574</u>	<u>201,939,388</u>	<u>63,775,077</u>
Noncurrent assets				
Investment in Truckee Meadows Water Reclamation Facility	83,340,822	-	83,340,822	-
Capital assets				
Land	12,774,426	-	12,774,426	-
Water rights	1,812,114	-	1,812,114	-
Buildings and building improvements	12,275,043	2,108,516	14,383,559	-
Improvements other than buildings	566,702,912	-	566,702,912	-
Machinery, equipment and software	12,610,397	77,383	12,687,780	37,676,561
Construction in progress	108,162,024	-	108,162,024	-
Less accumulated depreciation	(229,875,286)	(596,795)	(230,472,081)	(22,534,551)
Right of use lease assets	4,655,386	-	4,655,386	-
Less accumulated amortization	(310,359)	-	(310,359)	-
Total noncurrent assets	<u>572,147,479</u>	<u>1,589,104</u>	<u>573,736,583</u>	<u>15,142,010</u>
Total assets	<u>751,526,293</u>	<u>24,149,678</u>	<u>775,675,971</u>	<u>78,917,087</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts related to pensions	7,508,954	4,802,520	12,311,474	1,191,174
Deferred amounts related to OPEB	33,261	21,118	54,379	4,334
Total deferred outflows of resources	<u>7,542,215</u>	<u>4,823,638</u>	<u>12,365,853</u>	<u>1,195,508</u>

City of Reno, Nevada
Statement of Net Position – Proprietary Funds (Continued)
June 30, 2023

	Business-type Activities		Governmental Activities
	Sanitary Sewer	Building Permit	Total Enterprise Funds
			Internal Service Funds
LIABILITIES			
Current liabilities			
Accounts payable	278,887	112,165	391,052
Contracts payable	6,186,012	10,450	6,196,462
Contracts payable from restricted assets	1,929,656	-	1,929,656
Interest payable	450,847	-	450,847
Self-insurance liability	-	-	-
Compensated absences	1,079,857	618,426	1,698,283
Due to other governments	3,376,422	23,443	3,399,865
Deposits	11,241,187	-	11,241,187
Due to other funds	586,827	360,832	947,659
Debt obligations	5,755,694	-	5,755,694
Other liabilities	828,330	-	828,330
Unearned Revenue	884,040	-	884,040
Leases and subscription service liabilities	122,207	-	122,207
Total current liabilities	32,719,966	1,125,316	33,845,282
Noncurrent liabilities:			
Self-insurance liability	-	-	-
Postemployment benefits other than pensions	2,227,103	1,414,002	3,641,105
Net Pension Liability	19,683,234	12,588,856	32,272,090
Compensated absences payable	601,142	312,345	913,487
Debt obligations payable	56,781,520	-	56,781,520
Lease liability	4,216,848	-	4,216,848
Total noncurrent liabilities	83,509,847	14,315,203	97,825,050
Total liabilities	116,229,813	15,440,519	131,670,332
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	170,431	109,003	279,434
Deferred amounts related to OPEB	1,171,139	743,564	1,914,703
Total deferred inflows of resources	1,341,570	852,567	2,194,137
Total liabilities and deferred inflows of resources	117,571,383	16,293,086	133,864,469
Net investment in capital assets	421,930,388	1,589,104	423,519,492
Restricted for:			
Capital improvement projects	30,466,787	-	30,466,787
Claims	-	-	-
Unrestricted	189,099,952	11,091,126	200,191,078
Total net position	\$ 641,497,127	\$ 12,680,230	\$ 654,177,357
Difference between business-type adjustments to assets and liabilities.			1,492,062
Net position of business-type activities			\$ 655,669,419

City of Reno, Nevada
Statement of Revenues, Expenses and Changes in Net Position –
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities			Governmental Activities
	Sanitary Sewer	Building Permit	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 78,213,606	\$ 10,598,923	\$ 88,812,529	\$ 56,491,005
Licenses and permits	400,210	-	400,210	-
Fines and forfeitures	2,307,472	-	2,307,472	-
Miscellaneous	470,182	-	470,182	4,566,156
Total operating revenues	<u>81,391,470</u>	<u>10,598,923</u>	<u>91,990,393</u>	<u>61,057,161</u>
OPERATING EXPENSES				
Salaries and wages	9,965,055	6,376,368	16,341,423	1,694,561
Employee benefits	4,027,571	3,268,464	7,296,035	599,377
Services and supplies	15,993,076	3,562,782	19,555,858	68,255,099
Joint sewer plant	14,467,557	-	14,467,557	-
Loss on asset disposal	266,356	35,113	301,469	-
Depreciation and amortization	14,122,594	119,466	14,242,060	3,516,128
Total operating expenses	<u>58,842,209</u>	<u>13,362,193</u>	<u>72,204,402</u>	<u>74,065,165</u>
Operating income (loss)	<u>22,549,261</u>	<u>(2,763,270)</u>	<u>19,785,991</u>	<u>(13,008,004)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	1,927,777	297,504	2,225,281	823,581
Change in fair value of investments	1,004,890	211,111	1,216,001	250,352
Gain on asset disposal	-	-	-	436,163
Interest and fiscal charges	(957,916)	-	(957,916)	-
Net loss from Truckee Meadows Water Reclamation Facility	(5,588,612)	-	(5,588,612)	-
Capital contributions	-	-	-	-
Grants and contributions	2,389,896	-	2,389,896	-
Total nonoperating revenues (expenses)	<u>(1,223,965)</u>	<u>508,615</u>	<u>(715,350)</u>	<u>1,510,096</u>
Income (loss) before capital contributions and transfers	21,325,296	(2,254,655)	19,070,641	(11,497,908)
CAPITAL CONTRIBUTIONS AND TRANSFERS IN (OUT)				
Connection charges	11,064,442	-	11,064,442	-
Contribution of assets	2,091,979	-	2,091,979	767,690
Transfers out	(112,000)	-	(112,000)	-
Change in net position	<u>34,369,717</u>	<u>(2,254,655)</u>	<u>32,115,062</u>	<u>(10,730,218)</u>
Total net position - beginning	607,127,410	14,934,885	622,062,295	(796,013)
Total net position - ending	<u>\$ 641,497,127</u>	<u>\$ 12,680,230</u>	<u>\$ 654,177,357</u>	<u>\$ (11,526,231)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,103,217	
Changes in net position of business-type activities			<u>\$ 33,218,279</u>	

City of Reno, Nevada
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sanitary Sewer	Building Permit	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 82,649,573	\$ 10,608,774	\$ 93,258,347	\$ 54,580,502
Cash from interfund	-	-	-	2,260,399
Cash Other	1,735,732	-	1,735,732	4,566,155
Payments to suppliers	(29,332,682)	(2,270,693)	(31,603,375)	(48,885,214)
Payments to employees	(12,817,853)	(8,389,236)	(21,207,089)	(2,160,814)
Cash payments for interfund goods and services	(3,040,329)	(1,425,844)	(4,466,173)	(1,116,388)
Cash payments for interfund employee benefits	(961,510)	(535,724)	(1,497,234)	(157,869)
Net cash provided (used) by operating activities	<u>38,232,931</u>	<u>(2,012,723)</u>	<u>36,220,208</u>	<u>9,086,771</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(112,000)	-	(112,000)	-
Cash received from grants	2,389,896	-	2,389,896	-
Net cash provided (used) by noncapital financing activities	<u>2,277,896</u>	<u>-</u>	<u>2,277,896</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(37,619,847)	-	(37,619,847)	(4,028,449)
Proceeds received from disposal of capital assets	-	-	-	436,163
Principal payments on debt	3,290,773	-	-	-
Proceeds from issuance of debt	(5,595,843)	-	(5,595,843)	-
Payments of interest and fiscal charges	(869,821)	-	(869,821)	-
Connection charges	11,064,442	-	11,064,442	-
Net cash provided (used) by capital and related financing activities	<u>(29,730,296)</u>	<u>-</u>	<u>(29,730,296)</u>	<u>(3,592,286)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Truckee Meadows Water Reclamation facility	(5,800,648)	-	(5,800,648)	-
Investment income received	2,259,463	349,611	2,609,074	942,704
Change in fair value of cash equivalent investments	1,004,890	211,111	1,216,001	250,352
Net cash provided (used) by investing activities	<u>(2,536,295)</u>	<u>560,722</u>	<u>(1,975,573)</u>	<u>1,193,056</u>
Net increase (decrease) in cash and cash equivalents	<u>8,244,236</u>	<u>(1,452,001)</u>	<u>6,792,235</u>	<u>6,687,541</u>
Balances - beginning of year	154,631,133	23,991,463	178,622,596	55,330,878
Balances - end of the year	<u>\$ 162,875,369</u>	<u>\$ 22,539,462</u>	<u>\$ 185,414,831</u>	<u>\$ 62,018,419</u>

City of Reno, Nevada
Statement of Cash Flows – Proprietary Funds (Continued)
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sanitary Sewer	Building Permit	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	\$ 22,549,261	\$ (2,763,270)	\$ 19,785,991	\$ (13,008,004)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	14,122,594	119,466	14,242,060	3,516,128
Loss on asset disposal	266,356	-	266,356	-
Right to use lease asset	(196,173)	-	(196,173)	-
Changes in assets and liabilities				
Customer Receivables	524,284	9,853	534,137	349,898
Due from other governments	428,438	-	428,438	-
Inventory	(61,919)	-	(61,919)	(189,196)
Prepaid items	(7,213)	-	(7,213)	51,845
Accounts Payable - Interfund	586,828	360,832	947,660	3,649,839
Accounts Payable - Other	75,928	(27,720)	48,208	-
Accounts Payable - Supplier	(144,694)	38,322	(106,372)	-
Due to other governments	(586,686)	(32,158)	(618,844)	-
Contracts and retention payable	(1,022,708)	(205,342)	(1,228,050)	17,000
Deposits	2,072,200	-	2,072,200	-
Compensated absences	458,521	231,326	689,847	70,002
Self insurance liability	-	-	-	14,820,819
Postemployment benefits other than pensions	(2,643,314)	(1,317,436)	(3,960,750)	(473,568)
Net pension liability	1,811,228	1,573,404	3,384,632	282,008
Net cash provided (used) by operating activities	<u>\$ 38,232,931</u>	<u>\$ (2,012,723)</u>	<u>\$ 36,220,208</u>	<u>\$ 9,086,771</u>
Noncash investing, capital and financing activities				
Change in fair value of cash equivalent investments	\$ 1,004,890	\$ 211,111	\$ 1,216,001	\$ 250,352
Contribution of capital assets	1,825,621	-	1,825,621	767,690
Total noncash investing, capital and financing activities	<u>\$ 2,830,511</u>	<u>\$ 211,111</u>	<u>\$ 3,041,622</u>	<u>\$ 1,018,042</u>

City of Reno, Nevada
Statement of Net Position – Fiduciary Funds
June 30, 2023

	Other Post- Employment Benefit Trust Fund	Special Assessment District Custodial Fund
ASSETS		
Cash, cash equivalents and investments	\$ 25,951,629	\$ 6,401,211
Special assessments receivable	-	310
Total Cash	25,951,629	6,401,521
Total assets	25,951,629	6,401,521
LIABILITIES		
Accounts payable	-	109
Debt obligations payable	-	285,000
Total liabilities	-	285,109
NET POSITION		
Restricted for:		
Other governments and organizations	25,951,629	6,116,412
Total net position	\$ 25,951,629	\$ 6,116,412

City of Reno, Nevada
Statement of Changes in Net Position – Fiduciary Funds
For the Year Ended June 30, 2023

	Other Post- Employment Benefit Trust Fund	Special Assessment District Custodial Fund
ADDITIONS		
Contributions		
Employer	\$ 4,162,643	\$ -
Plan members	165,783	-
Total contributions	<u>4,328,426</u>	<u>-</u>
Investment earnings		
Interest, dividends and other investment income	437,378	188,181
Net change in fair value of investment	2,341,851	65,548
Investment expense	(6,376)	-
Total investment earnings	<u>2,772,853</u>	<u>253,729</u>
Total additions	<u>7,101,279</u>	<u>253,729</u>
DEDUCTIONS		
Salaries and wages	-	33
Services and supplies	-	414,339
Interest and fiscal charges	-	31,080
Total deductions	<u>-</u>	<u>445,452</u>
Net increase (decrease) in fiduciary net position	7,101,279	(191,723)
Net Position -- beginning of the year	18,850,350	6,308,135
Net Position -- end of the year	<u>\$ 25,951,629</u>	<u>\$ 6,116,412</u>

Notes to Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies

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

Reporting Entity

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

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

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

Basic Financial Statements

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

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental Fund Financial Statements

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

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

The City reports the following major enterprise funds:

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

The City reports the following non-major proprietary type:

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

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

The City reports the following fiduciary fund types:

City of Reno, Nevada

Notes to Basic Financial Statements

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

Assets and Liabilities

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

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

Receivables, Payables and Unearned Revenues – Property tax receivables that are not expected to be collected within thirty days of year end are recognized as unearned revenue in the fund financial statements, rather than revenue since the asset is not available to satisfy current obligations. Unearned revenues also arise when the City receives resources before it has a legal claim to them such as when property taxes for the following tax year are received before year end. At June 30, 2023, notes receivables are shown net of an allowance for uncollectible amounts totaling \$34,997,950.

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

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

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

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

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

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

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

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

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

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

Deferred Compensation Plan – In addition to the retirement plan disclosed in Note 10, the City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, which is available to all City employees, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The City may be required to, depending on the particular employee association, contribute up to 5% to the deferred compensation plan. The assets of these plans are held in trust outside the control of the City. Since the assets and income of these plans are not considered assets of the City and are not subject to the claims of the City's general creditors, these plans are not reported in the government-wide or fund financial statements.

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

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

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

Deferred Outflows and Inflows of Resources

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

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The governmental funds balance sheets report unavailable property tax revenues, leases, and special assessment revenues, which will be recognized as revenue in the period that the amounts become available. The government-wide and proprietary funds statement of net position reports amounts related to pensions, other post-employment benefits, and leases including 1) the differences between expected and actual experience and changes of assumptions, which will be amortized over the average expected remaining service life of all employees that are provided with pension benefits, 2) the net difference between projected and actual earnings on investments, which will be amortized over five years and 3) the recognition of leases revenues over the life of the lease.

Stabilization Arrangements

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

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

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

Net Position

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

Fund Balance

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

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

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

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

Prioritization and Use of Available Resources

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

Interfund Activity

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

Use of Estimates

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

Note 2 – Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

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

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

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

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

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

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

All unencumbered appropriations lapse at the fiscal year end.

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

Excess of Expenditures over Appropriations

For the year ended June 30, 2023, there were no funds and/or functions where total expenditures/expenses exceeded appropriations.

For the year ended June 30, 2023, total expenditures exceed appropriations for the following funds and/or functions, which are exempt from the provisions of NRS 354.626:

Cabela's Sales Tax Increment Debt Service Fund, Debt Service Function - \$(600)
Debt Service Fund, Debt Service Function - \$(218)

City of Reno, Nevada

Notes to Basic Financial Statements

Redevelopment Agency Debt Service Fund, Debt Service Function - \$(17,658)

Risk Retention, Internal Service Fund - \$(63,367)

Self-Funded Workers Compensation, Internal Service Fund – \$(14,281,071)

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

Deficit Fund Balances or Net Position

At June 30, 2023, the Self-Funded Workers Compensation Internal Service Fund had a net position deficit of \$59,361,974. The deficit is expected to remain until such time as the State Legislature provides a solution to the heart/lung presumptive liability issue. The \$15,188,522 negative fund balance in the Cabela's Debt Service Fund is due to insufficient pledged revenues for the 2007A & B Sales Tax Increment Revenue Bonds.

Tax Abatements

All tax abatement agreements/programs, entered into by the State of Nevada, have been summarized by type of agreement/program and the gross, accrual basis reduction of the City's taxes for the year ended June 30, 2023, and are aggregated as follows:

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

Amount abated during the year ended June 30, 2023	\$19,038
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Specific tax being abated – Personal property taxes and/or sales and use taxes	
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Agreement/program description – Nevada Revised Statutes 360.754 – Partial abatement of certain taxes imposed on new or expanded data center

Amount abated during the year ended June 30, 2023	\$7,319,184
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Specific tax being abated – Property taxes and/or sales and use taxes	
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Agreement/program description – Nevada Revised Statutes 374.357 – Partial abatement for eligible machinery or equipment used by certain new or expanded businesses

Amount abated during the year ended June 30, 2023	\$575,924
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Specific tax being abated – Sales and use taxes	
---	--

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

Amount abated during the year ended June 30, 2023	\$102,380
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Specific tax being abated – Property taxes and/or sales and use taxes	
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Adoption of New GASB Pronouncements

During the fiscal year ended June 30, 2023, the City implemented the following GASB Pronouncements:

GASB Statement No. 91, Conduit Debt Obligations. Issued May 2019, the primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. There is no impact to the City for implementing this standards.

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. Issued March 2020, the primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). It also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). There is no impact to the City for implementing this standards.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). Issued May 2020, the primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscriptions asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Please reference Note 7 under Subscriptions Payable for implementation of GASB Statement 96.

GASB Statement No. 99, Omnibus 2022. Issued April 2022, the objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (a) practice issues that have been identified during implementation and application of certain GASB Statements and (b) accounting and financial reporting for financial guarantees. There is no impact to the City for implementing this standards.

New Accounting Pronouncements (not yet adopted)

The following GASB pronouncements have been issued, but are not effective as of June 30, 2023:

GASB Statement No. 100, Accounting Changes and Error Corrections. Issued June 2022, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Statement No. 100 will be effective for the City for fiscal year ending June 30, 2024.

GASB Statement No. 101, Compensated Absences. Issued June 2022, Governments commonly provide benefits to employees in the form of compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Statement No. 101 will be effective for the City for fiscal year ending June 30, 2025.

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

City of Reno, Nevada

Notes to Basic Financial Statements

Note 3 – Cash, Cash Equivalents and Investments

At June 30, 2023, the City's cash, cash equivalents and investments (including restricted amounts) were as follows:

Pooled cash, cash equivalents and investments	
Cash in bank	\$ 21,077,895
Cash equivalents	123,383,675
Investments	<u>362,361,678</u>
Total pooled cash, cash equivalents and investments	<u>506,823,248</u>
Non-pooled cash, cash equivalents and investments	
Petty cash	318,650
Cash in bank	743,003
Cash equivalents	24,776,248
Investments	<u>25,951,629</u>
Total non-pooled cash, cash equivalents and investments	<u>51,789,530</u>
Total pooled and non-pooled cash, cash equivalents and investments	<u>\$ 558,612,778</u>

At June 30, 2023, total cash, cash equivalents and investments (including restricted amounts) were presented on the City's financial statements as follows:

Total governmental activities	\$ 340,845,107
Total business-type activities	185,414,831
Total fiduciary funds	<u>32,352,840</u>
Total cash, cash equivalents and investments	<u>\$ 558,612,778</u>

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

At year end, the City's carrying amount of deposits for cash in bank was \$22,139,549 and the bank balance was \$24,036,070. As of June 30, 2023, the City's bank balance was either insured by the Federal Depository Insurance Corporation (FDIC) or fully collateralized in accordance with the NRS as discussed in the following paragraph.

City of Reno, Nevada

Notes to Basic Financial Statements

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

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

GASB Statement No. 72, Fair Value Measurement and Application, defines fair value, establishes a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The three levels of fair value hierarchy are as follows:

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

Level 2 – Inputs are other observable inputs.

Level 3 – Inputs are unobservable.

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

At June 30, 2023, the City had the following cash equivalents and investments:

	Interest Rate	Maturity	Par	Cost	Fair Value	Weighted Average Maturity (Years)
Pooled cash equivalents and investments						
U.S. Treasury obligations	0.25% - 3.0%	11/15/2023 to 2/15/2028	\$190,810,000	\$174,274,712	\$166,281,619	2.5
Commercial paper	0.0% - 2.72%	7/1/2022 to 11/22/2023	18,361,000	18,029,853	18,112,248	0.4
U.S. Agency securities						
Federal National Mortgage Association	1.38% - 4.88%	8/1/2027 to 11/1/2046	6,878,138	6,757,956	6,378,766	14.71
Federal Home Loan Bank	1.0% - 4.46%	12/25/2024 to 12/1/2026	24,495,462	24,342,471	23,379,950	9.9
Federal Agency Bond / Note	.38% - 1.50%	12/25/2039 to 11/17/2025	17,500,000	17,499,999	15,957,263	2.17
Local Government Investment Pool	Variable	On demand	-	123,730,064	123,383,675	N/A
Notes, bonds and other obligations issued by U.S. Corporations	0.5% - 5.21%	12/6/2023 to 4/28/2028	72,274,000	72,459,754	69,545,206	3.03
Asset-backed Securities	0.34% - 5.23%	7/15/2024 to 6/15/2023	23,044,482	23,625,649	23,013,124	3.96
Foreign Issues	0.5% - 5.72%	9/13/2023 to 6/9/2027	40,930,000	40,839,015	38,555,571	2.29
Money Market	Variable	On demand	-	1,137,931	1,137,931	
Total pooled cash equivalents and investments			<u>394,293,083</u>	<u>502,697,404</u>	<u>485,745,353</u>	
Non-pooled cash equivalents and investments						
Money market mutual funds	Variable	On demand	-	25,113,176	24,776,247	N/A
Nevada RBIF Retirement System Trust Units	Variable	On demand	-	25,951,629	25,951,629	N/A
Total non-pooled cash equivalents and investments			<u>-</u>	<u>51,064,805</u>	<u>50,727,876</u>	
Total cash equivalents and investments			<u>\$ 394,293,083</u>	<u>\$ 553,762,209</u>	<u>\$ 536,473,229</u>	

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

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

<u>Pooled Investments</u>	<u>Standard & Poor's</u>	<u>Moody's</u>	<u>Percent of Portfolio</u>
U.S. Treasury Notes	*	*	34.23%
Commercial paper	A-1	P-1	3.73%
U.S. Agency Securities			
Federal National Mortgage Association	AA+	Aaa	1.31%
Federal Home Loan Bank			4.81%
Federal Agency Bond/Note	AA+	Aaa	3.29%
Local government investment pool	N/A	N/A	25.40%
Notes, bonds and other obligations issued by U.S. Corporations	BBB+ to AA+	Baa1 to Aa2	14.32%
Asset-Backed Securities	AAA	Aaa	4.74%
Foreign Issues	AAA	Aaa	7.94%
Money Market accounts			0.23%
Total Pooled Investments			<u>100.00%</u>
<u>Non-Pooled Investments</u>			
Money Market accounts	AAA	Aaa	<u>100.00%</u>
Total Non-Pooled Investments			<u>100.00%</u>

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

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

Investments in any one issuer that represent 5% or more of total investments at June 30, 2023, were as follows:

	<u>Percentage of Portfolio</u>
U.S. Treasury Obligations	34.19 %
Federal Agencies	9.41 %
Local Government Investment Pool	25.40 %
Corporate Issues	14.31 %

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

City of Reno, Nevada

Notes to Basic Financial Statements

Note 4 – Capital Assets

For the year ended June 30, 2023, capital asset activity was as follows:

Government Activities	BALANCE AT JUNE 30, 2022	INCREASES	DECREASES	TRANSFERS	BALANCE AT JUNE 30, 2023
Capital assets not being depreciated or amortized					
Construction in progress	\$ 21,403,416	\$ 65,695,432	\$ (20,856)	\$ (14,111,066)	\$ 72,966,926
Land	144,988,764	3,074,707	-	-	148,063,471
Water rights	1,125,000	-	-	-	1,125,000
Total capital assets not being depreciated or amortized	167,517,180	68,770,139	(20,856)	(14,111,066)	222,155,397
Capital assets being depreciated or amortized					
Buildings	253,134,124	81,415	-	1,276,607	254,492,146
Improvements other than buildings	376,250,146	-	(81,415)	279,506	376,448,237
Machinery, equipment and software	87,883,973	12,381,650	(4,643,512)	479,012	96,101,122
Infrastructure	1,176,792,575	36,829,376	-	12,075,941	1,225,697,892
Art and historical artifacts	3,877,663	31,688	-	-	3,909,351
Subscription software	-	336,044	-	-	336,044
Right of use leased assets	2,393,783	136,128	(10,222)	-	2,519,690
Total capital assets being depreciated or amortized	1,900,332,264	49,796,301	(4,735,149)	14,111,066	1,959,504,482
Accumulated depreciation and amortization					
Buildings	(102,577,761)	(6,984,852)	-	-	(109,562,613)
Improvements other than buildings	(124,748,494)	(7,315,108)	-	-	(132,063,602)
Machinery, equipment & software	(56,106,866)	(6,474,595)	4,483,859	-	(58,097,601)
Infrastructure	(822,247,901)	(34,978,227)	-	-	(857,226,128)
Art and historical artifacts	(983,043)	(40,025)	-	-	(1,023,068)
Subscription software	-	(76,161)	-	-	(76,161)
Right of use lease assets	(206,539)	(203,776)	-	-	(410,315)
Total accumulated depreciation and amortization	(1,106,870,604)	(56,072,744)	4,483,859	-	(1,158,459,488)
Total Government Activities	\$ 960,978,840	\$ 62,493,696	\$ (272,146)	\$ -	\$ 1,023,200,391
Business Type Activities	BALANCE AT JUNE 30, 2022	ADDITIONS	RETIREMENTS	TRANSFERS	BALANCE AT JUNE 30, 2023
Capital assets not being depreciated or amortized					
Construction in progress	\$ 89,428,695	\$ 35,834,529	\$ -	\$ (17,101,200)	\$ 108,162,024
Land	11,334,930	1,439,496	-	-	12,774,426
Water rights	1,812,114	-	-	-	1,812,114
Total capital assets not being depreciated or amortized	102,575,739	37,274,025	-	(17,101,200)	122,748,564
Capital assets being depreciated or amortized					
Buildings	14,383,559	-	-	-	14,383,559
Improvements other than buildings	547,527,877	2,073,835	-	17,101,200	566,702,912
Machinery & equipment	12,590,171	97,609	-	-	12,687,780
Right of use lease assets	4,655,386	-	-	-	4,655,386
Total capital assets being depreciated or amortized	579,156,993	2,171,444	-	17,101,200	598,429,637
Accumulated depreciation and amortization					
Buildings	(8,114,565)	(377,204)	-	-	(8,491,769)
Improvements other than buildings	(205,993,380)	(12,899,124)	-	-	(218,892,503)
Machinery & equipment	(2,277,258)	(810,552)	-	-	(3,087,809)
Right of use leased assets	(155,180)	(155,180)	-	-	(310,359)
Total accumulated depreciation and amortization	(216,540,383)	(14,242,060)	-	-	(230,782,440)
Total business-type activities	\$ 465,192,349	\$ 25,203,409	\$ -	\$ -	\$ 490,395,761

City of Reno, Nevada
Notes to Basic Financial Statements

For the year ended June 30, 2023, charges, by function, for depreciation expense were as follows:

Government Activities:	Total
General government	2,377,868
Judicial	476,937
Police	330,967
Fire	2,335,143
Public works	39,316,123
Community development and support	160,084
Culture and recreation	5,996,785
Urban redevelopment	1,563,126
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	3,515,711
Total depreciation expense - governmental activities	<u>\$ 56,072,744</u>
Business-Type Activities:	
Sanitary Sewer Fund	14,122,594
Building Permit Fund	119,466
Total depreciation expense - business-type activities	<u>\$ 14,242,060</u>

Note 5 – Advances To and From Other Funds

Due to and From Other Funds

At June 30, 2023, amounts due to and from other funds resulting from the time lag between the dates that reimbursable transactions occur and payment between funds are made, were as follows:

	Receivable	Payable
General fund	\$ 1,444,634	\$ -
Street special revenue fund	-	361,488
Sanitary sewer business-type fund	-	586,827
Building permit business-type fund	-	360,832
Non-major governmental funds	-	38,673
Internal service funds	-	96,814
	<u>\$ 1,444,634</u>	<u>\$ 1,444,634</u>

Advances to and From Other Funds

At June 30, 2023, advances to and from other funds resulting from lending or borrowing transactions, were as follows:

	Receivable	Payable
Streets special revenue fund	\$ 310,007	\$ -
Non-major governmental funds	-	310,007
	<u>\$ 310,007</u>	<u>\$ 310,007</u>

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

City of Reno, Nevada

Notes to Basic Financial Statements

	Special Assignment	
	Principal	Interest
For the year ended June 30,		
2024	\$ 57,790	\$ 5,103
2025	34,488	3,533
2026	34,990	3,031
2027	35,500	2,521
2028	36,016	2,005
2029	36,540	1,481
2030	37,072	949
2031	37,611	409
	<u>\$ 310,007</u>	<u>\$ 19,032</u>

Interfund Transfers

Interfund transfers for the year ended June 30, 2023, consisted of the following:

Transfer In Fund	Transfer Out Fund	Amount
General Fund	Non-major Governmental Funds	\$ 2,780,000
General Fund	Public Works Capital Project Fund	136,000
Public Works Capital Projects Fund	General Fund	9,494,099
Public Works Capital Projects Fund	Non-major Governmental Funds	63,346,084
Nonmajor Governmental Funds	General Fund	5,053,633
Nonmajor Governmental Funds	Street Fund	90,000
Nonmajor Governmental Funds	Sanitary Sewer Enterprise Fund	112,000
Total interfund transfers		<u>\$ 81,011,816</u>

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

Capital projects – Public Safety Center Construction	\$ 32,482,371
Capital projects – Moana Pool Construction	28,000,000
Capital projects – City Hall Remodel	4,000,000
Capital projects – Fire Apparatus Replacement	2,748,454
Capital projects – Fire Headquarters Planning	2,000,000
Capital projects – Moana Parking Lot Replacement	1,500,000
Capital projects – Other	2,109,358
Community assistance funding	147,500
Debt service	5,108,133
Lease revenues collected	136,000
Special Event and parks maintenance	<u>2,780,000</u>
Total Transfers	<u>\$ 81,011,816</u>

Note 6 – Long-term Debt Obligations

General Obligation Bonds, Tax Allocation Bonds and Notes Payable

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

Pledge Revenue Bonds

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

Governmental Activities

Pledged Revenues - Up to 15% of consolidated tax revenues

Total revenue bond principal and interest remaining to be paid at June 30, 2023	\$ 200,235,738
Total revenue bond principal and interest paid during the year ending June 30, 2023	\$ 7,839,288
Total pledge revenue for the year ended June 30, 2023	\$ 14,017,448

Revenue Bonds issued and revenue pledge maturity

2005C Capital Improvement Revenue Refunding Bonds ¹	June 1, 2037
2013 A Capital Improvement Refunding (previously 2002 Capital Improvement Revenue Bonds) ²	June 1, 2032
2019A-1 Capital Improvement Revenue Refunding Bonds ³	June 1, 2046
2019A-2 Capital Improvement Revenue Refunding Bonds ⁴	June 1, 2024

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

2. This bond are also secured by room taxed, which was the primary bond repayment source for the fiscal year. Bonds were issued to refund the 2002 Capital Improvement Revenue Bonds.

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

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

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

Police Protection District

Total revenue bond principal and interest remaining to be paid at June 30, 2023	\$ 8,187,079
Total revenue bond principal and interest paid during the year ending June 30, 2023	\$ 627,804
Total pledge revenue for the year ended June 30, 2023	\$ 1,092,934
Revenue Tax Bonds issued and revenue pledge maturity	
2006 Taxale Senior Lien Room Tax Revenue Refunding Bonds	June 1, 2036

City of Reno, Nevada

Notes to Basic Financial Statements

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

Total revenue bond principal and interest remaining to be paid at June 30, 2023	\$	200,235,738
Total revenue bond principal and interest paid during the year ending June 30, 2023	\$	7,839,288
Total pledge revenue for the year ended June 30, 2023	\$	8,365,586
Revenue Bonds issued and revenue pledge maturity		
2005C Capital Improvement Revenue Refunding Bonds		June 1, 2037
2013 A Capital Improvement Refunding (previously 2002 Capital Improvement Revenue Bonds) ¹		June 1, 2032
2019A-1 Capital Improvement Revenue Refunding Bonds ²		June 1, 2046
2019A-2 Capital Improvement Revenue Refunding Bonds ³		June 1, 2024

1. Bonds were issued to refund the 2002 Capital Improvement Revenue Bonds

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

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

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

Total revenue bond principal and interest remaining to be paid at June 30, 2023	\$	34,050,988
Total revenue bond principal and interest paid during the year ending June 30, 2023	\$	2,497,113
Total pledge revenue for the year ended June 30, 2023	\$	1,043,167
Revenue Bonds issued and revenue pledge maturity		
2007 A Sales Tax Increment Bonds ¹		June 29, 2027
2007 B Sales Tax Increment Bonds ¹		June 29, 2027

1. There were insufficient revenues during the fiscal year to make scheduled and matured debt payments totalling \$16,424,487.50

City of Reno, Nevada

Notes to Basic Financial Statements

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

Total revenue bond principal and interest remaining to be paid at June 30, 2023	\$ 1,036,590,894
Total revenue bond principal and interest paid during the year ending June 30, 2023	\$ 14,372,209
Total pledge revenue for the year ended June 30, 2023	\$ 14,624,291
Revenue Bonds issued and revenue pledge maturity	
2018 A 1st Lien Sales Tax Revenue Refunding Bonds	June 1, 2058
2018 B 2nd Lien Sales Tax Revenue Refunding Bonds	June 1, 2058
2018 C 1st Subordinate Sales Tax Revenue Refunding Bonds	June 1, 2047
2018 D 2nd Subordinate Sales Tax Revenue Refunding Bonds	July 1, 2059

Pledge revenue – Sewer fees

Total revenue bond principal and interest remaining to be paid at June 30, 2023	\$ 62,537,214
Total revenue bond principal and interest paid during the year ending June 30, 2023	\$ 6,505,244
Total pledge revenue for the year ended June 30, 2023	\$ 80,921,153
Revenue Bonds issued and revenue pledge maturity	
2016 Sewer General Obligation Sewer Refunding Bonds	July 1, 2025
2020 Sewer General Obligation CWSRF Revenue Bonds	July 1, 2039

Special Assessment Bonds

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

Installment Purchase Agreements

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

City of Reno, Nevada

Notes to Basic Financial Statements

Outstanding long-term debt obligations at June 30, 2023, were as follows:

	Maturity Date	Interest Rate	Original Amount	Balance June, 30, 2023
<u>Governmental Activities</u>				
Tax Allocation Bonds:				
2007A Tax Increment Senior Lien (Taxable)	6/1/23	6.10%	\$ 4,000,000	\$ -
2007B Tax Increment Senior Lien (Tax-exempt)	6/1/27	5.00%	4,000,000	3,735,000
2007 C Tax Increment Subordinate Lien (Tax-exempt)	6/1/27	5.40%	12,690,000	6,375,000
Total Tax Allocation Bonds:			<u>20,690,000</u>	<u>10,110,000</u>
General Obligation Bonds:				
2013A Capital Improvemnet Refunding Bonds	6/1/32	4.00% - 5.00%	36,115,000	26,935,000
2013B Medium-term Various Purpose Bonds	6/1/23	2.00% - 5.00%	32,995,000	-
2022 General Purpose Bonds	6/1/52	4.00% - 5.00%	60,000,000	59,200,000
Total General Obligation Bonds:			<u>129,110,000</u>	<u>86,135,000</u>
Revenue Bonds:				
2005C Capital Improvement Bonds	6/1/37	5.78%	9,192,402	5,694,977
2006 Taxable Room Tax Reveue Bonds	6/1/36	5.94%	8,720,000	5,605,000
2018A 1st Lien ReTRAC Refunding Bonds	6/1/58	4.00% - 5.00%	123,275,000	117,480,000
2018B 2nd Lien ReTRAC Refunding Bonds	6/1/58	4.00% - 5.00%	32,680,000	31,115,000
2018C Subordinate Lien ReTRAC Refunding Bonds	7/1/58	6.15%	58,659,820	45,805,497
2018D 2nd Subordinate Lien ReTRAC Refunding Bonds	7/1/58	6.75%	16,115,490	16,115,490
2019A-1 Capital Improvement Refunding Bonds	6/1/46	3.75% - 5.00%	79,920,000	79,920,000
2019A-2 Taxable Capital Improvement Refunding Bonds	6/1/24	3.75%	5,245,000	1,180,000
Total Revenue Bonds:			<u>333,807,712</u>	<u>302,915,964</u>
Special Assessment Bonds:				
1999 Special Assessment District No. 2, Series 2016	6/1/25	1.45% - 3.00%	6,640,000	1,530,000
2001 Stead Special Improvement District No. 2	6/1/23	2.75% - 5.00%	2,470,000	-
2002 Special Improvement District No. 5	12/1/25	5.70% - 7.25%	7,500,000	1,830,000
Total Special Assessment Bonds:			<u>16,610,000</u>	<u>3,360,000</u>
Direct Borrowing and Direct Placements				
2017 Tax Increment Refunding (Taxable) Bonds	6/29/35	2.46%	655,000	504,000
2019 Medium-term Fire Apparatus Bonds	6/1/29	1.70%	6,327,000	3,887,000
2007A Sales Tax Increment Bonds (Cabela's)	6/29/27	4.00%	16,525,000	11,530,000
2007B Sales Tax Increment Bonds (Cabela's)	6/29/27	6.50%	18,175,000	13,600,000
2008B NV Taxable Local Improvement	5/1/26	7.01%	1,115,000	24,000
2010 Special Assessment District No. 2	11/1/41	4.00%	939,800	715,940
Axon Enterprise	12/1/25	0.00%	5,912,631	5,451,310
Artown	12/1/27	0.00%	875,000	625,000
Clean Energy Renewable IPA	12/15/23	1.00%	2,340,000	156,000
Qualified Energy Renewable IPA	6/1/25	6.45%	2,261,000	373,000
Recovery Zone Econcomic Devpt Bond IPA	6/1/27	6.45%	10,860,000	4,684,000
Total Direct Borrowing and Direct Placements			<u>65,985,431</u>	<u>41,550,250</u>
Total Governmental Activities				<u>\$ 444,071,214</u>

City of Reno, Nevada
Notes to Basic Financial Statements

Business-Type Activities

Direct Borrowings and Direct Placements

2016 Sewer Revenue Refunding Bonds	7/1/25	1.61%	\$ 41,245,638	\$ 7,537,214
2020 Sewer Revenue Bonds	6/1/40	1.42%	55,000,000	55,000,000
Total Business-Type Activities			<u>\$ 96,245,638</u>	<u>\$ 62,537,214</u>

Total long-term debt obligations				<u>\$ 506,608,428</u>
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At June 30, 2023, annual debt service requirements to maturity were as follows:

For the year Ending June 30,	Principal	Interest
Governmental activities		
General Obligation Bonds		
2024	\$ 3,105,000	\$ 3,960,463
2025	3,340,000	3,805,213
2026	3,600,000	3,638,213
2027	3,865,000	3,458,213
2028	4,125,000	3,292,363
2029-2033	21,130,000	13,155,863
2034-2038	8,755,000	9,434,500
2039-2043	11,170,000	7,016,000
2044-2048	13,840,000	4,345,400
2049-2052	13,205,000	1,346,200
Total General Obligation Bonds	<u>86,135,000</u>	<u>53,452,428</u>
Tax Allocation Bonds		
2024	2,335,000	531,000
2025	2,460,000	408,370
2026	2,590,000	279,170
2027	2,725,000	143,130
Total Tax Allocation Bonds	<u>10,110,000</u>	<u>1,361,670</u>
Revenue Bonds		
2024	3,225,000	10,193,037
2025	3,400,000	10,043,807
2026	3,595,000	9,870,940
2027	3,810,000	9,688,142
2028	4,020,000	9,494,411
2029-2033	23,007,752	49,195,294
2034-2038	29,387,225	58,883,752
2039-2043	55,500,000	30,872,006
2044-2048	48,030,000	18,959,844
2049-2052	30,215,000	11,153,644
2053-2057	36,805,000	4,562,281
2058-2059	61,920,987	766,142,545
Total Revenue Bonds	<u>302,915,964</u>	<u>989,059,703</u>

City of Reno, Nevada

Notes to Basic Financial Statements

For the year Ending June 30,	Principal	Interest
Special Assessment Bonds		
2024	1,320,000	158,094
2025	1,385,000	92,850
2026	655,000	23,744
Total Special Assessment Bonds	<u>3,360,000</u>	<u>274,688</u>
Direct Borrowings and Direct Placements		
2024	16,373,371	6,820,741
2025	5,806,411	921,335
2026	6,173,511	654,874
2027	7,744,641	353,521
2028	1,464,821	54,863
2029-2033	3,486,885	136,922
2034-2038	301,750	64,127
2039-2043	198,860	16,307
Total Direct Borrowings and Direct Placements	<u>41,550,250</u>	<u>9,022,690</u>
Total Governmental activities	<u>\$ 444,071,214</u>	<u>\$ 1,053,171,179</u>
Business-Type Activities		
Direct Borrowings and Direct Placements		
2024	8,321,724	868,820
2025	4,736,501	748,622
2026	3,249,367	690,364
2027	3,007,061	645,823
2028	3,049,913	602,971
2029-2033	15,914,025	2,350,399
2034-2038	17,080,713	1,183,711
2039-2043	7,177,910	127,859
Total Direct Borrowings and Direct Placements	<u>62,537,214</u>	<u>7,218,569</u>
Total Business-Type Activities	<u>\$ 62,537,214</u>	<u>\$ 7,218,569</u>

City of Reno, Nevada
Notes to Basic Financial Statements

Long-term liability activities for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Due within One Year
<u>Governmental Activities</u>					
Tax Allocation Bonds					
2007A Tax Increment Senior Lien (Taxable)	\$ 755,000	\$ -	\$ (755,000)	\$ -	\$ -
2007B Tax Increment Senior Lien (Tax-exempt)	3,795,000	-	(60,000)	3,735,000	865,000
2007 C Tax Increment Subordinate Lien (Tax-exempt)	7,775,000	-	(1,400,000)	6,375,000	1,470,000
Total Tax Allocation Bonds	12,325,000	-	(2,215,000)	10,110,000	2,335,000
General Obligation Bonds:					
2013A Capital Improvemnet Refunding Bonds	28,885,000	-	(1,950,000)	26,935,000	2,130,000
2013B Medium-term Various Purpose Bonds	100,000	-	(100,000)	-	-
2022 General Purpose Bonds	-	60,000,000	(800,000)	59,200,000	975,000
Total General Obligation Bonds:	28,985,000	60,000,000	(2,850,000)	86,135,000	3,105,000
Revenue Bonds					
2005C Capital Improvement Bonds	5,694,977	-	-	5,694,977	-
2006 Taxable Room Tax Reveue Bonds	5,885,000	-	(280,000)	5,605,000	300,000
2018A 1st Lien ReTRAC Refunding Bonds	118,785,000	-	(1,305,000)	117,480,000	1,375,000
2018B 2nd Lien ReTRAC Refunding Bonds	31,470,000	-	(355,000)	31,115,000	370,000
2018C Subordinate Lien ReTRAC Refundng Bonds	50,629,463	-	(4,823,966)	45,805,497	-
2018D 2nd Subordinate Lien ReTRAC Refunding Bonds	16,115,490	-	-	16,115,490	-
2019A-1 Capital Improvement Refunding Bonds	79,920,000	-	-	79,920,000	-
2019A-2 Taxable Capital Improvemnet Refunding Bonds	2,295,000	-	(1,115,000)	1,180,000	1,180,000
Total Revenue Bonds	310,794,930	-	(7,878,966)	302,915,964	3,225,000
Special Assessment Bonds:					
1999 Special Assessment District No. 2, Series 2016	2,260,000	-	(730,000)	1,530,000	755,000
2001 Stead Special Improvement District No. 2	30,000	-	(30,000)	-	-
2002 Special Improvement District No. 5	2,360,000	-	(530,000)	1,830,000	565,000
Total Special Assessment Bonds:	4,650,000	-	(1,290,000)	3,360,000	1,320,000
Direct Borrowing and Direct Placements					
2017 Tax Increment Refunding (Taxable) Bonds	540,000	-	(36,000)	504,000	36,000
2019 Medium-term Fire Apparatus Bonds	4,498,000	-	(611,000)	3,887,000	621,000
2007A Sales Tax Increment Bonds (Cabela's)	11,925,000	-	(395,000)	11,530,000	1,270,000
2007B Sales Tax Increment Bonds (Cabela's)	14,015,000	-	(415,000)	13,600,000	1,585,000
2008B NV Taxable Local Improvement	51,000	-	(27,000)	24,000	24,000
2010 Special Assessment District No. 2	740,600	-	(24,660)	715,940	25,670
Artown	750,000	-	(125,000)	625,000	125,000
Axon Enterprise	908,544	5,912,631	(1,369,865)	5,451,310	605,701
Clean Energy Renewable IPA	156,000	156,000	(156,000)	156,000	156,000
Qualified Energy Renewable IPA	552,000	-	(179,000)	373,000	184,000
Recovery Zone Econcomic Devpt Bond IPA	5,467,000	-	(783,000)	4,684,000	851,000
Total Direct Borrowing and Direct Placements	39,603,144	6,068,631	(4,121,525)	41,550,250	5,483,371
Unamortized premiums and discounts, net	9,696,807	2,726,371	(706,313)	11,716,865	-
Compensated absences	27,799,669	66,194,036	(63,991,361)	30,002,344	19,071,276
Self-insurance liability	68,271,547	66,186,258	(51,365,439)	83,092,366	9,921,117
Net postemployment benefits other than pensions	129,832,762	3,615,373	(15,778,779)	117,669,356	-
Net pension liability	159,688,504	172,782,050	(12,443,099)	320,027,455	-
Total Governmental Activities	\$ 791,647,363	\$ 377,572,719	\$ (162,640,482)	\$ 1,006,579,599	\$ 44,460,764

City of Reno, Nevada

Notes to Basic Financial Statements

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Due within One Year
Business-Type Activities					
Direct Borrowing and Direct Placements					
2016 Sewer Revenue Refunding Bonds	13,133,057	-	(5,595,843)	7,537,214	5,755,694
2020 Sewer Revenue Bonds	51,709,227	3,290,773	-	55,000,000	2,566,030
Total Direct Borrowing and Direct Placements	42,556,253	3,290,773	(5,595,843)	62,537,214	8,321,724
Unamortized premiums and discounts, net	-	-	-	-	-
Compensated absences	1,921,923	5,615,123	(4,925,277)	2,611,770	1,698,283
Net postemployment benefits other than pensions	3,713,696	4,591,965	(4,664,556)	3,641,105	-
Net pension liability	14,162,834	18,665,986	(556,730)	32,272,090	-
Total Business-Type Activities	\$ 62,354,706	\$ 32,163,848	\$ (15,742,406)	\$ 101,062,179	\$ 10,020,007

Unamortized deferred refunding charges

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

For the year ended June 30, 2023, activity related to the City's unamortized deferred refunding charges was as follows:

	Government Activities	Business-type Activities	Total
Balance June 30, 2022	\$ 18,545,787	\$ -	\$ 18,545,787
Reductions	(584,862)	-	(584,862)
Balance June 30, 2023	\$ 17,960,925	\$ -	\$ 17,960,925

Variable Rate Debt

The City did not have any variable rate debt as of June 30, 2023.

Debt Covenants and Legal Debt Margin

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

Debt Defeasance

In February of 2019, the City defeased a certain portion of the 2005C Taxable Capital Improvement Refunding Bonds by placing the proceeds of 2019A-2 Capital Improvement Refunding Bond in an irrevocable trust to provide for all future debt service payments on the partially defeased bond. Accordingly, the trust account assets and liabilities for the defeased bond are not included in the City's financial statements. As June 30, 2023, \$3,497,425 of the \$3,497,425 in defeased debt remained outstanding, and the carrying value in the trust account is \$11,610,596. The fair value in the trust account is \$11,694,522.

New Debt Issued

On July 21, 2022, the City issued General Obligation (Limited Tax) Various Purpose Subordinate Lien Bonds, Series 2022. These bonds, not to exceed \$60 million, were for the purposes of acquiring, constructing, improving and equipping the Public Safety Center (a Building Project) and Moana Pool (a Recreational Project). The bonds will be payable semi-annually, over 30 years at an interest rate between 4% - 5% with the first principal payment due on June 1, 2023.

On September 22, 2021, the City entered into a medium-term obligation with Artown for the purchase of the Lear Theater located at 501 Riverside Drive and the adjacent parking lot located at 0 West First Street. The \$875,000 is payable at zero percent interest over seven years, with the first payment due at the inception and then annually thereafter.

Lines of Credit

The City does not have any lines of credit.

Arbitrage Rebate Requirement

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

Conduit Debt Obligations

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

There were no outstanding conduit debt obligations as of June 30, 2023.

Custodial Fund Special Assessment Debt

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

City of Reno, Nevada

Notes to Basic Financial Statements

Outstanding special assessment debt obligations accounted for in fiduciary fund at June 30, 2023, were as follows:

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2023
2002 Special Assessment District No. 4 Bonds (Somerset Parkway Project)	12/1/14 - 12/1/22	2.00% - 4.20%	\$ 5,535,000	\$ -
2002 Special Assessment District No. 3 Bonds (Double R Boulevard Project)	12/1/04 - 12/1/23	2.00% - 6.10%	7,100,000	285,000
			<u>\$ 12,635,000</u>	<u>\$ 285,000</u>

Segment Information

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

Note 7 – Other Information

Risk Management

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

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

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

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

Risk Retention and Self-Funded Workers Compensation Funds

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

City of Reno, Nevada
Notes to Basic Financial Statements

For the fiscal years ended June 30, 2023, 2022, and 2021 changes in unknown claims liability amounts and claims liability as June 30, 2023, included in self-insurance liability were as follows:

	Risk Retention Fund	Self-funded Workers Compensation Fund
Claims liability, July 1, 2021	\$ 2,336,969	\$ 56,535,066
Claims and changes in estimates	1,392,294	12,308,844
Claims payments	<u>(1,452,539)</u>	<u>(6,582,687)</u>
Claims liability, July 1, 2022	2,276,724	61,991,223
Claims and changes in estimates	152,296	22,742,386
Claims payments	<u>(514,689)</u>	<u>(7,346,774)</u>
Claims liability, June 30, 2023	\$ <u>1,914,331</u>	\$ <u>77,386,835</u>
Claims liability, due within one year	\$ <u>675,197</u>	\$ <u>8,611,970</u>
Claims liability, due in more than one year	\$ <u>1,239,134</u>	\$ <u>68,774,865</u>

Self-Funded Medical Plan Internal Service Fund

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

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

For the fiscal years ended June 30, 2023, 2022, and 2021, changes in unknown claims liability amounts were as follows:

	Self-funded Medical Plan Fund
Claims liability, July 1, 2021	\$ 3,277,200
Claims and changes in estimates	33,252,064
Claims payments	<u>(32,525,664)</u>
Claims liability, July 1, 2022	4,003,600
Claims and changes in estimates	30,942,599
Claims payments	<u>(31,154,999)</u>
Claims liability, June 30, 2023	\$ <u>3,791,200</u>
Claims liability, due within one year	\$ <u>3,789,763</u>
Claims liability, due in more than one year	\$ <u>1,437</u>

Leases Receivable

GASB Statement No. 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Fiscal Year	Principal and Interest Expected to Maturity		
	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 716,093	\$ 77,442	\$ 793,535
2025	738,048	70,895	808,944
2026	712,196	64,182	776,379
2027	662,183	57,600	719,782
2028	438,389	51,297	489,686
2029 - 2033	1,467,590	193,959	1,661,549
2034 - 2038	539,390	127,216	666,606
2039 - 2043	307,330	99,312	406,641
2044 - 2048	369,057	70,516	439,573
2049 - 2053	443,936	35,989	479,924
2054 - 2055	194,534	3,305	197,839
	<u>\$ 6,588,746</u>	<u>\$ 851,714</u>	<u>\$ 7,440,459</u>

City of Reno, Nevada
Notes to Basic Financial Statements

Subscriptions Payable

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use and underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 161,727	\$ 4,302	\$ 166,029
2025	69,644	674	70,319
2026	1,157	3	1,160
	<u>\$ 232,528</u>	<u>\$ 4,980</u>	<u>\$ 237,508</u>

Special Ad Valorem Capital Projects Fund

For the year ended June 30, 2023, pursuant to NRS 354.598155 the Special Ad Valorem Capital Projects Fund expended \$872,144 on the following projects:

Machinery and equipment \$ 872,144

City of Reno, Nevada

Notes to Basic Financial Statements

Note 8 – Commitments

Operating Lease Commitments

Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. For additional information, refer to the disclosures below.

The City has entered into various non-cancelable leases, primarily for real property. Such leases expire at various times through June 2051. For the year ended June 30, 2023 lease expense totaled \$984,773, which included \$720,674 in amortization. At fiscal year end, the City's future minimum lease payments under these non-cancelable operating leases were as follows:

Fiscal Year	Principal and Interest Expected to Maturity					
	Governmental Activities			Business-type Activities		
	Principal Payments	Interest Payments	Total Payments	Principal Payments	Interest Payments	Total Payments
2024	\$ 213,565	\$ 27,292	\$ 240,857	\$ 122,207	\$ 73,966	\$ 196,173
2025	217,055	24,281	241,336	124,290	71,883	196,173
2026	220,117	21,220	241,337	126,409	69,764	196,173
2027	223,226	18,111	241,337	128,563	67,610	196,173
2028	226,383	14,953	241,336	130,755	65,418	196,173
2029 - 2033	1,033,711	31,811	1,065,522	687,978	292,887	980,865
2034 - 2038	-	-	-	748,650	232,214	980,864
2039 - 2043	-	-	-	814,674	166,192	980,866
2044 - 2048	-	-	-	886,519	94,346	980,865
2048 - 2051	-	-	-	569,010	19,509	588,519
	<u>\$ 2,134,057</u>	<u>\$ 137,668</u>	<u>\$ 2,271,725</u>	<u>\$ 4,339,055</u>	<u>\$ 1,153,789</u>	<u>\$ 5,492,844</u>

Commitments Related to Contracts

Commitments outstanding for construction and construction-related services at June 30, 2023, for the City's non-enterprise funds totaled approximately \$5.6 million. Commitments were \$1.5 million for non-construction related services.

Enterprise fund construction in progress at June 30, 2023, primarily represents progress on sewer projects, including sewer and storm drain rehabilitations, construction of interceptors, and treatment plant improvements. Outstanding commitments totaled \$53.2 million for City of Reno enterprise fund projects.

In addition to the above, commitments outstanding for construction, construction-related services, and certain non-construction-related services totaled \$9.46 million for the Truckee Meadows Water Reclamation Facility improvements. Of this amount, the City's share is approximately \$6.5 million.

Commitment Related to the P25 System

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

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

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

Litigation

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

Note 9 – Joint Ventures

Truckee Meadows Water Reclamation Facility

Pursuant to an agreement dated March 24, 1980, the Cities of Reno and Sparks (the Cities) jointly own and operate the wastewater treatment facility commonly known as the Truckee Meadows Water Reclamation Facility (TMWRF or Facility). A committee known as the Reno-Sparks Coordinating Committee advises the Cities' Councils on matters relating to TMWRF. The Cities have joint control in approving budgets for the Facility and providing financing for the operations thereof. As of June 30, 2023, approximately 68.63% of the Facility's capacity was owned by Reno.

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

The City uses the equity method to account for its investment in TMWRF. At June 30, 2023, its investment as reported in its sanitary sewer enterprise fund totaled \$83,340,822, which represents 69.32% of TMWRF's net position. The City's share of TMWRF's net costs for the year ended June 30, 2023, was \$5,588,612, reported as non-operating expense.

The City obtained a loan from the State of Nevada Revolving Loan Fund to finance an expansion project at TMWRF. At June 30, 2023, the City of Reno has recorded \$1,096,217 as a receivable from the City of Sparks for the City of Sparks' share of the amount drawn on the loan. The City of Sparks' payments on the liability to the City of Reno, including interest, coincide with the City of Reno's payment to the State of Nevada on the loan.

Commitments outstanding for construction projects and for non-construction contracts at TMWRF at June 30, 2023, totaled \$9.46M. These commitments will be shared by the City and the City of Sparks based upon their respective allocations related to the associated contracts.

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

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

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

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

Truckee Meadows Water Authority

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

The City provides the Authority with certain services related primarily to employee benefit administration for a monthly fee of \$4,806 for the year ended June 30, 2023. The City also provides maintenance services and fuel for the Authority's vehicles for a fee which totaled \$41,315 during fiscal year 2023.

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

Truckee River Flood Management Authority

The Truckee River Flood Management Authority (TRFMA) is a joint powers authority formed in March 2011, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (members). The governing body of each Member appoints two directors who must be elected officials of the Member's governing body. The TRFMA was formed in order to regulate and control waters of the Truckee River that flow through their territories to reduce or mitigate flooding for the ongoing benefit of the Truckee Meadows community and is authorized to issue bonds that do not constitute an obligation of the City of Reno, City of Sparks, Washoe County, or State of Nevada. Under the terms of the Cooperative Agreement, the TRFMA Board of Directors has the power to periodically impose, assess, levy, collect, and enforce fees, rates, and charges in an amount sufficient for services or facilities, or both services or facilities and also to discharge any debt instruments or financial agreements. No such assessments have been made since the TRFMA's formation. The arrangement is considered a joint venture with no equity interest recorded on the City of Sparks' balance sheet as of June 30, 2023, because no explicit and measurable equity interest is deemed to exist.

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

City of Reno, Nevada

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Note 10 – Defined Benefit Pension Plans

Aggregate Balances – At June 30, 2023, the City's aggregate pension plan balances were as follows:

	Public Employees' Retirement System of Nevada	Judicial Retirement System of Nevada	Aggregated Total
Net deferred outflows of resources related to pensions	\$ 134,215,037	\$ 475,328	\$ 134,690,365
Net pension liability	351,818,143	481,402	352,299,545
Net deferred inflows of resources related to pensions	3,046,281	43,629	3,089,910
Pension expense/(revenue)	\$ 36,698,935	\$ 131,211	\$ 36,830,146

Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

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

PERS is a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both regular and police/fire members. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

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

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the system on or after January 1, 2010, there is a 2.5% multiplier. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

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

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

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

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

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

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

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

Police/fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/fire members entering the system on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at age 50 with twenty years of service, or at any age with thirty years of service. Police/fire members entering the system on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, at age 50 with twenty years of service, or at any age with 33 1/3 years of service. Only service performed in a position as a police officer or firefighter may be counted toward the eligibility for retirement as police/fire accredited service.

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

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS. New hires, in agencies which did not elect the employer-pay contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two alternative contribution plans. Contributions are shared equally by employer and employee in which employees can take a reduced salary and have contributions made by the employer or can make contributions by a payroll deduction matched by the employer.

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

PERS receives an actuarial valuation on an annual basis for determining the prospective funding contribution rates required to fund the system on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by NRS. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450. The

City of Reno, Nevada

Notes to Basic Financial Statements

actuary funding method used is the entry age normal cost method. It is intended to meet the funding objective and results in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2023 and 2022, the required contribution rates for regular members is 15.5% and 22.75% for police/fire members. The EPC rate was 29.75% for regular and 44% for police/fire members.

PERS issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplemental information. This report is available on the PERS's website, www.nvpers.org under publications. PERS collective net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

The following actuarial assumptions were applied to all periods included in the measurement and based on the results of an experience study covering the period from July 1, 2016 to June 30, 2020.

Actuarial valuation date	June 30, 2022
Inflation rate	2.50%
Payroll growth	5.00%, including inflation
Investment rate of return	7.25%
Discount rate	7.25%
Productivity pay increase	0.50%
Consumer price index	2.25%
Actuarial cost method	Entry age normal and level percentage of payroll
Projected salary increases	Regular: 4.20% to 9.10%, depending on service Police/Fire: 4.60% to 14.50%, depending on service Rates include inflation and productivity increases

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

Age	Mortality Rates		Expected Years of Life Remaining	
	Males	Females	Males	Females
40	0.07%	0.04%	43.4	47.1
50	0.35%	0.24%	33.2	36.7
60	0.72%	0.43%	23.7	26.9
70	1.80%	1.19%	15.2	17.8
80	5.71%	3.75%	8.1	10.0

Healthy: Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for healthy annuitants at age 50 to the mortality rate for employees at age 50. The mortality rates are then projected to 2020 with Scale MP-2016.

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

PERS's policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of PERS. The following target asset allocation policy was adopted as of June 30, 2022:

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

* As of June 30, 2022, PERS' long-term inflation assumption was 2.50%.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified by NRS. Based on that assumption, PERS's fiduciary net position at June 30, 2022, was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.25%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2022.

The City's proportionate share of the net pension liability at the actuarial valuation date using the selected discount rate of 7.25% and the estimated liability if the rate varied by 1% follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 540,155,938	\$ 351,818,143	\$ 196,411,203

Detailed information about PERS fiduciary net position is available in the PERS Annual Comprehensive Financial Report, available on the PERS website, www.nvpers.org under publications. PERS fiduciary net position and additions to/deductions from it have been determined on the same basis used in the PERS Annual Comprehensive Financial Report. PERS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental accounting for fiduciary funds. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The City's 1.94860% proportionate share of PERS' collective net pension liability at the actuarial valuation date was \$351,818,143. The City's relative contributions for the related fiscal year was used to determine its proportionate share. Contributions for employer pay dates within the fiscal year ended June 30, 2022, were used as the basis for determining each employer's proportionate share. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2022.

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For the period ending on the actuarial valuation date, the City's pension expense was \$147,911,896 and its reported deferred outflows and inflows of resources were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 45,554,638	\$ 251,329
Changes of assumptions	45,193,493	-
Net difference between projected and actual earnings on investments	4,292,400	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	15,032,911	2,794,952
Contributions made subsequent to the measurement date	24,141,595	-
	<u>\$ 134,215,037</u>	<u>\$ 3,046,281</u>

At June 30, 2022, the average expected remaining service life is 5.70 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the actuarial valuation date totaling \$24,141,595 will be recognized as a reduction of the net pension liability in the year beginning July 1, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending June 30,	2024	\$ 16,417,878
	2025	15,581,560
	2026	13,911,747
	2027	53,828,093
	2028	7,287,883
	Thereafter	-
		<u>\$ 107,027,161</u>

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

Net pension liability, beginning of year	\$ 173,945,997
Pension (revenue)/expense	36,698,935
Employer contributions	(21,434,420)
Net change in deferred inflows and outflows of resources	<u>162,607,631</u>
Net pension liability, end of year	<u>\$ 351,818,143</u>

At June 30, 2023, accrued salaries and benefits included \$5,839,781 payable to PERS for required contributions relating to the last month of the fiscal year.

Agent Multiple-Employer Defined Benefit Pension Plan

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

At June 30, 2022, JRS membership consisted of:

Table with 2 columns: Membership Category, Count. Rows: Active members (111), Inactive vested members (6), Retired members and beneficiaries (93), Total (210).

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

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

For the fiscal year ended June 30, 2022, the required employer/employee matching rate was 25.25%.

The JRS net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

City of Reno, Nevada

Notes to Basic Financial Statements

The total JRS pension liability was determined using the following actuarial assumptions (based on the results of an experience study dated September 10, 2021):

Actuarial valuation date	June 30, 2022
Inflation rate	2.50%
Payroll growth	2.50% to 6.75%
Investment rate of return	7.25%, net of pension plan investment expense, including inflation
Discount rate	7.25%
Consumer price index	2.75%
Asset valuation method	The actuarial value of assets is equal to the prior year's actuarial value of assets plus contributions and net transfers, less benefit payments and expenses, plus expected investment return, and 20% of each of the previous five years' gain/(loss) due to investment return greater/(less) than expected. The actuarial value of assets is further limited to not less than 70% or greater than 130% of the market value of assets.
Actuarial cost method	Entry age normal
Amortization method	Year-by-year closed amortization period as a level percent of pay (2.5% payroll growth assumed) where each amortization period will be set at 30 years for Supreme Court justices and district judges and 20 years for each non-state agency)
Mortality rates	<p>Post-retirement: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Tables, projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries.</p> <p>For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for members at age 50 to the mortality rate at age 50 from the Employee Mortality Tables listed above. The mortality rates are then projected to 2020 with Scale MP-2016.</p> <p>Pre-retirement: Headcount-Weighted RP 2014 Employee Mortality Tables, projected to 2020 with Scale MP-2016.</p>

JRS policies which determine the investment portfolio target asset allocation are established by the JRS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of JRS. The following target asset allocation policy was adopted as of June 30, 2022:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	50.50%	6.65%
Developed International Equity	21.50%	7.18%
U.S. Fixed Income	28.00%	0.91%

City of Reno, Nevada

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The discount rate used to measure the total pension liability was 7.25% as of June 30, 2022 and 2021. The projection of cash flows used to determine the discount rate assumed that contributions will be made monthly at the actuarially determined contribution rates and the payment to amortize the unfunded actuarial liability is assumed to be paid annually, at the end of the year, for Supreme Court justices and district judges and monthly for municipal court judges and justices of the peace. Based on those assumptions, JRS's fiduciary net position at June 30, 2022, was projected to be available to make all projected future benefit payments of current active and inactive JRS members. Therefore, the long-term expected rate of return on pension plan investments (7.25%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2022.

The City's JRS net pension liability at June 30, 2021, calculated using the discount rate of 7.25%, as well as what the City's JRS net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability (asset)	\$ 946,772	\$ 481,402	\$ 90,593

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

At June 30, 2022, the City reported a net pension liability of \$481,402, for the JRS plan. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the period ended June 30, 2022, the City's JRS pension expense was \$131,211 and its reported deferred outflows and inflows of resources related to JRS pensions as of June 30, 2022, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 14,232	\$ 22,757
Changes of assumptions	128,643	-
Net difference between projected and actual earnings on investments	165,003	-
Other Changes	40,888	20,872
Contributions made subsequent to the measurement date	126,562	-
	<u>\$ 475,328</u>	<u>\$ 43,629</u>

At June 30, 2022, the average expected remaining service life is 4.62 years.

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Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended June 30,	2024	\$	(32,664)
	2025		106,296
	2026		42,139
	2027		<u>189,366</u>
		\$	<u><u>305,134</u></u>

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

Net pension liability, beginning of year	\$	(94,660)
Pension (revenue)/expense		131,211
Employer contributions		(107,270)
Net change in deferred inflows and outflows of resources		<u>552,121</u>
Net pension liability, end of year	\$	<u><u>481,402</u></u>

At June 30, 2023, accrued salaries and benefits included \$20,969 payable to JRS for required contributions relating to the last month of the fiscal year.

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

Aggregate Balances – At June 30, 2023, the City's aggregate OPEB plan balances were as follows:

	Public Employee Benefit Program	City of Reno Plan	Aggregate Total
Net OPEB asset administered through an irrevocable employee benefit trust fund	\$ -	\$ 25,951,629	\$ 25,951,629
Net deferred outflows of resources related to OPEB	-	1,044,498	1,044,498
Total OPEB liability	2,360,055	144,902,035	147,262,090
Net OPEB liability	2,360,055	118,950,406	121,310,461
Net deferred inflows of resources related to OPEB	-	54,983,589	54,983,589
OPEB expense/(income)	(514,903)	(6,443,516)	(6,958,419)
Fiduciary Net Position as percentage of the Total OPEB Liability	0%	17.91%	17.62%

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

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

City of Reno, Nevada

Notes to Basic Financial Statements

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

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

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

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

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

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

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

The City is required to provide a subsidy, based on years of service for a closed group of its retirees that have enrolled in PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. For 2023, this subsidy ranged from \$424 to \$854 per retiree, per month.

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

At June 30, 2022, employees covered by OPEB benefit terms consisted of:

	Public Employee Benefit Program	City of Reno Plan	Aggregate Total
Active members	-	1,246	1,246
Inactive employees currently receiving benefit payments	135	738	873
	<u>135</u>	<u>1,984</u>	<u>2,119</u>

City of Reno, Nevada

Notes to Basic Financial Statements

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

	Public Employee Benefit Program	City of Reno Plan
Actuarial valuation date	January 1, 2022	January 1, 2022
Measurement date	June 30, 2023	June 30, 2023
Inflation rate	2.50% per year	2.50% per year
Salary changes	N/A	City Plan – 3.0% per year, since benefits do not depend on pay, this is used only to allocate the cost of benefits between service years PEBP – not applicable, there are no active employees in this plan
Discount rate	3.54% as of June 30, 2022 3.54% as of June 30, 2023	6.00% as of June 30, 2021 6.50% as of June 30, 2022
Discount rate source	Bond Buyer General Obligation 20-Bond Municipal Bond Index	Bond Buyer General Obligation 20-Bond Municipal Bond Index
Postemployment benefit changes	None	Monthly premium rates are the same for actives and retirees
Actuarial cost method	Entry Age Normal Cost, closed group, level percent of pay	Entry Age Normal Cost, closed group, level percent of pay
Healthcare cost trend rates	6.0%, decreasing to an ultimate rate of 3.9% for 2076 and subsequent years	5.8%, decreasing to an ultimate rate of 3.9% for 2076 and subsequent years
Asset valuation method	N/A	Market value of assets
Long-term return on assets		7.0% as of June 30, 2023, net of plan investment changes

For 2023, the monthly premium rates for retirees were made the same as for active employees for all but the Hartford Plan, which is currently available only to police and fire post-65 retirees.

The City Plan mortality rates were based on the following:

MacLeod Watts Scale 2022 applied generationally from 2010. The MacLeod Watts Scale 2022 was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2021 Report, published in October 2021 and (2) the demographic assumptions used in the 2021 Annual Report of the board of trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published August 2021.

MacLeod Watts Scale 2022 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2021 which has two segments – (1) historical improvement rates for the period of 1951-2017 and (2) an estimate of future mortality improvement for years 2018-2020 using the Scale MP-2021 methodology but utilizing the assumptions obtained from Scale MP-2015. The MacLeod Watts scale then transitions for the 2020 improvement rate to the Social Security Administration (SSA) Intermediate Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2030-2044. The SSA's Intermediate Scale has a final step down in 2045 which is reflected in MacLeod Watts scale for years 2045 and thereafter. Over the ages of 95 to 118, the SSA improvement rate is graded to zero.

City of Reno, Nevada

Notes to Basic Financial Statements

The City's total OPEB and PEBP liabilities at June 30, 2023, calculated using the discount rate at 6.50% and 3.65% respectively, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% high than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Total OPEB liability	\$ 163,095,208	\$ 144,902,035	\$ 131,662,108
Net OPEB liability	137,143,579	118,950,406	105,710,479
Total PEBP liability	2,593,493	2,360,055	2,160,512

The City's total OPEB and PEBP liabilities at June 30, 2023, calculated using the healthcare trend rate of 5.8%, decreasing to 3.9% by 2076 and 6.0%, decreasing to 3.9% by 2017 respectively, as well as what the City's total OPEB and PEBP liabilities would be if it were calculated using a healthcare trend rate that is 1.00% lower or 1% higher than the current healthcare trend rate was as follows:

	1% Decrease in Healthcare Trend Rate	Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Total OPEB liability	\$ 129,228,356	\$ 144,902,035	\$ 166,436,592
Net OPEB liability	103,276,727	118,950,406	140,484,963
Total PEBP liability	2,154,726	2,360,055	2,596,254

At June 30, 2023, changes in the City's total OPEB liability were as follows:

	Public Employee Benefit Program	City of Reno Plan	Aggregate Total
Service cost	\$ -	\$ 3,333,301	\$ 3,333,301
Interest on total OPEB liability	84,791	8,930,665	9,015,456
Changes in benefit terms	-	(1,132,555)	(1,132,555)
Differences between expected and actual experience	-	-	-
Changes of assumptions or other inputs	(23,914)	(8,127,188)	(8,151,102)
Benefit payments	<u>(192,107)</u>	<u>(7,226,599)</u>	<u>(7,418,706)</u>
Net change in total OPEB liability	(131,230)	(4,222,376)	(4,353,606)
Total OPEB liability, beginning of year	<u>2,491,285</u>	<u>149,124,411</u>	<u>151,615,696</u>
Total OPEB liability, end of year	2,360,055	144,902,035	147,262,090
Net OPEB assets administered through an irrevocable employee benefit trust fund	<u>-</u>	<u>25,951,629</u>	<u>25,951,629</u>
Net OPEB liability, end of year	\$ <u>2,360,055</u>	\$ <u>118,950,406</u>	\$ <u>121,310,461</u>

City of Reno, Nevada
Notes to Basic Financial Statements

For the period ended June 30, 2023, the City's OPEB income was \$(6,443,516) and its reported deferred outflows and inflows of resources related to OPEB were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 19,349,658
Changes of assumptions	1,044,498	35,525,498
Differences in investment earnings	-	108,433
	<u>\$ 1,044,498</u>	<u>\$ 54,953,589</u>

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

For the year ended June 30,	2024	\$ (14,705,664)
	2025	(9,529,245)
	2026	(8,539,671)
	2027	(8,983,919)
	2028	(6,255,491)
	Thereafter	(5,925,101)
		<u>\$ (53,939,091)</u>

Employee Benefit Trust Fund

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

During fiscal year 2023, the City made contributions to the trust fund totaling \$11,389,242. Contributions are determined at the City's discretion through its annual budget process to be paid from the City's general, internal service and enterprise funds.

Note 12 – Other Information

Subsequent Events

On September 13, 2023, the Reno City Council approved a settlement agreement in the matter of Stan Lucas v. City of Reno in the amount of \$3.5 million for alleged damages resulting from the City's denial of an application for a tentative map and special use permit for a residential subdivision on approximately 955 acres in the Mortensen Garson Overlay District in Verdi. The settlement was paid for out of the City's Risk Fund in fiscal year ending June 30, 2024.

Required Supplementary Information

City of Reno, Nevada
Postemployment Benefits Other Than Pensions (OPEB)
Schedule of Changes in Total OPEB Liability
For the Year Ended June 30, 2023 and Last Ten Fiscal Years¹

	Service Cost	Interest on Total OPEB Liability	Changes in Benefit Terms	Differences Between Expected and Actual Experience	Changes in Assumptions or Other Inputs	Benefit Payments	Net Change in Total OPEB Liability	Total OPEB Liability, Beginning of Year	Total OPEB Liability, End of Year	Plan Fiduciary Net Position End of Year	Net OPEB Liability	Covered Employee Payroll	Total OPEB Liability, End of Year as a Percentage of Covered Employee Payroll
Public Employee Benefit Program													
2018	\$ 2	\$ 83,677	\$ -	\$ -	\$ 55,285	\$ (203,156)	\$ (64,194)	\$ 2,774,952	\$ 2,710,758	\$ -	\$ 2,710,758	2	2
2019		76,343	-	-	221,622	(192,534)	105,431	2,710,758	2,816,189	-	2,816,189		
2020		95,137	-	-	679,646	(211,469)	563,314	2,816,189	3,379,503	-	3,379,503		
2021		72,501	-	-	18,233	(197,839)	(107,105)	3,379,503	3,272,398	-	3,272,398		
2022		68,466	-	(10,898)	(633,348)	(205,333)	(781,113)	3,272,398	2,491,285	-	2,491,285		
2023		84,791	-	-	(23,914)	(192,107)	(131,230)	2,491,285	2,360,055	-	2,360,055		
City of Reno Plan													
2018	7,838,012	6,869,650	-	-	6,955,870	(7,631,378)	14,032,154	215,455,315	229,487,469	7,753,129	221,734,340	96,695,325	237.33%
2019	8,593,105	6,837,082	-	-	(4,406,354)	(7,867,859)	3,155,974	229,487,469	232,643,443	9,405,532	223,237,911	110,713,117	210.13%
2020	8,103,033	8,335,903	-	(43,466,542)	(22,640,530)	(6,512,741)	(56,180,877)	232,643,443	176,462,566	11,569,332	164,893,234	113,794,793	155.07%
2021	5,218,217	8,010,998	-	-	(21,332,417)	(7,317,242)	(15,420,444)	176,462,566	161,042,122	17,293,549	143,748,573	118,531,405	135.86%
2022	4,272,717	8,885,482	2,513,641	(7,027,514)	(13,040,820)	(7,521,217)	(11,917,711)	161,042,122	149,124,411	18,850,349	130,274,062	132,509,144	112.54%
2023	3,333,301	8,930,665	(1,132,555)	-	(8,127,188)	(7,226,599)	(4,222,376)	149,124,411	144,902,035	25,951,629	118,950,406	152,795,720	94.83%

1. Information for Postemployment Benefits Other Than Pensions is not available for year prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent years.
2. The Public Employee Benefit Plan is a closed plan; therefore, there are no current covered employees.

City of Reno, Nevada
Postemployment Benefits Other Than Pensions (OPEB)
Actuarially Determined Contribution Information
For the Year Ended June 30, 2023 and Last Ten Fiscal Years¹

	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
Public Employee Benefit Program					
2018	\$ 2	\$ 203,156	\$ 203,156	3	3
2019	2	192,534	192,534	3	3
2020	2	211,469	211,469	3	3
2021	2	197,839	197,839	3	3
2022	2	205,333	205,333	3	3
2023	2	192,107	192,107	3	3
City of Reno Plan					
2018	11,798,534	8,886,036	(2,912,498)	106,539,966	8.34057%
2019	12,790,212	8,857,110	(3,933,102)	110,713,117	8.00005%
2020	11,584,067	8,046,690	(3,537,377)	113,794,793	7.07123%
2021	12,166,696	9,813,894	(2,352,802)	118,531,405	8.27957%
2022	12,084,543	10,659,947	(1,424,596)	132,509,144	8.04469%
2023	12,550,949	11,389,242	(1,161,707)	152,795,720	7.45390%

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

City of Reno, Nevada

Multiple-Employer Cost-Sharing Defined Benefit Pension Plan
Proportionate Share of the Collective Net Pension Liability Information
For the Measurement Year Ended June 30, 2023 and Last Ten Fiscal Years¹

<u>For the Year Ended June 30,</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportion of the Collective Net Pension Liability as a Percentage of Covered Payroll</u>	<u>PERS Fiduciary Net Position as a Percentage of Total Pension Liability</u>
2014	1.88407%	\$ 247,751,652	\$ 93,801,378	264.12368%	76.31210%
2015	1.80849%	207,243,295	81,971,840	252.82255%	75.12612%
2016	1.76966%	238,145,028	86,413,601	275.58744%	72.20000%
2017	1.86301%	247,778,053	96,062,490	257.93424%	74.41654%
2018	1.80951%	246,776,316	96,221,810	256.46609%	75.23537%
2019	1.83074%	249,638,697	101,018,373	247.12207%	76.45733%
2020	1.81050%	252,173,208	104,227,808	241.94427%	77.03999%
2021	1.90745%	173,945,998	109,254,447	159.21182%	86.50548%
2022	1.94860%	351,818,141	130,975,932	268.61282%	75.12034%

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

City of Reno, Nevada
Multiple-Employer Cost-Sharing Defined Benefit Pension Plan
Proportionate Share of Statutorily Required Contribution Information
For the Year Ended June 30, 2023 and Last Ten Fiscal Years¹

For the Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll ²	Contributions as a Percentage of Covered Payroll
2015	\$ 28,070,303	\$ 28,070,303	\$ -	81,971,840	34.24384%
2016	29,918,043	29,918,043	-	86,413,601	34.62191%
2017	32,030,815	32,030,815	-	96,062,490	33.34373%
2018	33,581,449	33,581,449	-	96,221,810	34.90004%
2019	35,247,737	35,247,737	-	101,018,373	34.89240%
2020	37,737,169	37,737,169	-	104,227,808	36.20643%
2021	39,918,838	39,918,838	-	109,254,447	36.53749%
2022	42,588,297	42,588,297	-	115,524,654	36.86512%
2023	46,701,670	46,701,670	-	130,975,932	35.65668%

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

City of Reno, Nevada
Agent Multiple-Employer Defined Benefit Pension Plan
Schedule of Changes in Net Pension Liability
For the Measurement Year Ended June 30, 2023 and Last Ten Fiscal Years¹

For the Year Ended June 30,	Net Pension Liability, Beginning of Year	Pension Expense	Employer Contributions	Change in Net Deferred Outflows and Inflows	Net Pension Liability, End of Year
2014	\$ 633,551	\$ 81,208	\$ (137,885)	\$ (197,401)	\$ 379,473
2015	379,473	89,094	(140,414)	147,846	475,999
2016	475,999	51,209	(96,710)	(51,041)	379,457
2017	379,457	34,038	(92,679)	(15,485)	305,331
2018	305,331	23,832	(88,617)	(17,585)	222,961
2019	222,961	42,297	(89,120)	37,899	214,037
2020	214,037	39,943	(102,356)	44,436	196,060
2021	196,060	(4,744)	(89,495)	(196,481)	(94,660)
2022	(94,660)	131,211	(107,270)	552,121	481,402

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

City of Reno, Nevada
Agent Multiple-Employer Defined Benefit Pension Plan
Pension Plan Information
For the Measurement Year Ended June 30, 2023 and Last Ten Fiscal Years¹

For the Year Ended June 30,	Total Pension Plan Liability	Pension Plan Fiduciary Net Position	Net Pension Plan Liability	Pension Plan Fiduciary Net Position as a Percentage of Total Pension Plan Liability	Pension Plan Covered Payroll	Net Pension Plan Liability as a Percentage of Pension Covered Payroll
2014	\$ 2,495,730	\$ 2,116,257	\$ 379,473	84.79511%	\$ 454,597	83.47459%
2015	2,733,191	2,257,192	475,999	82.58450%	477,580	99.66896%
2016	2,073,143	1,693,686	379,457	81.69653%	499,655	75.94380%
2017	2,139,382	1,834,051	305,331	85.72807%	491,419	62.13249%
2018	2,299,779	2,076,818	222,961	90.30511%	350,579	63.59793%
2019	2,476,281	2,262,244	214,037	91.35652%	346,148	61.83396%
2020	2,908,031	2,711,971	196,060	93.25798%	390,525	50.20421%
2021	2,937,036	3,031,696	(94,660)	103.22298%	339,926	-27.84724%
2022	3,864,894	3,383,492	481,402	87.54424%	412,562	116.68598%

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

City of Reno, Nevada
Agent Multiple-Employer Defined Benefit Pension Plan
Actuarially Determined Contribution Information
For the Year Ended June 30, 2023 and Last Ten Fiscal Years¹

For the Year Ended June 30,	Actuarially Required Contribution	Contributions Made	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Made as a Percentage of Covered Payroll
2015	\$ 140,925	\$ 140,414	\$ (511)	\$ 454,597	30.88758%
2016	103,271	102,435	(836)	477,580	21.44876%
2017	104,381	92,679	(11,702)	499,655	18.54860%
2018	90,754	87,316	(3,438)	491,419	17.76813%
2019	102,475	88,617	(13,858)	350,579	25.27733%
2020	97,150	89,120	(8,030)	346,148	25.74621%
2021	110,822	102,356	(8,466)	390,525	26.20985%
2022	93,280	89,495	(3,785)	339,926	26.32779%
2023	113,635	107,270	(6,365)	412,562	26.00094%

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

City of Reno, Nevada
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 69,759,029	\$ 69,759,029	\$ 70,905,726	\$ 1,146,697
Special assessments	3,156,763	3,156,763	3,033,322	(123,441)
Licenses and permits				
Business licenses and permits				
Business licenses	23,101,268	24,001,268	24,880,315	879,047
City gaming licenses	1,353,057	1,353,057	1,382,575	29,518
Liquor licenses	2,116,196	2,116,196	2,460,729	344,533
Non-business licenses and permits	6,000	2,690,268	2,813,843	123,575
Total licenses and permits	26,576,521	30,160,789	31,537,462	1,376,673
Franchise fees				
Electricity	11,612,653	11,612,653	15,095,468	3,482,815
Telephone	2,710,975	2,710,975	2,823,854	112,879
Natural gas	3,728,732	3,728,732	6,944,741	3,216,009
Sanitation	5,434,389	5,434,389	5,870,121	435,732
Sewer	4,109,700	4,109,700	4,683,762	574,062
Cable television	2,200,000	2,200,000	1,931,150	(268,850)
Total franchise fees	29,796,449	29,796,449	37,349,096	7,552,647
Intergovernmental				
Grants and contributions				
Federal grants	2,282,846	4,734,677	4,118,318	(616,359)
State grants	-	24,850	11,535	(13,315)
Total grants and contributions	2,282,846	4,759,527	4,129,853	(629,674)
State shared revenues				
Consolidated tax revenue	101,752,502	101,752,502	93,449,652	(8,302,850)
AB 104 revenue	6,885,949	6,885,949	6,013,848	(872,101)
Marijuana fees	200,000	200,000	272,253	72,253
Sales tax - tax increment districts	6,000,000	6,000,000	2,662,465	(3,337,535)
Total state shared revenues	114,838,451	114,838,451	102,398,218	(12,440,233)
Other local governmental shared revenue				
County gaming licenses	1,607,592	1,607,592	1,259,289	(348,303)
Contributions	-	123,124	182,390	59,266
Other	3,000	3,000	4,405	1,405
Total other local governmental shared revenue	1,610,592	1,733,716	1,446,084	(287,632)
Total intergovernmental	118,731,889	121,331,694	107,974,155	(13,357,539)
Charges for services				
General government				
Administrative fees	640,000	640,000	1,094,727	454,727
TMWA contract payment	59,000	59,000	57,677	(1,323)
Indirect cost allocations	4,887,190	4,887,190	4,887,190	-
Total general government	5,586,190	5,586,190	6,039,594	453,404
Judicial				
Municipal court charges	72,418	72,418	82,569	10,151
Total Judicial	72,418	72,418	82,569	10,151

City of Reno, Nevada
General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual (continued)
For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public Safety				
Police services charges	520,000	520,000	651,937	131,937
Work permits	30,000	30,000	38,996	8,996
Fire service charges	1,487,500	2,487,500	1,218,087	(1,269,413)
Strike team reimbursements	20,000	2,040,591	6,293,028	4,252,437
Dispatch charges	250,000	314,922	454,995	140,073
Total Public Safety	2,307,500	5,393,013	8,657,043	3,264,030
Public Works				
Parking receipts	799,930	799,930	1,040,367	240,437
Total Public Works	799,930	799,930	1,040,367	240,437
Community Development & Support				
Planning fees	100,000	100,000	145,684	45,684
Planning application fees	700,000	700,000	637,362	(62,638)
Other community development revenue	63,500	63,500	77,226	13,726
Total Community Development & Support	863,500	863,500	860,272	(3,228)
Culture and Recreation				
Swimming pool fees	402,000	402,000	503,573	101,573
Recreation facility fees	3,422,226	3,422,226	3,591,251	169,025
Parks and recreation fees	100,000	100,000	125,432	25,432
Total Culture and Recreation	3,924,226	3,924,226	4,220,256	296,030
Total charges for services	13,553,764	16,639,277	20,900,101	4,260,824
Fines and forfeitures				
General government parking ticket fines	120,000	620,000	407,012	(212,988)
Municipal court fines	1,545,422	1,545,422	1,353,645	(191,777)
Administrative code citations	100,000	100,000	77,976	(22,024)
Delinquent license penalties	900,000	1,400,000	1,452,758	52,758
Total fines and forfeitures	2,665,422	3,665,422	3,291,391	(374,031)
Miscellaneous				
Interest & investment earnings	400,000	900,000	668,687	(231,313)
Change in fair value of investments	-	-	(299,154)	(299,154)
Private grants and contributions	-	157,999	127,954	(30,045)
Rents and royalties	475,000	475,000	406,446	(68,554)
Reimbursements and restitution	952,000	2,522,718	2,484,382	(38,336)
Other	59,187	59,187	71,909	12,722
Total miscellaneous	1,886,187	4,114,904	3,460,224	(654,680)
Total revenues	266,126,024	278,624,327	278,451,477	(172,850)
EXPENDITURES				
Current				
General government				
City Council				
Salaries and wages	603,494	603,494	603,643	(149)
Employee benefits	432,952	432,952	423,511	9,441
Services and supplies	773,396	707,713	687,550	20,163
Total City Council	1,809,842	1,744,159	1,714,704	29,455

City of Reno, Nevada
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual (continued)
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
City Clerk				
Salaries and wages	703,516	703,516	692,574	10,942
Employee benefits	370,658	370,658	341,926	28,732
Services and supplies	529,372	535,372	358,379	176,993
Total City Clerk	1,603,546	1,609,546	1,392,879	216,667
City Manager				
Salaries and wages	5,544,820	5,788,060	5,398,763	389,297
Employee benefits	2,512,066	2,611,669	2,306,433	305,236
Services and supplies	5,076,447	7,134,008	5,734,570	1,399,438
Total City Manager	13,133,333	15,533,737	13,439,766	2,093,971
Finance				
Salaries and wages	1,895,140	1,489,168	1,385,869	103,299
Employee benefits	961,759	760,278	692,340	67,938
Services and supplies	442,894	437,394	493,736	(56,342)
Total Finance	3,299,793	2,686,840	2,571,945	114,895
City Attorney				
Salaries and wages	3,274,715	3,274,715	3,402,545	(127,830)
Employee benefits	1,597,008	1,597,008	1,557,797	39,211
Services and supplies	318,210	318,210	237,617	80,593
Total City Attorney	5,189,933	5,189,933	5,197,959	(8,026)
Human Resources				
Salaries and wages	1,275,597	1,702,262	1,584,759	117,503
Employee benefits	731,288	940,314	852,794	87,520
Services and supplies	549,183	804,483	533,925	270,558
Total Human Resources	2,556,068	3,447,059	2,971,478	475,581
Civil Service				
Salaries and wages	487,567	487,567	479,117	8,450
Employee benefits	281,202	281,202	253,453	27,749
Services and supplies	163,369	183,369	160,722	22,647
Total Civil Service	932,138	952,138	893,292	58,846
Communications and Technology				
Salaries and wages	2,620,752	2,620,752	2,573,987	46,765
Employee benefits	1,313,725	1,313,725	1,195,753	117,972
Services and supplies	5,614,655	6,331,475	6,011,378	320,097
Total Communications and Technology	9,549,132	10,265,952	9,781,118	484,834
Total general government	38,073,785	41,429,364	37,963,141	3,466,223
Judicial				
Municipal Court				
Salaries and wages	5,076,963	5,076,963	4,821,703	255,260
Employee benefits	2,829,167	2,829,167	2,529,660	299,507
Services and supplies	1,200,988	1,620,921	1,599,319	21,602
Total Judicial	9,107,118	9,527,051	8,950,682	576,369

City of Reno, Nevada
General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual (continued)
For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public safety				
Police Department				
Salaries and wages	46,656,829	51,436,010	51,339,510	96,500
Employee benefits	28,977,911	28,619,823	29,248,495	(628,672)
Services and supplies	9,776,640	16,915,959	16,104,288	811,671
Total Police Department	85,411,380	96,971,792	96,692,293	279,499
Fire Department				
Salaries and wages	33,872,995	38,576,939	37,708,702	868,237
Employee benefits	22,562,125	23,250,506	23,125,078	125,428
Services and supplies	3,736,205	5,563,640	5,098,627	465,013
Total Fire Department	60,171,325	67,391,085	65,932,407	1,458,678
Dispatch				
Salaries and wages	5,104,869	5,169,791	4,906,074	263,717
Employee benefits	2,883,533	2,883,533	2,640,244	243,289
Services and supplies	506,639	506,639	271,749	234,890
Total Dispatch	8,495,041	8,559,963	7,818,067	741,896
Total Public Safety	154,077,746	172,922,840	170,442,767	2,480,073
Public Works				
Salaries and wages	3,638,259	3,536,208	3,397,686	138,522
Employee benefits	1,863,156	1,812,084	1,655,463	156,621
Services and supplies	5,945,122	5,784,540	5,303,101	481,439
Total Public Works	11,446,537	11,132,832	10,356,250	776,582
Culture and Recreation				
Salaries and wages	8,589,543	8,150,943	8,167,830	(16,887)
Employee benefits	3,445,444	3,445,444	3,080,275	365,169
Services and supplies	2,544,315	3,118,111	2,771,025	347,086
Total Culture and Recreation	14,579,302	14,714,498	14,019,130	695,368
Community Development & Support				
Salaries and wages	2,888,313	2,912,313	2,838,699	73,614
Employee benefits	1,559,017	1,559,017	1,444,689	114,328
Services and supplies	973,962	1,043,962	815,855	228,107
Total Community Development & Support	5,421,292	5,515,292	5,099,243	416,049
Non-Departmental				
Salaries and wages	200,000	-	-	-
Employee benefits	4,974,080	4,974,080	4,974,080	-
Services and supplies	6,848,700	9,486,825	5,933,564	3,553,261
Retired employee insurance expense	8,976,000	8,976,000	5,783,019	3,192,981
Total Non-Departmental	20,998,780	23,436,905	16,690,663	6,746,242
Total current	253,704,560	278,678,782	263,521,876	15,156,906
Debt service				
Principal retirement	240,000	845,701	688,457	157,244
Total debt service	240,000	845,701	688,457	157,244

City of Reno, Nevada
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual (continued)
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Capital outlay				
General government				
City Manager	-	28,485	38,767	(10,282)
Communications and Technology	-	1,320,472	759,469	561,003
Total general government	-	1,348,957	798,236	550,721
Public Safety				
Police Department	522,600	411,734	288,730	123,004
Fire Department	250,000	532,274	406,663	125,611
Total Public Safety	772,600	944,008	695,393	248,615
Public Works	17,500	45,938	45,138	800
Total Public Works	17,500	45,938	45,138	800
Culture and Recreation	56,000	215,848	63,230	152,618
Total Culture and Recreation	56,000	215,848	63,230	152,618
Community Development & support	22,750	22,750	16,340	6,410
Total capital outlay	868,850	2,577,501	1,618,337	959,164
Total expenditures	254,813,410	282,101,984	265,828,670	16,273,314
Excess (deficiency) of revenues over expenditures	11,312,614	(3,477,657)	12,622,807	16,100,464
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of assets	-	42,354	60,717	18,363
Issuance of debt	-	5,912,631	5,912,631	-
Contingency	1,000,000	-	-	-
Transfers in	2,916,000	2,916,000	2,916,000	-
Transfers out	(12,028,614)	(9,874,732)	(14,547,732)	(4,673,000)
Total other financing sources (uses)	(8,112,614)	(1,003,747)	(5,658,384)	(4,654,637)
Net change in fund balances	3,200,000	(4,481,404)	6,964,423	11,445,827
Fund balances - beginning	41,254,404	41,254,404	41,254,404	-
Fund balances - ending	\$ 44,454,404	\$ 36,773,000	\$ 48,218,827	\$ 11,445,827

Major Special Revenue Funds

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

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

City of Reno, Nevada
Streets Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 21,941,203	\$ 21,941,203	\$ 22,231,338	\$ 290,135
Franchise fees	3,200,000	3,200,000	3,189,675	(10,325)
Licenses and permits	396,000	396,000	501,467	105,467
Motor vehicle taxes	7,440,000	7,440,000	7,362,154	(77,846)
Grants and contributions	-	-	236,609	236,609
Fines and forfeitures	-	-	5,044	5,044
Interest & investment earnings	25,000	25,000	461,691	436,691
Change in fair value of investments	-	-	304,326	304,326
Reimbursements and restitution	-	71,276	148,559	77,283
Miscellaneous	-	-	111,125	111,125
Total revenues	<u>33,002,203</u>	<u>33,073,479</u>	<u>34,551,988</u>	<u>1,478,509</u>
EXPENDITURES				
Current				
Public Works				
Salaries and wages	6,527,479	6,557,639	6,118,755	438,884
Employee benefits	3,768,049	3,785,844	3,278,426	507,418
Services and supplies	8,100,775	11,001,452	14,986,362	(3,984,910)
Retired employees insurance	200,000	200,000	128,973	71,027
Total current	<u>18,596,303</u>	<u>21,544,935</u>	<u>24,512,516</u>	<u>(2,967,581)</u>
Capital outlay				
Public Works	<u>22,641,750</u>	<u>36,627,468</u>	<u>15,829,593</u>	<u>20,797,875</u>
Total capital outlay	<u>22,641,750</u>	<u>36,627,468</u>	<u>15,829,593</u>	<u>20,797,875</u>
Total expenditures	<u>41,238,053</u>	<u>58,172,403</u>	<u>40,342,109</u>	<u>17,830,294</u>
Excess (deficiency) of revenues over expenditures	<u>(8,235,850)</u>	<u>(25,098,924)</u>	<u>(5,790,121)</u>	<u>19,308,803</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(90,000)</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(90,000)</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>-</u>
Net change in fund balances	<u>(8,325,850)</u>	<u>(25,188,924)</u>	<u>(5,880,121)</u>	<u>19,308,803</u>
Fund balances - beginning	<u>38,793,234</u>	<u>38,793,234</u>	<u>38,793,234</u>	<u>-</u>
Fund balances - ending	<u>\$ 30,467,384</u>	<u>\$ 13,604,310</u>	<u>\$ 32,913,113</u>	<u>\$ 19,308,803</u>

City of Reno, Nevada

Notes to Required Supplementary Information

For the Year Ended June 30, 2023

Note 1 – Postemployment Benefits Other Than Pensions

For the year ended June 30, 2023, no significant events occurred that effected the benefit provision, size or composition of those covered by the postemployment benefit plans.

At June 30, 2023, \$25,951,629 assets were accumulated in a qualifying trust in which the assets contributed and earnings thereon are irrevocable, dedicated solely to providing postemployment benefits and are legally protected from creditors.

Actuarial information for postemployment benefits other than pensions is not available for measurement years prior to the year ended June 30, 2018. As information becomes available this schedule will ultimately present information for the ten most recent fiscal years. Additional information related to postemployment benefits other than pensions can be found in Note 11 to the basic financial statements.

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

For the year ended June 30, 2023 there were no changes in the pension benefit plan terms to the actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2022.

The actuarial valuation report dated June 30, 2014, was the first valuation for the multiple-employer cost-sharing defined benefit pension plan. As additional actuarial valuations are obtained these schedules will ultimately present information from the ten most recent valuations. Additional pension plan information can be found in Note 10 to the basic financial statements.

Note 3 – Agent Multiple-Employer Defined Benefit Pension Plan

For the year ended June 30, 2023, there were no changes in the pension benefit plan terms or the actuarial methods and assumptions used in the actuarial valuation reports dated June 30, 2022.

The actuarial valuation reports dated June 30, 2014, was the first valuation for the agent multiple-employer defined benefit pension plan. As additional actuarial valuations are obtained these schedules will ultimately present information from the ten most recent valuations. Additional pension plan information can be found in Notes 10 to the basic financial statements.

Note 4 – Budget Information

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

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

Supplementary Information

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

Major Governmental Funds

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

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

City of Reno, Nevada
Cabela's Sales Tax Increment Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Dedicated sales tax revenues	\$ 1,300,000	\$ 1,300,000	\$ 1,043,167	\$ (256,833)
Interest & investment earnings	500	500	38,863	38,363
Total revenues	<u>1,300,500</u>	<u>1,300,500</u>	<u>1,082,030</u>	<u>(218,470)</u>
EXPENDITURES				
Debt service				
Principal retirement	2,610,000	2,610,000	2,610,000	-
Interest	869,238	869,238	869,238	-
Administrative charges	3,500	3,500	4,100	(600)
Total expenditures	<u>3,482,738</u>	<u>3,482,738</u>	<u>3,483,338</u>	<u>(600)</u>
Net change in fund balances	(2,182,238)	(2,182,238)	(2,401,308)	(219,070)
Fund balances - beginning	(12,787,214)	(12,787,214)	(12,787,214)	-
Fund balances - ending	<u>\$ (14,969,452)</u>	<u>\$ (14,969,452)</u>	<u>\$ (15,188,522)</u>	<u>\$ (219,070)</u>

City of Reno, Nevada
Public Works Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Grants and contributions	\$ -	\$ 30,559,998	\$ 15,623,901	\$ (14,936,097)
Licenses and permits	450,000	450,000	429,235	(20,765)
Interest & investment earnings	-	8	36,200	36,192
Change in fair value of investments	-	-	(209,434)	(209,434)
Reimbursements and restitution	-	-	447	447
Private grants and contributions	-	9,000,000	4,525,669	(4,474,331)
Rents and royalties	-	-	972,621	972,621
Total revenues	450,000	40,010,006	21,378,639	(18,631,367)
EXPENDITURES				
Current				
General Government				
Salaries and wages	-	-	8,691	(8,691)
Services and supplies	-	25,956,231	4,522,466	21,433,765
Public Safety				
Police Department				
Services and supplies	1,000,000	1,000,000	5,870,000	(4,870,000)
Fire Department				
Services and supplies	-	-	567,944	(567,944)
Public Works				
Services and supplies	25,759,998	249,500	979,031	(729,531)
Culture and Recreation				
Services and supplies	-	25,912	183,256	(157,344)
Community Development & Support				
Services and supplies	-	88,726	100,744	(12,018)
Total current	26,759,998	27,320,369	12,232,132	15,088,237
Capital outlay				
General Government	-	1,016,217	435,892	580,325
Public Safety				
Fire Department	684,000	8,806,729	5,642,599	3,164,130
Police Department	31,000,000	54,297,732	20,913,557	33,384,175
Public Works	6,500,000	24,287,580	7,179,784	17,107,796
Parks and Recreation	27,400,000	52,744,024	18,444,091	34,299,933
Total capital outlay	65,584,000	141,152,282	52,615,923	88,536,359
Total expenditures	92,343,998	168,472,651	64,848,055	103,624,596
Excess (deficiency) of revenues over expenditures	(91,893,998)	(128,462,645)	(43,469,416)	84,993,229
OTHER FINANCING SOURCES (USES)				
Gain (loss) on sale of asset disposal	-	64,081	64,081	-
Transfers in	67,748,454	87,916,697	79,916,697	(8,000,000)
Transfers out	(136,000)	(6,582,771)	(7,212,514)	(629,743)
Total other financing sources (uses)	67,612,454	81,398,007	72,768,264	(8,629,743)
Net change in fund balances	(24,281,544)	(47,064,638)	29,298,848	76,363,486
Fund balances - beginning	58,979,085	58,979,085	58,979,085	-
Fund balances - ending	\$ 34,697,541	\$ 11,914,447	\$ 88,277,933	\$ 76,363,486

Non-Major Governmental Funds

City of Reno, Nevada
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2023

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 23,974,080	\$ 33,958,542	\$ 20,050,011	\$ 77,982,633
Accounts Receivable	601,680	-	-	601,680
Accrued interest	(119)	59,763	(134)	59,510
Due from other governments	1,125,990	4,947,094	204,346	6,277,430
Taxes receivable	43,303	38,255	-	81,558
Special assessment current	-	1,581,675	-	1,581,675
Special assessments delinquent	-	2,070	-	2,070
Special assessments deferred	-	2,585,345	-	2,585,345
Prepaid items	-	861,848	-	861,848
Property held for resale	1,041,209	-	-	1,041,209
Notes receivable, net	982,023	-	-	982,023
Total assets	<u>\$ 27,768,166</u>	<u>\$ 44,034,592</u>	<u>\$ 20,254,223</u>	<u>\$ 92,056,981</u>
LIABILITIES				
Accounts payable	\$ 41,912	\$ 29,033	\$ 2,071,457	\$ 2,142,402
Contracts and retained percentage payable	116,948	-	79,659	196,607
Accrued interest payable	45,233	-	-	45,233
Due to other funds	38,673	-	-	38,673
Due to other governments	64,274	-	-	64,274
Deposits	93,800	7,732	8,000	109,532
Advances from other funds	-	310,007	-	310,007
Unearned Revenue	306,706	-	-	306,706
Total liabilities	<u>707,546</u>	<u>346,772</u>	<u>2,159,116</u>	<u>3,213,434</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue, property taxes	43,303	38,255	-	81,558
Unavailable revenue, special assessments	-	2,630,918	-	2,630,918
Unavailable revenue, other	1,017,395	-	-	1,017,395
Total deferred inflows of resources	<u>1,060,698</u>	<u>2,669,173</u>	<u>-</u>	<u>3,729,871</u>
Total liabilities and deferred inflows of resources	<u>1,768,244</u>	<u>3,015,945</u>	<u>2,159,116</u>	<u>6,943,305</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid items	-	861,848	-	861,848
Restricted				
Capital improvement projects	708,068	-	18,067,316	18,775,384
Cultural & community devpt programs	2,942,261	-	-	2,942,261
Debt service	-	40,156,799	-	40,156,799
Fire, police and other public safety programs	1,262,421	-	-	1,262,421
Other government programs	3,021,182	-	-	3,021,182
Assigned				
Capital improvement projects	-	-	27,791	27,791
Fire, police and other public safety programs	165,474	-	-	165,474
Other government programs	17,900,516	-	-	17,900,516
Total fund balances (deficits)	<u>25,999,922</u>	<u>41,018,647</u>	<u>18,095,107</u>	<u>85,113,676</u>
Total liabilities and fund balances (deficits)	<u>\$ 27,768,166</u>	<u>\$ 44,034,592</u>	<u>\$ 20,254,223</u>	<u>\$ 92,056,981</u>

City of Reno, Nevada
Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Property taxes	\$ 5,957,051	\$ 2,532,297	\$ -	\$ 8,489,348
Room and construction taxes	3,414,871	9,458,520	3,253,650	16,127,041
Licenses and permits	170,051	-	-	170,051
Charges for services	18,745	-	-	18,745
Fines and forfeitures	76,765	9,661	-	86,426
Reimbursements and restitution	521,979	-	-	521,979
Rents and royalties	1,471,857	-	-	1,471,857
Special assessments	-	1,674,430	-	1,674,430
Grants and contributions	13,119,896	14,699,109	-	27,819,005
Motor vehicle taxes	106,687	-	-	106,687
Miscellaneous	1,734,637	15,906	-	1,750,543
Change in fair value of investments	(81,591)	151,470	73,489	143,368
Interest & investment earnings	205,257	970,308	237,948	1,413,513
Intergovernmental, other	-	-	816,457	816,457
Private grants and contributions	5,000	-	891,000	896,000
Total revenues	<u>26,721,205</u>	<u>29,511,701</u>	<u>5,272,544</u>	<u>61,505,450</u>
EXPENDITURES				
Current				
General Government	1,169,867	-	786,064	1,955,931
Judicial	68,682	-	-	68,682
Public Safety	73,968	-	-	73,968
Public Works	-	-	481,727	481,727
Culture and Recreation	-	-	14,397	14,397
Community Development & Support	8,403,175	-	-	8,403,175
Urban Redevelopment	2,452,224	-	-	2,452,224
Total current	<u>12,167,916</u>	<u>-</u>	<u>1,282,188</u>	<u>13,450,104</u>
Debt service				
Principal retirement	125,000	16,050,626	-	16,175,626
Interest	-	16,758,772	-	16,758,772
Debt issuance costs	-	1,959	-	1,959
Administrative charges	-	344,812	-	344,812
Total debt service	<u>125,000</u>	<u>32,809,398</u>	<u>-</u>	<u>33,281,169</u>
Capital outlay				
General Government	15,000	-	86,080	101,080
Culture and Recreation	-	-	2,733,719	2,733,719
Public safety	46,287	-	-	46,287
Public works	-	-	534,429	534,429
Community Development & Support	3,311,895	-	-	3,311,895
Total capital outlay	<u>3,373,182</u>	<u>-</u>	<u>3,354,228</u>	<u>6,727,410</u>
Total expenditures	<u>15,666,098</u>	<u>33,156,169</u>	<u>4,636,416</u>	<u>53,458,683</u>
Excess (deficiency) of revenues over expenditures	<u>11,055,107</u>	<u>(3,644,468)</u>	<u>636,128</u>	<u>8,046,767</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	60,000,000	-	60,000,000
Transfers in	147,500	5,108,133	-	5,255,633
Transfers out	(2,780,000)	(63,346,084)	-	(66,126,084)
Premium on bonds issued	-	2,726,371	-	2,726,371
Total other financing sources (uses)	<u>(2,632,500)</u>	<u>4,488,420</u>	<u>-</u>	<u>1,855,920</u>
Net change in fund balances	8,422,607	843,952	636,128	9,902,687
Fund balances - beginning	17,577,315	40,174,695	17,458,979	75,210,989
Fund balances - ending	<u>\$ 25,999,922</u>	<u>\$ 41,018,647</u>	<u>\$ 18,095,107</u>	<u>\$ 85,113,676</u>

Special Revenues Funds

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

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

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

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

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

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

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

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

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

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

Opioid Recoveries – accounts for revenue sources restricted for current and potential future funds which are related to opioid settlements.

City of Reno, Nevada
Non-Major Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	HUD and State Housing Grants	Community Assistance Center	Performance Deposit	Drainage Facility Impact Fee	Room Tax
ASSETS					
Cash and investments	\$ 1,679,007	\$ 1,128,433	\$ 4,761,644	\$ 20,257	\$ 1,135,844
Accounts Receivable	-	10,716	-	-	-
Accrued interest	-	(15)	(27)	(1)	(12)
Taxes receivable	-	-	-	-	-
Due from other governments	127,216	15,876	-	-	856,300
Property held for resale	-	-	-	-	-
Notes receivable, net	982,023	-	-	-	-
Total assets	<u>\$ 2,788,246</u>	<u>\$ 1,155,010</u>	<u>\$ 4,761,617</u>	<u>\$ 20,256</u>	<u>\$ 1,992,132</u>
LIABILITIES					
Accounts payable	\$ 11,089	\$ 6,093	\$ -	\$ 18,990	\$ 2,065
Contracts and retained percentage payable	116,948	-	-	-	-
Accrued interest payable	-	-	45,233	-	-
Due to other funds	28,428	10,245	-	-	-
Deposits	-	-	18,700	-	-
Unearned Revenue	-	306,706	-	-	-
Due to other governments	-	-	-	-	-
Total liabilities	<u>156,465</u>	<u>323,044</u>	<u>63,933</u>	<u>18,990</u>	<u>2,065</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue, property taxes	-	-	-	-	-
Unavailable revenue, other	1,017,395	-	-	-	-
Total deferred inflows of resources	<u>1,017,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>1,173,860</u>	<u>323,044</u>	<u>63,933</u>	<u>18,990</u>	<u>2,065</u>
FUND BALANCES (DEFICITS)					
Restricted					
Capital improvement projects	-	-	-	-	-
Fire, police and other public safety programs	-	-	-	-	-
Cultural & community devtpt programs	1,614,386	286,667	-	-	-
Other government programs	-	-	-	-	-
Assigned					
Fire, police and other public safety programs	-	-	-	-	-
Other government programs	-	545,299	4,697,684	1,266	1,990,067
Total fund balances (deficits)	<u>1,614,386</u>	<u>831,966</u>	<u>4,697,684</u>	<u>1,266</u>	<u>1,990,067</u>
Total liabilities and fund balances (deficits)	<u>\$ 2,788,246</u>	<u>\$ 1,155,010</u>	<u>\$ 4,761,617</u>	<u>\$ 20,256</u>	<u>\$ 1,992,132</u>

City of Reno, Nevada
Non-Major Special Revenue Funds
Combining Balance Sheet (Continued)
June 30, 2023

	Stabilization	Courts	Drug Forfeiture	Opioid Recoveries	Redevelopment Agency	Total Nonmajor Special Revenue Funds
ASSETS						
Cash and investments	\$ 3,021,203	\$ 1,581,668	\$ 1,426,930	\$ 425,150	\$ 8,793,944	\$ 23,974,080
Accounts Receivable	-	-	965	-	589,999	601,680
Accrued interest	(21)	(10)	-	-	(33)	(119)
Taxes receivable	-	-	-	-	43,303	43,303
Due from other governments	-	-	-	-	126,598	1,125,990
Property held for resale	-	-	-	-	1,041,209	1,041,209
Notes receivable, net	-	-	-	-	-	982,023
Total assets	<u>\$ 3,021,182</u>	<u>\$ 1,581,658</u>	<u>\$ 1,427,895</u>	<u>\$ 425,150</u>	<u>\$ 10,595,020</u>	<u>\$ 27,768,166</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 3,675	\$ 41,912
Contracts and retained percentage payable	-	-	-	-	-	116,948
Accrued interest payable	-	-	-	-	-	45,233
Due to other funds	-	-	-	-	-	38,673
Deposits	-	-	-	-	75,100	93,800
Unearned Revenue	-	-	-	-	-	306,706
Due to other governments	-	64,274	-	-	-	64,274
Total liabilities	<u>-</u>	<u>64,274</u>	<u>-</u>	<u>-</u>	<u>78,775</u>	<u>707,546</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, property taxes	-	-	-	-	43,303	43,303
Unavailable revenue, other	-	-	-	-	-	1,017,395
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,303</u>	<u>1,060,698</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>64,274</u>	<u>-</u>	<u>-</u>	<u>122,078</u>	<u>1,768,244</u>
FUND BALANCES (DEFICITS)						
Restricted						
Capital improvement projects	-	708,069	-	-	-	708,069
Fire, police and other public safety programs	-	-	1,262,421	-	-	1,262,421
Cultural & community devpt programs	-	-	-	-	1,041,208	2,942,261
Other government programs	3,021,182	-	-	-	-	3,021,182
Assigned						
Fire, police and other public safety programs	-	-	165,474	-	-	165,474
Other government programs	-	809,315	-	425,150	9,431,734	17,900,515
Total fund balances (deficits)	<u>3,021,182</u>	<u>1,517,384</u>	<u>1,427,895</u>	<u>425,150</u>	<u>10,472,942</u>	<u>25,999,922</u>
Total liabilities and fund balances (deficits)	<u>\$ 3,021,182</u>	<u>\$ 1,581,658</u>	<u>\$ 1,427,895</u>	<u>\$ 425,150</u>	<u>\$ 10,595,020</u>	<u>\$ 27,768,166</u>

City of Reno, Nevada
Non-Major Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2023

	HUD and State Housing Grants	Community Assistance Center	Performance Deposit	Drainage Facility Impact Fee	Room Tax
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Room and construction taxes	-	-	-	-	3,414,871
Motor vehicle taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Grants and contributions	7,410,009	4,538,346	-	-	491,262
Charges for services	-	-	-	18,745	-
Fines and forfeitures	-	-	-	-	-
Interest & investment earnings	4,982	22,762	-	-	17,613
Change in fair value of investments	-	-	(9,810)	245	29,937
Rents and royalties	-	23,278	-	-	-
Reimbursements and restitution	(43)	96,872	-	-	-
Miscellaneous	384,772	5,207	1,300,502	-	-
Private grants and contributions	-	5,000	-	-	-
Total revenues	<u>7,799,720</u>	<u>4,691,465</u>	<u>1,290,692</u>	<u>18,990</u>	<u>3,953,683</u>
EXPENDITURES					
Current					
General Government	-	-	360,704	-	809,163
Judicial	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development & Support	3,734,750	4,649,435	-	18,990	-
Urban Redevelopment	-	-	-	-	-
Total current	<u>3,734,750</u>	<u>4,649,435</u>	<u>360,704</u>	<u>18,990</u>	<u>809,163</u>
Debt service					
Principal retirement	-	-	-	-	125,000
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,000</u>
Capital outlay					
General Government	-	-	-	-	15,000
Public safety	-	-	-	-	-
Community Development & Support	3,311,895	-	-	-	-
Total capital outlay	<u>3,311,895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>
Total expenditures	<u>7,046,645</u>	<u>4,649,435</u>	<u>360,704</u>	<u>18,990</u>	<u>949,163</u>
Excess (deficiency) of revenues over expenditures	<u>753,075</u>	<u>42,030</u>	<u>929,988</u>	<u>-</u>	<u>3,004,520</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	147,500	-	-	-
Transfers out	-	-	-	-	(2,780,000)
Total other financing sources (uses)	<u>-</u>	<u>147,500</u>	<u>-</u>	<u>-</u>	<u>(2,780,000)</u>
Net change in fund balances	753,075	189,530	929,988	-	224,520
Fund balances - beginning	861,311	642,436	3,767,696	1,266	1,765,547
Fund balances - ending	<u>\$ 1,614,386</u>	<u>\$ 831,966</u>	<u>\$ 4,697,684</u>	<u>\$ 1,266</u>	<u>\$ 1,990,067</u>

City of Reno, Nevada
Non-Major Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
For the Year Ended June 30, 2023

	Stabilization	Courts	Drug Forfeiture	Opioid Recoveries	Redevelopment Agency	Total Nonmajor Special Revenue Funds
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,957,051	\$ 5,957,051
Room and construction taxes	-	-	-	-	-	3,414,871
Motor vehicle taxes	-	-	-	-	106,687	106,687
Licenses and permits	-	170,051	-	-	-	170,051
Grants and contributions	-	-	680,279	-	-	13,119,896
Charges for services	-	-	-	-	-	18,745
Fines and forfeitures	-	-	76,765	-	-	76,765
Interest & investment earnings	38,252	19,124	2,680	-	99,844	205,257
Change in fair value of investments	17,442	3,265	-	-	(122,670)	(81,591)
Rents and royalties	-	-	-	-	1,448,579	1,471,857
Reimbursements and restitution	-	-	-	425,150	-	521,979
Miscellaneous	-	44,156	-	-	-	1,734,637
Private grants and contributions	-	-	-	-	-	5,000
Total revenues	55,694	236,596	759,724	425,150	7,489,491	26,721,205
EXPENDITURES						
Current						
General Government	-	-	-	-	-	1,169,867
Judicial	-	68,682	-	-	-	68,682
Public Safety	-	-	73,968	-	-	73,968
Community Development & Support	-	-	-	-	-	8,403,175
Urban Redevelopment	-	-	-	-	2,452,224	2,452,224
Total current	-	68,682	73,968	-	2,452,224	12,167,916
Debt service						
Principal retirement	-	-	-	-	-	125,000
Total debt service	-	-	-	-	-	125,000
Capital outlay						
General Government	-	-	-	-	-	15,000
Public safety	-	-	46,287	-	-	46,287
Community Development & Support	-	-	-	-	-	3,311,895
Total capital outlay	-	-	46,287	-	-	3,373,182
Total expenditures	-	68,682	120,255	-	2,452,224	15,666,098
Excess (deficiency) of revenues over expenditures	55,694	167,914	639,469	425,150	5,037,267	11,055,107
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	147,500
Transfers out	-	-	-	-	-	(2,780,000)
Total other financing sources (uses)	-	-	-	-	-	(2,632,500)
Net change in fund balances	55,694	167,914	639,469	425,150	5,037,267	8,422,607
Fund balances - beginning	2,965,488	1,349,470	788,426	-	5,435,675	17,577,315
Fund balances - ending	\$ 3,021,182	\$ 1,517,384	\$ 1,427,895	\$ 425,150	\$ 10,472,942	\$ 25,999,922

City of Reno, Nevada
HUD and State Housing Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Grants and contributions	\$ 5,386,096	\$ 8,386,096	\$ 7,410,009	\$ (976,087)
Interest & investment earnings	-	-	4,982	4,982
Reimbursements and restitution	-	-	(43)	(43)
Miscellaneous	344,100	344,100	384,772	40,672
Total revenues	5,730,196	8,730,196	7,799,720	(930,476)
EXPENDITURES				
Current				
Community Development & Support				
Salaries and wages	368,568	568,568	444,857	123,711
Employee benefits	237,039	287,039	232,640	54,399
Services and supplies	144,356	144,356	179,312	(34,956)
Community projects	2,480,233	4,019,521	2,877,941	1,141,580
Total Community Development & Support	3,230,196	5,019,484	3,734,750	1,284,734
Total current	3,230,196	5,019,484	3,734,750	1,284,734
Capital outlay				
Community Development & Support	2,500,000	4,572,022	3,311,895	1,260,127
Total capital outlay	2,500,000	4,572,022	3,311,895	1,260,127
Total expenditures	5,730,196	9,591,506	7,046,645	2,544,861
Excess (deficiency) of revenues over expenditures	-	(861,310)	753,075	1,614,385
Net change in fund balances	-	(861,310)	753,075	1,614,385
Fund balances - beginning	-	861,310	861,311	-
Fund balances - ending	\$ -	\$ -	\$ 1,614,386	\$ 1,614,386

City of Reno, Nevada
Community Assistance Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Grants and contributions	\$ 3,184,000	\$ 4,284,000	\$ 4,538,346	\$ 254,346
Interest & investment earnings	9,200	9,200	22,762	13,562
Reimbursements and restitution	250,000	250,000	96,872	(153,128)
Rents and royalties	-	-	23,278	23,278
Miscellaneous	-	-	5,207	5,207
Private grants and contributions	-	-	5,000	5,000
Total revenues	3,443,200	4,543,200	4,691,465	148,265
EXPENDITURES				
Community Development & Support				
Salaries and wages	312,394	312,394	243,607	68,787
Employee benefits	169,277	169,277	125,808	43,469
Services and supplies	3,106,529	4,851,465	4,280,020	571,445
Total expenditures	3,588,200	5,333,136	4,649,435	683,701
Excess (deficiency) of revenues over expenditures	(145,000)	(789,936)	42,030	831,966
OTHER FINANCING SOURCES (USES)				
Transfers in	145,000	147,500	147,500	-
Total other financing sources (uses)	145,000	147,500	147,500	-
Net change in fund balances	-	(642,436)	189,530	831,966
Fund balances - beginning	-	642,436	642,436	-
Fund balances - ending	\$ -	\$ -	\$ 831,966	\$ 831,966

City of Reno, Nevada
Performance Deposits Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Change in fair value of investments	\$ -	\$ -	\$ (9,810)	\$ (9,810)
Miscellaneous	1,050,000	1,050,000	1,300,502	250,502
Total revenues	1,050,000	1,050,000	1,290,692	240,692
EXPENDITURES				
General Government				
Services and supplies	1,050,000	4,817,696	360,704	4,456,992
Total expenditures	1,050,000	4,817,696	360,704	4,456,992
Net change in fund balances	-	(3,767,696)	929,988	4,697,684
Fund balances - beginning	-	3,767,696	3,767,696	-
Fund balances - ending	\$ -	\$ -	\$ 4,697,684	\$ 4,697,684

City of Reno, Nevada
Drainage Facility Impact Fee Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ 500,000	\$ 500,000	\$ 18,745	\$ (481,255)
Change in fair value of investments	-	-	245	245
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>18,990</u>	<u>(481,010)</u>
EXPENDITURES				
Community Development & Support				
Community Development & Support				
Services and supplies	<u>500,000</u>	<u>501,266</u>	<u>18,990</u>	<u>482,276</u>
Total expenditures	<u>500,000</u>	<u>501,266</u>	<u>18,990</u>	<u>482,276</u>
Net change in fund balances	-	(1,266)	-	1,266
Fund balances - beginning	-	1,266	1,266	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,266</u>	<u>\$ 1,266</u>

City of Reno, Nevada
Room Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Room and construction taxes	\$ 3,000,000	\$ 3,000,000	\$ 3,414,871	\$ 414,871
Grants and contributions	-	-	491,262	491,262
Interest & investment earnings	-	-	17,613	17,613
Change in fair value of investments	-	-	29,937	29,937
Federal grants	-	35,000	-	(35,000)
Total revenues	3,000,000	3,035,000	3,953,683	918,683
EXPENDITURES				
Current				
General Government				
Services and supplies	984,269	1,027,284	809,163	218,121
Total current	984,269	1,027,284	809,163	218,121
Debt service				
Principal retirement	-	125,000	125,000	-
Total debt service	-	125,000	125,000	-
Capital outlay				
General Government	50,000	138,116	15,000	123,116
Total capital outlay	50,000	138,116	15,000	123,116
Total expenditures	1,034,269	1,290,400	949,163	341,237
Excess (deficiency) of revenues over expenditures	1,965,731	1,744,600	3,004,520	1,259,920
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,780,000)	(2,780,000)	(2,780,000)	-
Total other financing sources (uses)	(2,780,000)	(2,780,000)	(2,780,000)	-
Net change in fund balances	(814,269)	(1,035,400)	224,520	1,259,920
Fund balances - beginning	1,410,393	1,765,547	1,765,547	-
Fund balances - ending	\$ 596,124	\$ 730,147	\$ 1,990,067	\$ 1,259,920

City of Reno, Nevada
Stabilization Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest & investment earnings	\$ -	\$ -	\$ 38,252	\$ 38,252
Change in fair value of investments	-	-	17,442	17,442
Total revenues	-	-	55,694	55,694
EXPENDITURES				
General Government				
Services and supplies	-	2,965,488	-	2,965,488
Total expenditures	-	2,965,488	-	2,965,488
Net change in fund balances	-	(2,965,488)	55,694	3,021,182
Fund balances - beginning	-	2,965,488	2,965,488	-
Fund balances - ending	\$ -	\$ -	\$ 3,021,182	\$ 3,021,182

City of Reno, Nevada
Courts Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Licenses and permits	\$ 205,250	\$ 205,250	\$ 170,051	\$ (35,199)
Interest & investment earnings	6,500	6,500	19,124	12,624
Change in fair value of investments	-	-	3,265	3,265
Miscellaneous	80,479	80,479	44,156	(36,323)
Total revenues	292,229	292,229	236,596	(55,633)
EXPENDITURES				
Judicial				
Services and supplies	292,229	1,641,699	68,682	1,573,017
Total expenditures	292,229	1,641,699	68,682	1,573,017
Net change in fund balances	-	(1,349,470)	167,914	1,517,384
Fund balances - beginning	-	1,349,470	1,349,470	-
Fund balances - ending	\$ -	\$ -	\$ 1,517,384	\$ 1,517,384

City of Reno, Nevada
Drug Forfeiture Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Grants and contributions	\$ 100,000	\$ 100,000	\$ 680,279	\$ 580,279
Fines and forfeitures	-	-	76,765	76,765
Interest & investment earnings	-	-	2,680	2,680
Total revenues	100,000	100,000	759,724	659,724
EXPENDITURES				
Current				
Public Safety				
Police Department				
Services and supplies	100,000	888,426	73,968	814,458
Total Public Safety	100,000	888,426	73,968	814,458
Total current	100,000	888,426	73,968	814,458
Capital outlay				
Public Safety				
Police Department	-	-	46,287	(46,287)
Total capital outlay	-	-	46,287	(46,287)
Total expenditures	100,000	888,426	120,255	768,171
Net change in fund balances	-	(788,426)	639,469	1,427,895
Fund balances - beginning	-	788,426	788,426	-
Fund balances - ending	\$ -	\$ -	\$ 1,427,895	\$ 1,427,895

City of Reno, Nevada
Opioid Recoveries Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Reimbursements and restitution	\$ -	\$ -	\$ 425,150	\$ 425,150
Total revenues	-	-	425,150	425,150
Net change in fund balances	-	-	425,150	425,150
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 425,150	\$ 425,150

City of Reno, Nevada
Redevelopment Agency Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 4,360,918	\$ 4,360,918	\$ 5,957,051	\$ 1,596,133
Motor vehicle taxes	128,024	128,024	106,687	(21,337)
Interest & investment earnings	1,500	1,500	99,844	98,344
Change in fair value of investments	-	-	(122,670)	(122,670)
Rents and royalties	650,000	1,275,000	1,448,579	173,579
Total revenues	<u>5,140,442</u>	<u>5,765,442</u>	<u>7,489,491</u>	<u>1,724,049</u>
EXPENDITURES				
Urban Redevelopment				
Services and supplies	<u>3,209,014</u>	<u>3,834,014</u>	<u>2,452,224</u>	<u>1,381,790</u>
Total expenditures	<u>3,209,014</u>	<u>3,834,014</u>	<u>2,452,224</u>	<u>1,381,790</u>
Net change in fund balances	1,931,428	1,931,428	5,037,267	3,105,839
Fund balances - beginning	<u>4,882,629</u>	<u>4,882,629</u>	<u>5,435,675</u>	<u>553,046</u>
Fund balances - ending	<u>\$ 6,814,057</u>	<u>\$ 6,814,057</u>	<u>\$ 10,472,942</u>	<u>\$ 3,658,885</u>

Debt Service Funds

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

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

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

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

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

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

City of Reno, Nevada
Non-Major Debt Service Funds
Combining Balance Sheet
June 30, 2023

	City of Reno Debt Service Fund	Railroad	Downtown Events Center	Special Assessment Districts	Redevelopment Agency	Total Nonmajor Debt Service Funds
ASSETS						
Cash and investments	\$ 294,093	\$ 23,699,352	\$ 4,609,688	\$ 2,821,159	\$ 2,534,250	\$ 33,958,542
Accrued interest	(4)	35,230	(41)	581	23,997	59,763
Taxes receivable	-	-	-	-	38,255	38,255
Special assessment current	-	911,289	608,681	61,705	-	1,581,675
Special assessments delinquent	-	8	56	2,006	-	2,070
Special assessments deferred	-	947,741	999,503	638,102	-	2,585,346
Due from other governments	-	3,844,897	1,074,450	-	27,747	4,947,094
Prepaid items	-	465,659	396,189	-	-	861,848
Total assets	<u>\$ 294,089</u>	<u>\$ 29,904,176</u>	<u>\$ 7,688,526</u>	<u>\$ 3,523,553</u>	<u>\$ 2,624,249</u>	<u>\$ 44,034,593</u>
LIABILITIES						
Accounts payable	\$ 1,275	\$ 777	\$ 45	\$ 2,936	\$ 24,000	\$ 29,033
Deposits	-	1,069	3	6,660	-	7,732
Advances from other funds	-	-	-	310,007	-	310,007
Total liabilities	<u>1,275</u>	<u>1,846</u>	<u>48</u>	<u>319,603</u>	<u>24,000</u>	<u>346,772</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, property taxes	-	-	-	-	38,255	38,255
Unavailable revenue, special assessments	-	947,749	999,559	683,611	-	2,630,919
Total deferred inflows of resources	<u>-</u>	<u>947,749</u>	<u>999,559</u>	<u>683,611</u>	<u>38,255</u>	<u>2,669,174</u>
Total liabilities and deferred inflows of resources	<u>1,275</u>	<u>949,595</u>	<u>999,607</u>	<u>1,003,214</u>	<u>62,255</u>	<u>3,015,946</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	465,659	396,189	-	-	861,848
Restricted	292,814	28,488,922	6,292,730	2,520,339	2,561,994	40,156,799
Total fund balances (deficits)	<u>292,814</u>	<u>28,954,581</u>	<u>6,688,919</u>	<u>2,520,339</u>	<u>2,561,994</u>	<u>41,018,647</u>
Total liabilities and fund balances (deficits)	<u>\$ 294,089</u>	<u>\$ 29,904,176</u>	<u>\$ 7,688,526</u>	<u>\$ 3,523,553</u>	<u>\$ 2,624,249</u>	<u>\$ 44,034,593</u>

City of Reno, Nevada
Non-Major Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2023

	City of Reno Debt Service Fund	Railroad	Downtown Events Center	Special Assessment Districts	Redevelopment Agency	Total Nonmajor Debt Service Funds
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,532,297	\$ 2,532,297
Room and construction taxes	-	1,092,934	8,365,586	-	-	9,458,520
Special assessments	-	961,473	608,891	104,066	-	1,674,430
Grants and contributions	74,817	14,624,292	-	-	-	14,699,109
Fines and forfeitures	-	2,551	-	7,110	-	9,661
Interest & investment earnings	72,149	516,643	254,254	75,356	51,906	970,308
Change in fair value of investments	8,145	176,760	38,261	-	(71,696)	151,470
Miscellaneous	-	3,867	9,638	2,401	-	15,906
Total revenues	<u>155,111</u>	<u>17,378,520</u>	<u>9,276,630</u>	<u>188,933</u>	<u>2,512,507</u>	<u>29,511,701</u>
EXPENDITURES						
Debt service						
Principal retirement	2,629,000	7,493,966	3,595,000	81,660	2,251,000	16,050,626
Interest	2,802,117	8,303,850	4,919,075	41,013	692,717	16,758,772
Debt issuance costs	-	-	-	1,959	-	1,959
Administrative charges	256,219	37,878	29,619	13,437	7,659	344,812
Total debt service	<u>5,687,336</u>	<u>15,835,694</u>	<u>8,543,694</u>	<u>138,069</u>	<u>2,951,376</u>	<u>33,156,169</u>
Total expenditures	<u>5,687,336</u>	<u>15,835,694</u>	<u>8,543,694</u>	<u>138,069</u>	<u>2,951,376</u>	<u>33,156,169</u>
Excess (deficiency) of revenues over expenditures	<u>(5,532,225)</u>	<u>1,542,826</u>	<u>732,936</u>	<u>50,864</u>	<u>(438,869)</u>	<u>(3,644,468)</u>
OTHER FINANCING SOURCES (USES)						
Premium on bonds issued	2,726,371	-	-	-	-	2,726,371
Transfers in	5,108,133	-	-	-	-	5,108,133
Transfers out	(63,346,084)	-	-	-	-	(63,346,084)
Issuance of debt	60,000,000	-	-	-	-	60,000,000
Total other financing sources (uses)	<u>4,488,420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,488,420</u>
Net change in fund balances	(1,043,805)	1,542,826	732,936	50,864	(438,869)	843,952
Fund balances - beginning	<u>1,336,619</u>	<u>27,411,755</u>	<u>5,955,983</u>	<u>2,469,475</u>	<u>3,000,863</u>	<u>40,174,695</u>
Fund balances - ending	<u>\$ 292,814</u>	<u>\$ 28,954,581</u>	<u>\$ 6,688,919</u>	<u>\$ 2,520,339</u>	<u>\$ 2,561,994</u>	<u>\$ 41,018,647</u>

City of Reno, Nevada
City of Reno Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Charges for services	\$ 35,000	\$ 35,000	\$ -	\$ (35,000)
Grants and contributions	-	-	74,817	74,817
Interest & investment earnings	25,000	25,000	72,149	47,149
Change in fair value of investments	-	-	8,145	8,145
Rents and royalties	1,000,000	1,000,000	-	(1,000,000)
Total revenues	1,060,000	1,060,000	155,111	(904,889)
EXPENDITURES				
Debt service				
Principal retirement	4,229,000	2,629,000	2,629,000	-
Interest	1,631,145	2,802,118	2,802,117	1
Administrative charges	12,000	256,000	256,219	(219)
Total expenditures	5,872,145	5,687,118	5,687,336	(218)
Excess (deficiency) of revenues over expenditures	(4,812,145)	(4,627,118)	(5,532,225)	(905,107)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	60,000,000	60,000,000	60,000,000	-
Premium on bonds issued	-	2,726,371	2,726,371	-
Transfers in	5,537,160	5,108,133	5,108,133	-
Transfers out	(60,000,000)	(63,346,084)	(63,346,084)	-
Total other financing sources (uses)	5,537,160	4,488,420	4,488,420	-
Net change in fund balances	725,015	(138,698)	(1,043,805)	(905,107)
Fund balances - beginning	2,254,389	1,336,619	1,336,619	-
Fund balances - ending	\$ 2,979,404	\$ 1,197,921	\$ 292,814	\$ (905,107)

City of Reno, Nevada
Railroad Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Room and construction taxes	\$ 900,000	\$ 900,000	\$ 1,092,934	\$ 192,934
Dedicated sales tax revenues	12,000,000	12,000,000	14,624,292	2,624,292
Special assessments	901,286	901,286	961,473	60,187
Fines and forfeitures	3,000	3,000	2,551	(449)
Interest & investment earnings	302,539	302,539	516,643	214,104
Change in fair value of investments	-	-	176,760	176,760
Miscellaneous	-	-	3,867	3,867
Total revenues	14,106,825	14,106,825	17,378,520	3,271,695
EXPENDITURES				
Debt service				
Principal retirement	2,670,000	8,769,840	7,493,966	1,275,874
Interest	7,027,973	7,027,973	8,303,850	(1,275,877)
Administrative charges	34,500	114,500	37,878	76,622
Total expenditures	9,732,473	15,912,313	15,835,694	76,619
Net change in fund balances	4,374,352	(1,805,488)	1,542,826	3,348,314
Fund balances - beginning	24,257,448	27,411,754	27,411,755	1
Fund balances - ending	\$ 28,631,800	\$ 25,606,266	\$ 28,954,581	\$ 3,348,315

City of Reno, Nevada
Downtown Events Center Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Room and construction taxes	\$ 7,000,000	\$ 7,000,000	\$ 8,365,586	\$ 1,365,586
Special assessments	566,388	566,388	608,891	42,503
Interest & investment earnings	179,632	179,632	254,254	74,622
Change in fair value of investments	-	-	38,261	38,261
Miscellaneous	-	-	9,638	9,638
Total revenues	7,746,020	7,746,020	9,276,630	1,530,610
EXPENDITURES				
Debt service				
Principal retirement	3,595,000	31,445,000	3,595,000	27,850,000
Interest	4,919,077	4,919,077	4,919,075	2
Administrative charges	35,000	185,000	29,619	155,381
Total expenditures	8,549,077	36,549,077	8,543,694	28,005,383
Excess (deficiency) of revenues over expenditures	(803,057)	(28,803,057)	732,936	29,535,993
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	28,000,000	-	(28,000,000)
Total other financing sources (uses)	-	28,000,000	-	(28,000,000)
Net change in fund balances	(803,057)	(803,057)	732,936	1,535,993
Fund balances - beginning	7,155,777	5,955,982	5,955,983	1
Fund balances - ending	\$ 6,352,720	\$ 5,152,925	\$ 6,688,919	\$ 1,535,994

City of Reno, Nevada
Special Assessment Districts Center Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Special assessments	\$ 140,729	\$ 140,729	\$ 104,066	\$ (36,663)
Fines and forfeitures	-	-	7,110	7,110
Interest & investment earnings	57,400	57,400	75,356	17,956
Miscellaneous	-	-	2,401	2,401
Total revenues	198,129	198,129	188,933	(9,196)
EXPENDITURES				
Debt service				
Principal retirement	81,660	81,660	81,660	-
Interest	34,056	34,056	41,013	(6,957)
Debt issuance costs	7,500	7,500	1,959	5,541
Administrative charges	229,450	229,450	13,437	216,013
Total expenditures	352,666	352,666	138,069	214,597
Net change in fund balances	(154,537)	(154,537)	50,864	205,401
Fund balances - beginning	2,531,669	2,469,476	2,469,475	(1)
Fund balances - ending	\$ 2,377,132	\$ 2,314,939	\$ 2,520,339	\$ 205,400

City of Reno, Nevada
Redevelopment Agency Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Property taxes	\$ 1,864,746	\$ 1,864,746	\$ 2,532,297	\$ 667,551
Interest & investment earnings	4,000	4,000	51,906	47,906
Change in fair value of investments	-	-	(71,696)	(71,696)
Total revenues	1,868,746	1,868,746	2,512,507	643,761
EXPENDITURES				
Debt service				
Principal retirement	2,251,000	2,251,000	2,251,000	-
Interest	668,718	668,718	692,717	(23,999)
Administrative charges	14,000	14,000	7,659	6,341
Total expenditures	2,933,718	2,933,718	2,951,376	(17,658)
Excess (deficiency) of revenues over expenditures	(1,064,972)	(1,064,972)	(438,869)	626,103
OTHER FINANCING SOURCES (USES)				
Issuance of debt	1,000,000	1,000,000	-	(1,000,000)
Total other financing sources (uses)	1,000,000	1,000,000	-	(1,000,000)
Net change in fund balances	(64,972)	(64,972)	(438,869)	(373,897)
Fund balances - beginning	2,964,118	2,964,118	3,000,863	36,745
Fund balances - ending	\$ 2,899,146	\$ 2,899,146	\$ 2,561,994	\$ (337,152)

Capital Projects Funds

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

Non-major Capital Project Funds:

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

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

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

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

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

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

City of Reno, Nevada
Non-Major Capital Projects Funds
Combining Balance Sheet
June 30, 2023

	Room Tax Surcharge	Special Ad Valorem	Park Districts	Streets	Downtown Events Centers	City Bonds	Total Nonmajor Capital Projects Funds
ASSETS							
Cash and investments	\$ 2,579,425	\$ 1,157,167	\$ 13,767,911	\$ 2,099,133	\$ 419,512	\$ 26,863	\$ 20,050,011
Accrued interest	(15)	(11)	(97)	(8)	(3)	-	(134)
Due from other governments	144,053	60,293	-	-	-	-	204,346
Total assets	<u>\$ 2,723,463</u>	<u>\$ 1,217,449</u>	<u>\$ 13,767,814</u>	<u>\$ 2,099,125</u>	<u>\$ 419,509</u>	<u>\$ 26,863</u>	<u>\$ 20,254,223</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 123	\$ 2,071,334	\$ -	\$ -	\$ 2,071,457
Contracts and retained percentage payable	40,000	-	39,659	-	-	-	79,659
Deposits	-	8,000	-	-	-	-	8,000
Total liabilities	<u>40,000</u>	<u>8,000</u>	<u>39,782</u>	<u>2,071,334</u>	<u>-</u>	<u>-</u>	<u>2,159,116</u>
Total liabilities and deferred inflows of resources	<u>40,000</u>	<u>8,000</u>	<u>39,782</u>	<u>2,071,334</u>	<u>-</u>	<u>-</u>	<u>2,159,116</u>
FUND BALANCES (DEFICITS)							
Restricted	2,683,463	1,209,449	13,728,032	-	419,509	26,863	18,067,316
Assigned	-	-	-	27,791	-	-	27,791
Total fund balances (deficits)	<u>2,683,463</u>	<u>1,209,449</u>	<u>13,728,032</u>	<u>27,791</u>	<u>419,509</u>	<u>26,863</u>	<u>18,095,107</u>
Total liabilities and fund balances (deficits)	<u>\$ 2,723,463</u>	<u>\$ 1,217,449</u>	<u>\$ 13,767,814</u>	<u>\$ 2,099,125</u>	<u>\$ 419,509</u>	<u>\$ 26,863</u>	<u>\$ 20,254,223</u>

City of Reno, Nevada
Non-Major Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2023

	Room Tax Surcharge	Special Ad Valorem	Park Districts	Streets	Downtown Events Centers	City Bonds	Total Nonmajor Capital Projects Funds
REVENUES							
Room and construction taxes	\$ 1,282,676	\$ -	\$ 1,970,974	\$ -	\$ -	\$ -	\$ 3,253,650
Intergovernmental, other	-	816,457	-	-	-	-	816,457
Interest & investment earnings	31,733	18,349	181,180	1,031	5,312	343	237,948
Change in fair value of investments	6,505	7,621	51,016	4,944	2,422	981	73,489
Private grants and contributions	-	-	891,000	-	-	-	891,000
Total revenues	<u>1,320,914</u>	<u>842,427</u>	<u>3,094,170</u>	<u>5,975</u>	<u>7,734</u>	<u>1,324</u>	<u>5,272,544</u>
EXPENDITURES							
Current							
General Government	-	786,064	-	-	-	-	786,064
Public Works	469,727	-	-	-	-	12,000	481,727
Culture and Recreation	-	-	14,397	-	-	-	14,397
Total current	<u>469,727</u>	<u>786,064</u>	<u>14,397</u>	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>1,282,188</u>
Capital outlay							
General Government	-	86,080	-	-	-	-	86,080
Culture and Recreation	-	-	2,733,719	-	-	-	2,733,719
Public works	534,429	-	-	-	-	-	534,429
Total capital outlay	<u>534,429</u>	<u>86,080</u>	<u>2,733,719</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,354,228</u>
Total expenditures	<u>1,004,156</u>	<u>872,144</u>	<u>2,748,116</u>	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>4,636,416</u>
Net change in fund balances	316,758	(29,717)	346,054	5,975	7,734	(10,676)	636,128
Fund balances - beginning	<u>2,366,705</u>	<u>1,239,166</u>	<u>13,381,978</u>	<u>21,816</u>	<u>411,775</u>	<u>37,539</u>	<u>17,458,979</u>
Fund balances - ending	<u>\$ 2,683,463</u>	<u>\$ 1,209,449</u>	<u>\$ 13,728,032</u>	<u>\$ 27,791</u>	<u>\$ 419,509</u>	<u>\$ 26,863</u>	<u>\$ 18,095,107</u>

City of Reno, Nevada
Room Tax Surcharge Capital Projects Funds
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Interest & investment earnings	\$ -	\$ -	\$ 31,733	\$ 31,733
Change in fair value of investments	-	-	6,505	6,505
Room and construction taxes	1,000,000	1,000,000	1,282,676	282,676
Total revenues	1,000,000	1,000,000	1,320,914	320,914
EXPENDITURES				
Current				
Public Works				
Services and supplies	-	4,350	469,727	(465,377)
Total current	-	4,350	469,727	(465,377)
Capital outlay				
Public Works	3,000,000	3,362,355	534,429	2,827,926
Total capital outlay	3,000,000	3,362,355	534,429	2,827,926
Total expenditures	3,000,000	3,366,705	1,004,156	2,362,549
Net change in fund balances	(2,000,000)	(2,366,705)	316,758	2,683,463
Fund balances - beginning	2,000,000	2,366,705	2,366,705	-
Fund balances - ending	\$ -	\$ -	\$ 2,683,463	\$ 2,683,463

City of Reno, Nevada
Special Ad Valorem Capital Projects Funds
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental, other	\$ 700,000	\$ 700,000	\$ 816,457	\$ 116,457
Interest & investment earnings	-	-	18,349	18,349
Change in fair value of investments	-	-	7,621	7,621
Total revenues	700,000	700,000	842,427	142,427
EXPENDITURES				
Current				
General Government				
Services and supplies	600,000	916,717	786,064	130,653
Total General Government	600,000	916,717	786,064	130,653
Public Safety - Police				
Services and supplies	100,000	1,022,449	-	1,022,449
Total Public Safety	100,000	1,022,449	-	1,022,449
Total current	700,000	1,939,166	786,064	1,153,102
Capital outlay				
General Government	-	-	86,080	(86,080)
Total capital outlay	-	-	86,080	(86,080)
Total expenditures	700,000	1,939,166	872,144	1,067,022
Net change in fund balances	-	(1,239,166)	(29,717)	1,209,449
Fund balances - beginning	-	1,239,166	1,239,166	-
Fund balances - ending	\$ -	\$ -	\$ 1,209,449	\$ 1,209,449

City of Reno, Nevada
Parks Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Room and construction taxes	\$ 2,200,000	\$ 2,200,000	\$ 1,970,974	\$ (229,026)
Interest & investment earnings	-	-	181,180	181,180
Change in fair value of investments	-	-	51,016	51,016
Private grants and contributions	-	-	891,000	891,000
Total revenues	<u>2,200,000</u>	<u>2,200,000</u>	<u>3,094,170</u>	<u>894,170</u>
EXPENDITURES				
Current				
Culture and Recreation				
Services and supplies	<u>172,772</u>	<u>172,684</u>	<u>14,397</u>	<u>158,287</u>
Total current	<u>172,772</u>	<u>172,684</u>	<u>14,397</u>	<u>158,287</u>
Capital outlay				
Culture and Recreation	<u>300,000</u>	<u>3,921,491</u>	<u>2,733,719</u>	<u>1,187,772</u>
Total capital outlay	<u>300,000</u>	<u>3,921,491</u>	<u>2,733,719</u>	<u>1,187,772</u>
Total expenditures	<u>472,772</u>	<u>4,094,175</u>	<u>2,748,116</u>	<u>1,346,059</u>
Net change in fund balances	1,727,228	(1,894,175)	346,054	2,240,229
Fund balances - beginning	<u>11,370,590</u>	<u>13,381,979</u>	<u>13,381,978</u>	<u>(1)</u>
Fund balances - ending	<u>\$ 13,097,818</u>	<u>\$ 11,487,804</u>	<u>\$ 13,728,032</u>	<u>\$ 2,240,228</u>

City of Reno, Nevada
Streets Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest & investment earnings	\$ -	\$ -	\$ 1,031	\$ 1,031
Change in fair value of investments	-	-	4,944	4,944
Total revenues	-	-	5,975	5,975
EXPENDITURES				
Public Works				
Services and supplies	-	21,816	-	21,816
Total Public Works	-	21,816	-	21,816
Total expenditures	-	21,816	-	21,816
Net change in fund balances	-	(21,816)	5,975	27,791
Fund balances - beginning	-	21,816	21,816	-
Fund balances - ending	\$ -	\$ -	\$ 27,791	\$ 27,791

City of Reno, Nevada
Downtown Events Center Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Interest & investment earnings	\$ -	\$ -	\$ 5,312	\$ 5,312
Change in fair value of investments	-	-	2,422	2,422
Miscellaneous	100,000	100,000	-	(100,000)
Total revenues	100,000	100,000	7,734	(92,266)
EXPENDITURES				
Public Works				
Services and supplies	50,000	50,000	-	50,000
Total Public Works	50,000	50,000	-	50,000
Total expenditures	50,000	50,000	-	50,000
Net change in fund balances	50,000	50,000	7,734	(42,266)
Fund balances - beginning	437,352	411,775	411,775	-
Fund balances - ending	\$ 487,352	\$ 461,775	\$ 419,509	\$ (42,266)

City of Reno, Nevada
City Bonds Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest & investment earnings	\$ -	\$ -	\$ 343	\$ 343
Change in fair value of investments	-	-	981	981
Total revenues	-	-	1,324	1,324
EXPENDITURES				
Public Works				
Services and supplies	-	37,539	12,000	25,539
Total Public Works	-	37,539	12,000	25,539
Total expenditures	-	37,539	12,000	25,539
Net change in fund balances	-	(37,539)	(10,676)	26,863
Fund balances - beginning	-	37,539	37,539	-
Fund balances - ending	\$ -	\$ -	\$ 26,863	\$ 26,863

Proprietary Funds

Major Enterprise Funds

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

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

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

City of Reno, Nevada
Sanitary Sewer Enterprise Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 73,250,000	\$ 73,250,000	\$ 78,213,606	\$ 4,963,606
Licenses and permits - Sanitary Sewer	330,000	330,000	400,210	70,210
Fines and forfeitures	1,502,000	1,502,000	2,307,472	805,472
Miscellaneous	-	-	470,182	470,182
Total operating revenues	75,082,000	75,082,000	81,391,470	6,309,470
OPERATING EXPENSES				
Salaries and wages	9,255,689	9,851,534	9,965,055	(113,521)
Employee benefits	7,238,214	7,552,965	4,027,571	3,525,394
Services and supplies	14,696,457	18,876,091	15,993,076	2,883,015
Joint sewer plant	18,907,434	18,907,434	14,467,557	4,439,877
Gain on asset disposal	-	-	266,356	(266,356)
Depreciation and amortization	15,000,000	15,000,000	14,122,594	877,406
Total operating expenses	65,097,794	70,188,024	58,842,209	11,345,815
Operating income (loss)	9,984,206	4,893,976	22,549,261	17,655,285
NONOPERATING REVENUES (EXPENSES)				
Grants and contributions	-	-	2,389,896	2,389,896
Investment earnings	560,000	560,000	1,927,777	1,367,777
Interest and fiscal charges	(7,116,882)	(7,274,450)	(957,916)	6,316,534
Change in fair value of investments	-	-	1,004,890	1,004,890
Issuance of debt	34,000,000	34,000,000	-	(34,000,000)
Net loss from Truckee Meadows Water Reclamation Facility	(5,600,000)	(5,600,000)	(5,588,612)	11,388
Total nonoperating revenues (expenses)	21,843,118	21,685,550	(1,223,965)	(22,909,515)
Income (loss) before contributions and transfers	31,827,324	26,579,526	21,325,296	(5,254,230)
CAPITAL CONTRIBUTIONS IN (OUT)				
Sewer connection charges	11,090,000	11,090,000	11,064,442	(25,558)
OPERATING TRANSFERS				
Transfers out	(112,000)	(112,000)	(112,000)	-
Total operating transfers	(112,000)	(112,000)	(112,000)	-
Capital contributions	-	-	2,091,979	2,091,979
Change in net position	42,805,324	37,557,526	34,369,717	(3,187,809)
Total net position - beginning	106,258,979	176,031,133	607,127,410	431,096,277
Total net position - ending	\$ 149,064,303	\$ 213,588,659	\$ 641,497,127	\$ 427,908,468

City of Reno, Nevada
Building Permit Enterprise Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 12,711,000	\$ 12,711,000	\$ 10,598,923	\$ (2,112,077)
Total operating revenues	12,711,000	12,711,000	10,598,923	(2,112,077)
OPERATING EXPENSES				
Salaries and wages	6,741,087	6,741,087	6,376,368	364,719
Employee benefits	4,123,554	4,123,554	3,268,464	855,090
Services and supplies	4,026,318	4,678,252	3,562,782	1,115,470
Loss on asset disposal	-	-	35,113	(35,113)
Depreciation and amortization	150,000	150,000	119,466	30,534
Total operating expenses	15,040,959	15,692,893	13,362,193	2,330,700
Operating income (loss)	(2,329,959)	(2,981,893)	(2,763,270)	218,623
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	100,000	100,000	297,504	197,504
Change in fair value of investments	-	-	211,111	211,111
Total nonoperating revenues (expenses)	100,000	100,000	508,615	408,615
Income (loss) before contributions and transfers	(2,229,959)	(2,881,893)	(2,254,655)	627,238
Change in net position	(2,229,959)	(2,881,893)	(2,254,655)	627,238
Total net position - beginning	23,123,465	24,641,463	14,934,885	(9,706,578)
Total net position - ending	\$ 20,893,506	\$ 21,759,570	\$ 12,680,230	\$ (9,079,340)

Internal Service Funds

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

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

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

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

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

City of Reno, Nevada
Internal Service Funds
Combining Statement of Net Position
June 30, 2023

	Motor Vehicle	Risk Retention	Self-Funded Medical Plans	Self-Funded Workers Compensation	Total Nonmajor Internal Service Funds
ASSETS					
Current assets					
Cash, cash equivalents and investments	\$ 11,113,361	\$ 7,588,004	\$ 25,484,962	\$ 17,537,092	\$ 61,723,419
Restricted Cash	-	-	-	295,000	295,000
Accounts Receivable	61,663	(48)	681,507	353,103	1,096,225
Inventories	321,393	-	-	-	321,393
Prepaid items	-	250,087	5,000	83,953	339,040
Total current assets	11,496,417	7,838,043	26,171,469	18,269,148	63,775,077
Noncurrent assets					
Machinery, equipment and software	37,676,561	-	-	-	37,676,561
Depreciation	(22,534,551)	-	-	-	(22,534,551)
Total noncurrent assets	15,142,010	-	-	-	15,142,010
Total assets	26,638,427	7,838,043	26,171,469	18,269,148	78,917,087
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts related to pensions	854,659	336,515	-	-	1,191,174
Deferred amounts related to OPEB	4,334	-	-	-	4,334
Total deferred outflows of resources	858,993	336,515	-	-	1,195,508
LIABILITIES					
Current liabilities					
Accounts payable and other accrued liabilities	356,374	3,543,631	360,087	244,287	4,504,379
Contracts payable	-	17,000	-	-	17,000
Due to other funds	65,453	31,360	-	-	96,813
Compensated absences	90,811	14,191	-	-	105,002
Self-insurance liability	-	675,197	3,789,763	8,611,970	13,076,930
Total current liabilities	512,638	4,281,379	4,149,850	8,856,257	17,800,124
Noncurrent liabilities					
Compensated absences	47,536	28,281	-	-	75,817
Self-insurance liability	-	1,239,134	1,437	68,774,865	70,015,436
Net Pension Liability	2,240,320	878,020	-	-	3,118,340
Postemployment benefits other than pensions	290,179	104,425	-	-	394,604
Total noncurrent liabilities	2,578,035	2,249,860	1,437	68,774,865	73,604,197
Total liabilities	3,090,673	6,531,239	4,151,287	77,631,122	91,404,321
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts related to pensions	19,398	7,602	-	-	27,000
Deferred amounts related to OPEB	152,593	54,912	-	-	207,505
Total deferred inflows of resources	171,991	62,514	-	-	234,505
NET POSITION					
Net investment in capital assets	15,142,010	-	-	-	15,142,010
Restricted for:					
Claims	-	1,580,805	22,020,182	-	23,600,987
Unrestricted	9,092,746	-	-	(59,361,974)	(50,269,228)
Total net position	\$ 24,234,756	\$ 1,580,805	\$ 22,020,182	\$ (59,361,974)	\$ (11,526,231)

City of Reno, Nevada
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2023

	Motor Vehicle	Risk Retention	Self-Funded Medical Plans	Self-Funded Workers Compensation	Total Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 10,325,490	\$ 2,260,399	\$ 33,507,619	\$ 10,397,497	\$ 56,491,005
Miscellaneous	47,155	2,694,875	1,480,974	343,152	4,566,156
Total operating revenues	<u>10,372,645</u>	<u>4,955,274</u>	<u>34,988,593</u>	<u>10,740,649</u>	<u>61,057,161</u>
OPERATING EXPENSES					
Salaries and wages	1,148,406	546,155	-	-	1,694,561
Employee benefits	447,485	151,892	-	-	599,377
Services and supplies	3,563,118	6,498,209	33,960,184	24,233,588	68,255,099
Depreciation and amortization	3,516,128	-	-	-	3,516,128
Total operating expenses	<u>8,675,137</u>	<u>7,196,256</u>	<u>33,960,184</u>	<u>24,233,588</u>	<u>74,065,165</u>
Operating income (loss)	<u>1,697,508</u>	<u>(2,240,982)</u>	<u>1,028,409</u>	<u>(13,492,939)</u>	<u>(13,008,004)</u>
NONOPERATING REVENUES (EXPENSES)					
Proceeds from sale of assets	436,163	-	-	-	436,163
Capital contributions	767,690	-	-	-	767,690
Investment earnings	140,349	137,088	325,339	220,805	823,581
Change in fair value of investments	24,597	90,949	91,997	42,809	250,352
Total nonoperating revenues (expenses)	<u>1,368,799</u>	<u>228,037</u>	<u>417,336</u>	<u>263,614</u>	<u>2,277,786</u>
Income (loss) before contributions and transfers	<u>3,066,307</u>	<u>(2,012,945)</u>	<u>1,445,745</u>	<u>(13,229,325)</u>	<u>(10,730,218)</u>
Change in net position	<u>3,066,307</u>	<u>(2,012,945)</u>	<u>1,445,745</u>	<u>(13,229,325)</u>	<u>(10,730,218)</u>
Total net position - beginning	<u>21,168,449</u>	<u>3,593,750</u>	<u>20,574,437</u>	<u>(46,132,649)</u>	<u>(796,013)</u>
Total net position - ending	<u>\$ 24,234,756</u>	<u>\$ 1,580,805</u>	<u>\$ 22,020,182</u>	<u>\$ (59,361,974)</u>	<u>\$ (11,526,231)</u>

City of Reno, Nevada
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2023

	Motor Vehicle	Risk Retention	Self-Funded Medical Plans	Self-Funded Workers Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers	\$ 10,278,766	\$ 149	\$ 34,037,911	\$ 10,263,676	\$ 54,580,502
Cash from interfund	-	2,260,399	-	-	2,260,399
Cash Other	47,155	2,694,874	1,480,974	343,152	4,566,155
Payments to suppliers	(3,711,360)	(3,349,298)	(33,436,303)	(8,388,253)	(48,885,214)
Payments to employees	(1,473,441)	(687,373)	-	-	(2,160,814)
Cash payments for interfund good and services	(303,276)	(72,884)	(513,711)	(226,517)	(1,116,388)
Cash payments for interfund employee benefits	(129,668)	(28,201)	-	-	(157,869)
Net cash provided (used) by operating activities	<u>4,708,176</u>	<u>817,666</u>	<u>1,568,871</u>	<u>1,992,058</u>	<u>9,086,771</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(4,028,449)	-	-	-	(4,028,449)
Proceeds received from disposal of capital assets	436,163	-	-	-	436,163
Net cash provided (used) by capital and related financing activities	<u>(3,592,286)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,592,286)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received	186,372	241,825	468,515	296,344	1,193,056
Net cash provided (used) by investing activities	<u>186,372</u>	<u>241,825</u>	<u>468,515</u>	<u>296,344</u>	<u>1,193,056</u>
Net increase (decrease) in cash and cash equivalents	<u>1,302,262</u>	<u>1,059,491</u>	<u>2,037,386</u>	<u>2,288,402</u>	<u>6,687,541</u>
Balances - beginning of year	9,811,099	6,528,513	23,447,576	15,543,690	55,330,878
Balances - end of the year	<u>\$ 11,113,361</u>	<u>\$ 7,588,004</u>	<u>\$ 25,484,962</u>	<u>\$ 17,832,092</u>	<u>\$ 62,018,419</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating Income (loss)	\$ 1,697,508	\$ (2,240,982)	\$ 1,028,409	\$ (13,492,939)	\$ (13,008,004)
Depreciation and amortization	3,516,128	-	-	-	3,516,128
Changes in assets and liabilities:					
Customer Receivables	(46,724)	149	530,294	(133,821)	349,898
Inventory	(189,196)	-	-	-	(189,196)
Prepaid items	25,892	(107,201)	153,791	(20,637)	51,845
Accounts Payable	(222,761)	3,559,980	68,777	243,843	3,649,839
Compensated absences	54,116	15,886	-	-	70,002
Self insurance liability	-	(362,393)	(212,400)	15,395,612	14,820,819
Postemployment benefits other than pensions	(342,069)	(131,499)	-	-	(473,568)
Net pension liability	215,282	66,726	-	-	282,008
Contracts and retention payable	-	17,000	-	-	17,000
Net cash provided (used) by operating activities	<u>\$ 4,708,176</u>	<u>\$ 817,666</u>	<u>\$ 1,568,871</u>	<u>\$ 1,992,058</u>	<u>\$ 9,086,771</u>
Noncash investing, capital and financing activities					
Change in fair value of cash equivalent investments	24,597	90,949	91,998	42,808	250,352
Contributed assets received	767,690	-	-	-	767,690
Total noncash investing, capital and financing activities	<u>\$ 792,287</u>	<u>\$ 90,949</u>	<u>\$ 91,998</u>	<u>\$ 42,808</u>	<u>\$ 1,018,042</u>

City of Reno, Nevada
Motor Vehicle Internal Service Fund
Statement of Revenues, Expenses and Changes in Net Position –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 10,312,540	\$ 10,312,540	\$ 10,325,490	\$ 12,950
Miscellaneous	-	-	47,155	47,155
Total operating revenues	10,312,540	10,312,540	10,372,645	60,105
OPERATING EXPENSES				
Salaries and wages	1,116,600	1,116,600	1,148,406	(31,806)
Employee benefits	828,131	1,159,678	447,485	712,193
Services and supplies	3,097,891	3,704,468	3,563,118	141,350
Depreciation and amortization	3,500,000	3,500,000	3,516,128	(16,128)
Total operating expenses	8,542,622	9,480,746	8,675,137	805,609
Operating income (loss)	1,769,918	831,794	1,697,508	865,714
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	15,000	15,000	140,349	125,349
Change in fair value of investments	-	-	24,597	24,597
Proceeds from capital asset disposal	-	300,000	436,163	136,163
Capital contributions	-	-	767,690	767,690
Total nonoperating revenues (expenses)	15,000	315,000	1,368,799	1,053,799
Change in net position	1,784,918	1,146,794	3,066,307	1,919,513
Total net position - beginning	8,307,377	13,411,098	21,168,449	7,757,351
Total net position - ending	\$ 10,092,295	\$ 14,557,892	\$ 24,234,756	\$ 9,676,864

City of Reno, Nevada
Risk Retention Internal Service Fund
Schedule of Revenues, Expenses and Changes in Net Position –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 2,254,270	\$ 2,254,270	\$ 2,260,399	\$ 6,129
Miscellaneous	-	2,684,268	2,694,875	10,607
Total operating revenues	2,254,270	4,938,538	4,955,274	16,736
OPERATING EXPENSES				
Salaries and wages	495,958	495,958	546,155	(50,197)
Employee benefits	252,917	252,917	151,892	101,025
Services and supplies	3,284,484	6,384,014	6,498,209	(114,195)
Total operating expenses	4,033,359	7,132,889	7,196,256	(63,367)
Operating income (loss)	(1,779,089)	(2,194,351)	(2,240,982)	(46,631)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	25,000	25,000	137,088	112,088
Change in fair value of investments	-	-	90,949	90,949
Total nonoperating revenues (expenses)	25,000	25,000	228,037	203,037
Change in net position	(1,754,089)	(2,169,351)	(2,012,945)	156,406
Total net position - beginning	6,470,777	6,528,513	3,593,750	(2,934,763)
Total net position - ending	\$ 4,716,688	\$ 4,359,162	\$ 1,580,805	\$ (2,778,357)

City of Reno, Nevada
Self-Funded Medical Plan Internal Service Fund
Schedule of Revenues, Expenses and Changes in Net Position –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 31,975,300	\$ 31,975,300	\$ 33,507,619	\$ 1,532,319
Miscellaneous	-	-	1,480,974	1,480,974
Total operating revenues	31,975,300	31,975,300	34,988,593	3,013,293
OPERATING EXPENSES				
Services and supplies	34,137,711	36,137,711	33,960,184	2,177,527
Total operating expenses	34,137,711	36,137,711	33,960,184	2,177,527
Operating income (loss)	(2,162,411)	(4,162,411)	1,028,409	5,190,820
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	103,000	103,000	325,339	222,339
Change in fair value of investments	-	-	91,997	91,997
Total nonoperating revenues (expenses)	103,000	103,000	417,336	314,336
Change in net position	(2,059,411)	(4,059,411)	1,445,745	5,505,156
Total net position - beginning	25,920,951	23,447,576	20,574,437	(2,873,139)
Total net position - ending	\$ 23,861,540	\$ 19,388,165	\$ 22,020,182	\$ 2,632,017

City of Reno, Nevada
Self-Funded Workers Compensation Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position –
Budget to Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 10,471,273	\$ 10,471,273	\$ 10,397,497	\$ (73,776)
Miscellaneous	-	-	343,152	343,152
Total operating revenues	10,471,273	10,471,273	10,740,649	269,376
OPERATING EXPENSES				
Services and supplies	8,452,517	9,952,517	24,233,588	(14,281,071)
Total operating expenses	8,452,517	9,952,517	24,233,588	(14,281,071)
Operating income (loss)	2,018,756	518,756	(13,492,939)	(14,011,695)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	50,000	50,000	220,805	170,805
Change in fair value of investments	-	-	42,809	42,809
Total nonoperating revenues (expenses)	50,000	50,000	263,614	213,614
Change in net position	2,068,756	568,756	(13,229,325)	(13,798,081)
Total net position - beginning	16,415,316	15,543,690	(46,132,649)	(61,676,339)
Total net position - ending	\$ 18,484,072	\$ 16,112,446	\$ (59,361,974)	\$ (75,474,420)

Statistical Section

Financial Trends

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

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

Revenue Capacity

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

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

Debt Capacity

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

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

Demographic and Economic Information

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

- Demographic and Economic Statistics
- Principal Employers

Operating Information

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

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

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities:										
Net investment in capital assets	\$ 595,550,858	\$ 585,575,771	\$ 586,905,472	\$ 586,413,361	\$ 495,323,814	\$ 517,184,024	\$ 564,788,939	\$ 599,592,166	\$ 599,449,583	\$ 607,909,984
Restricted	61,109,252	63,141,142	62,938,668	69,911,871	84,631,336	85,416,143	81,364,743	92,968,067	90,213,451	128,026,846
Unrestricted	(161,747,541)	(377,534,397)	(377,992,156)	(397,845,441)	(466,562,388)	(458,474,598)	(424,534,435)	(390,313,284)	(352,073,214)	(360,156,758)
Total governmental activities net position	494,912,569	271,182,516	271,851,984	258,479,791	113,392,762	144,125,569	221,619,247	302,246,949	337,589,820	375,780,072
Business-type activities:										
Net investment in capital assets	240,575,536	246,425,571	265,284,816	287,321,065	304,619,062	322,228,682	342,507,959	380,253,875	400,380,066	423,519,492
Restricted	9,571,325	15,740,934	12,461,499	11,426,497	15,117,358	20,477,340	32,962,201	31,929,920	89,428,695	30,466,787
Unrestricted	124,758,772	123,604,942	136,950,922	148,407,980	154,661,330	174,853,406	181,665,639	185,503,566	132,642,381	201,683,140
Total business-type activities net position	374,905,633	385,771,447	414,697,237	447,155,542	474,397,750	517,559,428	557,135,799	597,687,361	622,451,142	655,669,419
Primary government:										
Net investment in capital assets	836,126,394	832,001,342	852,190,288	873,734,426	799,942,876	839,412,706	907,296,898	979,846,041	999,829,649	1,031,429,476
Restricted	70,680,577	78,882,076	75,400,167	81,338,368	99,748,694	105,893,483	114,326,944	124,897,987	179,642,146	158,493,633
Unrestricted	(36,988,769)	(253,929,455)	(241,041,234)	(249,437,461)	(311,901,058)	(283,621,192)	(242,868,796)	(204,809,718)	(219,430,833)	(158,473,618)
Total primary government net position	\$ 869,818,202	\$ 656,953,963	\$ 686,549,221	\$ 705,635,333	\$ 587,790,512	\$ 661,684,997	\$ 778,755,046	\$ 899,934,310	\$ 960,040,962	\$ 1,031,449,491

City of Reno, Nevada

Changes in Net Position

Last Ten Fiscal Years (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	\$ 34,595,215	\$ 34,959,761	\$ 37,047,462	\$ 41,978,398	\$ 41,281,443	\$ 43,077,447	\$ 45,217,904	\$ 68,005,239	\$ 61,897,710	\$ 76,250,789
Judicial	7,297,142	7,064,894	7,492,820	6,981,342	6,790,019	7,719,808	8,143,954	8,025,002	9,395,021	9,490,006
Public Safety	117,170,198	117,967,671	113,837,313	125,044,792	140,378,971	135,931,879	130,320,615	136,326,145	121,191,358	187,612,256
Public works	59,149,082	56,800,273	58,151,262	53,569,579	54,783,301	52,539,862	53,686,101	55,350,681	40,624,026	70,482,717
Culture and recreation	15,499,368	16,203,541	15,136,956	15,900,003	15,812,351	16,968,478	16,725,753	16,555,698	19,352,526	20,159,760
Community development and support	13,676,995	12,900,777	9,751,297	10,222,340	11,879,768	12,844,761	13,671,197	20,632,518	28,401,311	13,806,001
Urban redevelopment	2,359,947	3,377,771	3,604,756	3,298,662	14,091,779	5,188,558	6,689,551	9,940,636	6,565,353	4,015,348
Interest and fiscal charges, debt service	26,974,140	25,747,130	26,635,439	25,215,536	43,638,851	31,462,922	21,828,993	21,369,103	23,834,557	25,378,288
Subtotal, governmental activities expense	276,722,087	275,021,818	271,657,305	282,210,652	328,656,483	305,733,715	296,284,068	336,205,022	311,261,862	407,195,165
Business-type activities:										
Sanitary sewer	44,818,778	45,501,401	46,827,174	48,310,736	51,557,336	55,576,663	59,110,441	59,047,828	58,206,541	64,505,805
Building permits	3,663,078	4,912,814	7,591,879	8,526,753	7,637,116	7,558,741	10,380,414	7,176,512	11,301,993	13,141,908
Subtotal, business-type activities expenses	48,481,856	50,414,215	54,419,053	56,837,489	59,194,452	63,135,404	69,490,855	66,224,340	69,508,534	77,647,713
Total primary government expenses	325,203,943	325,436,033	326,076,358	339,048,141	387,850,935	368,869,119	365,774,923	402,429,362	380,770,396	484,842,878
Program Revenues (See Schedule 1.3)										
Governmental activities:										
Charges for service	77,386,117	87,763,470	80,983,532	82,952,588	85,601,102	89,634,449	79,589,048	91,735,005	94,287,699	110,322,666
Operating grants and contributions	14,509,325	6,112,837	4,638,289	6,239,951	8,577,398	11,141,118	30,299,717	45,416,199	23,283,098	25,031,092
Capital grants and contributions	25,493,658	24,379,900	38,873,140	25,213,159	26,611,694	58,129,633	63,775,489	70,185,512	18,069,496	61,356,011
Subtotal, governmental activities program revenue	117,389,100	118,256,207	124,494,961	114,405,698	120,790,194	158,905,200	173,664,254	207,336,716	135,640,293	196,709,769
Business-type activities:										
Charges for services:										
Sanitary sewer	57,352,256	59,599,214	64,593,085	66,316,367	67,640,096	70,399,634	70,607,378	72,855,628	73,839,692	81,391,470
Building permits	7,275,680	7,747,443	7,445,385	8,088,911	10,009,688	11,557,584	11,453,706	15,556,406	12,876,889	10,598,923
Operating grants and contributions	17,003	12,415	100,000	2,014,816	2,107,002	2,016,429	53,150	5,639	-	2,389,896
Capital grants and contributions	11,832,463	11,870,370	12,798,509	12,722,105	15,084,733	18,823,851	21,682,897	18,958,091	-	13,156,421
Subtotal, business-type activities program revenue	76,477,402	79,229,442	84,936,979	89,142,199	94,841,519	102,797,498	103,797,131	107,375,764	86,716,581	107,536,710
Total primary government program revenues	\$ 193,866,502	\$ 197,485,649	\$ 209,431,940	\$ 203,547,897	\$ 215,631,713	\$ 261,702,698	\$ 277,461,385	\$ 314,712,480	\$ 222,356,874	\$ 304,246,479
Net (Expense)/Revenue										
Governmental activities	(159,332,987)	(156,765,611)	(147,162,344)	(167,804,954)	(207,866,289)	(146,828,515)	(122,619,814)	(128,868,306)	(175,621,569)	(210,485,396)
Business-type activities	27,995,546	28,815,227	30,517,926	32,304,710	35,647,067	39,662,094	34,306,276	41,151,424	17,208,047	29,888,997
Total primary government net expense	\$ (131,337,441)	\$ (127,950,384)	\$ (116,644,418)	\$ (135,500,244)	\$ (172,219,222)	\$ (107,166,421)	\$ (88,313,538)	\$ (87,716,882)	\$ (158,413,522)	\$ (180,596,399)

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

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
General government	\$ 59,509,742	\$ 71,460,161	\$ 66,610,567	\$ 66,360,453	\$ 68,300,425	\$ 72,491,758	\$ 65,858,632	\$ 101,228,835	\$ 80,624,908	\$ 98,491,429
Judicial	3,163,766	2,743,813	2,314,330	2,023,950	2,125,975	2,133,326	2,115,362	2,118,792	2,597,399	2,245,253
Public safety	13,345,036	5,687,038	6,932,148	6,381,436	10,201,759	6,546,097	27,858,199	9,432,270	9,832,979	13,927,521
Public works	24,574,348	23,418,631	34,914,632	24,385,717	19,207,684	58,886,694	61,893,049	68,581,541	19,000,598	54,881,205
Culture and recreation	5,608,553	5,892,732	5,435,011	6,845,408	8,647,232	7,746,273	6,256,494	6,780,581	7,308,700	12,158,708
Community development and support	10,293,717	8,276,325	7,446,261	7,465,043	10,903,920	10,019,260	8,732,329	18,438,688	15,550,911	13,450,387
Urban redevelopment	892,908	777,507	842,012	940,239	1,403,199	1,081,792	950,189	756,009	724,800	1,555,266
Subtotal, governmental activities revenues	117,388,070	118,256,207	124,494,961	114,402,246	120,790,194	158,905,200	173,664,254	207,336,716	135,640,295	196,709,769
Business-type activities:										
Sanitary sewer	69,201,722	71,481,999	77,491,594	81,053,288	84,831,507	91,239,914	92,343,425	91,819,358	89,121,661	97,937,787
Building permits	7,275,680	7,747,443	7,445,385	8,088,911	10,010,012	11,557,584	11,453,706	15,556,406	12,876,889	10,598,923
Subtotal, business-type activities revenues	76,477,402	79,229,442	84,936,979	89,142,199	94,841,519	102,797,498	103,797,131	107,375,764	101,998,550	108,536,710
Total primary government revenues	\$ 193,865,472	\$ 197,485,649	\$ 209,431,940	\$ 203,544,445	\$ 215,631,713	\$ 261,702,698	\$ 277,461,385	\$ 314,712,480	\$ 237,638,845	\$ 305,246,479

City of Reno, Nevada

Changes in Net Position

Last Ten Fiscal Years (Unaudited) (Continued)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Ad valorem taxes	\$ 57,082,120	\$ 59,584,697	\$ 62,911,698	\$ 64,741,866	\$ 67,914,073	\$ 70,869,469	\$ 77,331,483	\$ 84,269,593	\$ 92,257,926	\$ 101,958,471
Consolidated taxes	46,470,929	51,516,367	56,213,644	57,547,949	66,080,349	68,927,870	71,946,998	85,628,594	94,501,975	93,449,652
Room taxes	7,807,221	8,159,606	9,447,442	10,122,000	11,251,668	11,353,561	8,713,540	8,602,326	12,705,342	12,873,390
SCCR taxes -- AB104	2,976,670	3,213,482	3,457,174	3,900,032	4,154,478	3,946,925	4,596,688	5,004,314	5,989,148	6,013,848
Sales taxes, restricted	9,903,240	10,185,663	10,741,137	10,759,268	11,839,077	12,021,468	12,513,819	14,295,419	14,259,513	15,058,567
Other taxes	-	389,190	335,196	344,552	940,212	1,247,683	3,344,550	5,705,200	2,647,955	2,662,465
Intergovernmental county gaming contributions	1,521,371	1,573,515	1,438,526	1,551,623	1,436,547	1,394,201	957,176	1,266,284	1,321,316	1,259,289
Unrestricted investment and interest earnings	1,948,550	1,757,244	1,916,744	1,737,946	2,142,261	5,797,725	7,787,303	1,427,622	(8,137,719)	3,631,993
Miscellaneous	272,370	1,293,456	1,097,297	3,272,471	1,259,772	1,060,643	8,350,853	217,689	4,680,871	3,747,057
Gain on sale of capital assets	462,903	98,478	50,704	261,648	2,317,168	96,342	1,285	2,396,079	(7,092,728)	743,831
Special item	-	-	-	-	-	-	-	-	-	-
Transfers	852,787	560,821	222,254	153,406	846,396	214,932	367,831	682,888	216,451	112,000
Subtotal, government activities	129,298,161	138,332,519	147,831,816	154,392,761	170,182,001	176,930,819	195,911,526	209,496,008	213,350,050	241,510,563
Business-type activities:										
Taxes:										
Ad valorem taxes	-	-	-	-	-	-	-	-	-	-
Investment and interest earnings	95,418	184,305	421,470	289,186	775,338	3,676,463	5,627,143	(34,947)	(7,965,772)	3,441,282
Miscellaneous	30,026	8,531	14,720	17,815	14,579	38,053	10,782	117,973	18,834	-
Gain on sale of capital assets	-	-	-	-	-	-	-	-	(863,058)	-
Transfers	(852,787)	(560,821)	(222,254)	(153,406)	(846,396)	(214,932)	(367,831)	(682,888)	(216,451)	(112,000)
Subtotal, business-type activities	(727,343)	(367,985)	213,936	153,595	(56,479)	3,499,584	5,270,094	(599,862)	(9,026,447)	3,329,282
Total primary government	128,570,818	137,964,534	148,045,752	154,546,356	170,125,522	180,430,403	201,181,620	208,896,146	204,323,603	244,839,845
Change in Net Position										
Governmental activities	(30,034,826)	(18,433,092)	669,472	(13,412,193)	(37,684,288)	30,102,304	73,291,712	80,627,702	37,728,481	31,025,167
Business-type activities	27,268,203	28,447,242	30,731,862	32,458,305	35,590,588	43,161,678	39,576,370	40,551,562	8,181,600	33,218,279
Total primary government	\$ (2,766,623)	\$ 10,014,150	\$ 31,401,334	\$ 19,046,112	\$ (2,093,700)	\$ 73,263,982	\$ 112,868,082	\$ 121,179,264	\$ 45,910,081	\$ 64,243,446

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Nondisposable	\$ 411,578	\$ 582,723	\$ 692,173	\$ 780,792	\$ 959,180	\$ 1,199,686	\$ 1,518,292	\$ 1,665,292	\$ 1,716,504	\$ 1,633,636
Restricted	878,979	584,162	423,202	470,150	391,853	350,888	350,151	501,342	829,481	905,464
Committed	-	-	-	-	-	-	-	4,043,500	-	-
Assigned	351,624	179,048	1,098,548	1,110,415	1,374,662	6,017,002	28,988,546	1,927,315	1,599,177	3,473,880
Unassigned	10,588,880	10,419,632	17,405,569	18,681,120	28,566,273	24,952,874	28,936,280	43,152,249	37,003,665	42,205,847
Total general fund	<u>\$ 12,231,061</u>	<u>\$ 11,765,565</u>	<u>\$ 19,619,492</u>	<u>\$ 21,042,477</u>	<u>\$ 31,291,968</u>	<u>\$ 32,520,450</u>	<u>\$ 59,793,269</u>	<u>\$ 51,289,698</u>	<u>\$ 41,148,827</u>	<u>\$ 48,218,827</u>
All Other Governmental Funds										
Nondisposable	1,332,978	1,457,301	1,226,450	435,662	1,971,184	1,522,168	1,468,233	1,811,608	1,381,733	1,372,712
Restricted	35,827,565	42,270,001	44,450,952	48,627,137	56,262,302	54,198,616	55,983,599	59,848,840	63,698,493	103,186,869
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	23,416,652	32,308,796	33,538,800	32,365,381	33,227,735	45,568,417	59,978,883	81,824,067	107,043,317	101,745,141
Unassigned	(638,540)	(131)	(17,857)	(893,235)	(2,406,912)	(3,801,442)	(8,435,353)	(10,458,354)	(11,927,448)	(15,188,522)
Total all other governmental funds	<u>\$ 59,938,655</u>	<u>\$ 76,035,967</u>	<u>\$ 79,198,345</u>	<u>\$ 80,534,945</u>	<u>\$ 89,054,309</u>	<u>\$ 97,487,759</u>	<u>\$ 108,995,362</u>	<u>\$ 133,026,161</u>	<u>\$ 160,196,095</u>	<u>\$ 191,116,200</u>

City of Reno, Nevada

Changes in Fund Balance, Governmental Funds

Last Ten Fiscal Years (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes										
Property Taxes	\$ 59,001,032	\$ 59,807,585	\$ 63,487,873	\$ 65,039,147	\$ 68,248,692	\$ 70,763,557	\$ 74,585,542	\$ 84,292,886	\$ 92,466,511	\$ 101,626,412
Motor Vehicle Taxes	5,218,458	5,676,302	6,115,040	6,437,051	6,961,022	7,244,915	6,718,549	7,172,866	7,515,343	7,468,841
Room and Construction Taxes	8,791,459	9,980,712	10,672,001	12,289,177	14,114,632	14,205,481	11,005,162	12,364,316	15,724,260	16,127,041
Intergovernmental SCCR(AB104) Taxes	2,976,670	3,213,482	3,457,174	3,900,032	4,154,478	3,946,925	4,596,688	5,004,314	5,989,148	6,013,848
Intergovernmental Capital Project Taxes	489,208	491,796	528,611	538,392	582,298	587,765	7,065	673,079	725,439	878,539
Intergovernmental Consolidated Taxes	46,470,929	51,516,367	56,213,644	57,547,949	66,080,349	68,927,869	71,946,998	85,628,594	94,501,974	93,449,652
Intergovernmental Gaming Taxes	1,521,371	1,573,515	1,438,526	1,551,623	1,436,546	1,394,201	957,176	1,266,284	1,321,316	1,259,289
Intergovernmental Marijuana fee					319,349	310,579	305,580	306,193	259,670	272,253
Franchise Taxes & Telecom Fees	28,503,338	29,783,710	29,024,649	27,598,329	29,571,102	29,964,081	30,930,480	29,956,960	34,235,963	40,538,771
Licenses, Permits and Other Fees	16,638,013.00	19,272,102.00	20,166,644	19,935,183	20,170,727	23,040,239	21,720,759	25,166,906	28,047,254	32,638,215
Special Assessments	3,768,781.00	3,280,470.00	3,070,181	3,446,857	3,448,256	3,924,225	4,450,921	4,592,715	4,433,412	4,707,752
Grants and Contributions	19,483,785	12,521,874	22,517,462	9,040,356	11,151,351	11,097,425	5,794,989	54,990,345	24,906,122	48,852,534
Charges for Service	13,286,822	12,006,097	12,263,731	13,293,982	13,896,609	15,496,952	34,954,389	13,633,909	16,895,787	20,861,169
Downtown District Room Surcharge	2,144,842	1,965,290	1,936,490	1,821,970	1,899,848	1,714,799	1,321,520	670,858	303,083	-
Dedicated Sales Taxes	9,903,240	10,574,853	11,076,333	11,103,820	12,779,289	13,269,151	4,652,925	20,000,619	18,395,012	8,394,478
Fines and Forfeitures	3,971,584	3,736,055	2,962,315	2,710,589	2,701,997	2,993,486	2,926,323	2,901,606	3,217,458	3,382,861
Reimbursements and Restitutions	2,390,854	9,032,184	1,540,854	3,187,150	2,097,703	2,320,909	4,753,934	4,708,851	4,734,287	3,155,364
Rents and Royalties	1,997,409	2,090,023	2,287,341	2,376,010	2,446,625	2,288,618	427,445	2,051,244	2,058,651	2,850,924
Investment Income	1,646,587	1,654,695	1,750,523	1,600,608	1,766,719	4,433,138	2,613,226	1,225,282	(5,905,895)	2,558,060
Miscellaneous	1,067,642	2,799,447	1,700,361	2,355,626	4,724,793	3,069,847	1,414,429	1,532,591	1,375,585	1,933,575
Total revenues	229,272,024	240,976,559	252,209,753	245,773,851	268,552,385	280,994,162	286,084,100	358,140,418	351,200,380	396,969,584
Expenditures										
General Government	17,031,363	17,833,189	19,689,312	21,745,472	22,568,456	24,726,227	25,261,581	47,496,837	37,651,876	44,450,229
Judicial	6,521,204	6,298,950	6,841,408	6,713,612	7,066,610	7,387,621	7,577,567	7,875,610	8,364,481	9,019,364
Public Safety	102,085,861	101,481,555	108,765,678	115,533,392	123,882,849	128,015,634	133,515,411	143,276,622	152,309,331	176,954,679
Public works	19,143,703	18,625,469	21,998,362	19,925,198	20,672,791	23,874,547	24,000,767	25,559,638	29,334,426	36,329,524
Culture and recreation	9,722,309	9,735,128	10,134,955	10,537,381	10,713,778	10,842,955	10,133,219	11,059,179	12,101,556	14,225,555
Community devp't and support	12,068,497	10,174,232	8,981,627	9,967,714	12,078,757	12,660,136	12,533,526	21,803,703	26,933,031	13,603,162
Urban redevelopment	737,761	755,744	1,097,947	856,024	917,804	2,071,464	2,053,273	1,861,228	2,849,753	2,452,224
Intergovernmental	9,034,265	8,789,937	8,777,586	9,712,505	9,865,177	10,875,945	13,588,789	20,277,340	11,823,219	16,690,663
Capital outlay	8,916,557	8,568,147	22,142,797	13,434,534	13,392,177	12,258,390	29,799,669	35,116,127	25,288,627	76,782,491
Debt service:										
Principal	69,942,333	25,573,149	15,795,203	25,731,849	19,508,515	16,129,495	14,382,941	15,505,149	19,496,288	19,474,083
Interest	16,141,074	15,578,936	14,629,271	14,068,466	13,472,380	14,430,248	15,896,331	15,544,247	15,519,754	17,628,010
Payment to current bond refunding agent					233,654,262	81,384,497	-	-	-	-
Bond issue costs	997,570	-	-	236,407	1,894,599	993,009	70,000	-	2,066	1,959
Administrative and other costs	2,773,560	2,717,256	2,605,268	1,980,711	2,251,974	427,997	108,556	115,571	160,206	348,912
Total expenditures	275,116,057	226,131,692	241,459,414	250,443,265	491,940,129	346,078,165	288,921,630	345,491,251	341,834,614	427,960,855
Excess of revenues over (under) expenditures	(45,844,033)	14,844,867	10,750,339	(4,669,414)	(223,387,744)	(65,084,003)	(2,837,530)	12,649,167	9,365,766	(30,991,271)

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Other Financing Sources (Uses)										
Debt issuance proceeds	79,940,715	187,512	112,710	7,295,000	232,495,415	85,165,000	6,327,000	-	3,210,680	66,037,429
Debt issuance premiums	5,599,737	-	-	(55,202)	7,346,769	1,032,815	-	-	-	2,726,371
Payments to Others	-	-	-	-	-	-	-	-	-	-
Payments to advance refunding bond agent ¹	(34,897,247)	-	-	-	-	(11,610,596)	-	-	-	-
Refund of cash SAD prepayments	-	-	-	-	-	-	-	-	-	-
Gain (loss) on sale of capital assets	4,496,279	187,437	41,256	35,795	2,202,415	46,716	2,191,499	2,766,063	4,237,162	-
Transfers in	22,460,457	31,898,195	16,724,068	14,601,680	16,514,508	23,983,577	18,193,973	35,904,827	52,646,591	88,111,054
Transfers out	(22,224,097)	(31,486,195)	(16,612,068)	(14,448,274)	(16,402,508)	(23,871,577)	(18,081,973)	(35,792,827)	(52,430,140)	(87,999,054)
Total other financing sources (uses)	<u>55,375,844</u>	<u>786,949</u>	<u>265,966</u>	<u>7,428,999</u>	<u>242,156,599</u>	<u>74,745,935</u>	<u>8,630,499</u>	<u>2,878,063</u>	<u>7,664,293</u>	<u>68,875,800</u>
Net change in fund balances	<u>\$ 9,531,811</u>	<u>\$ 15,631,816</u>	<u>\$ 11,016,305</u>	<u>\$ 2,759,585</u>	<u>\$ 18,768,855</u>	<u>\$ 9,661,932</u>	<u>\$ 5,792,969</u>	<u>\$ 15,527,230</u>	<u>\$ 17,030,059</u>	<u>\$ 37,884,529</u>
Debt service as a percentage of non-capital expenditures ²	32.62%	18.91%	13.87%	16.79%	6.89%	9.15%	11.69%	10.00%	11.06%	10.57%

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

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

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

Fiscal Year	Vacant Property	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Other Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value
2014	231,608	3,423,927	2,590,618	615,433	1,946	60,557	1,496,914	5,427,175	\$ 0.9598	15,506,214
2015	240,007	3,903,189	2,644,638	638,864	1,700	60,587	1,517,309	5,971,676	\$ 0.9598	17,061,931
2016	243,012	4,337,102	2,613,750	661,846	1,695	58,940	1,513,970	6,402,375	\$ 0.9598	18,292,500
2017	246,019	4,700,708	2,684,041	730,455	1,726	56,117	1,504,636	6,914,430	\$ 0.9598	19,755,514
2018	265,777	4,935,778	2,736,131	759,955	1,669	57,617	1,513,963	7,242,964	\$ 0.9598	20,694,183
2019	368,846	5,961,618	3,010,168	859,475	545	61,832	1,630,665	8,631,819	\$ 0.9598	24,662,340
2020	349,066	6,505,817	3,167,149	951,987	314	61,880	1,693,523	9,342,690	\$ 0.9598	26,693,400
2021	331,893	6,803,136	3,096,543	931,474	230	57,031	1,679,785	9,540,522	\$ 0.9598	27,258,634
2022	376,738	7,702,375	3,300,907	1,030,190	244	56,305	1,686,001	10,780,758	\$ 0.9598	30,802,166
2023	430,305	9,490,120	3,788,680	1,273,384	235	60,720	1,921,073	13,122,371	\$ 0.9598	37,492,489

- Notes:
- 1 Source-Nevada State Department of Taxation and Office of the Washoe County Assessor
 - 2 The Direct Tax Rate applicable to the Total Assessed Value includes the City's total direct rate
 - 3 Pursuant to State statute, all property is assessed at 35% of its estimated value.

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

Fiscal Year	City Direct Rates			Overlapping Rates			
	City Operations	General Obligation Debt Service	City Total	State of Nevada	School District	Washoe County	Special Districts
2014	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2015	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2016	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2017	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2018	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2019	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2020	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2021	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2022	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-
2023	0.9598	0.0000	0.9598	0.1700	1.1385	1.3917	-

Fiscal Year	Redevelopment Agency General Fund	Redevelopment Agency Debt Service	Redevelopment Agency #1 Total	Redevelopment Agency District #2	Redevelopment Agency #2 Debt Service	Redevelopment Agency #2 Total
2014	-	-	3.0960			3.0960
2015	-	-	2.8927			2.8927
2016	-	-	2.9072			2.9072
2017	-	-	2.8981			2.8981
2018	-	-	2.8825			2.8825
2019	-	-	2.8765			2.8765
2020	-	-	2.8795			2.8795
2021	-	-	2.8835			2.8835
2022	-	-	2.8878			2.8878
2023	-	-	2.8948			2.8948

1 Source: State of Nevada, Department of Taxation's "Local Government Finance Redbook"

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

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Peppermill Casino Inc	\$ 113,781	1	1.09%	\$ 80,722	1	1.35%
Gage Village Commercial	75,561	2	0.72%	16,024	10	0.27%
Golden Road Motor Inn Inc	62,591	3	0.60%	43,817	3	0.73%
Prime Healthcare Services Reno	58,744	4	0.56%			
Circus & Eldorado Joint Venture	57,926	5	0.55%	31,790	5	0.53%
Sparks Family Hospital	44,033	6	0.42%			
Icon Reno Property Owner Pool 3 NE	43,982	7	0.42%			
AGNL Slots LLC	38,047	8	0.36%			
Icon Reno Prop Owner Pool 6 WEST	31,180	9	0.30%			
CP Logistics NVCC IV LLC	30,733	10	0.29%			
ICON Reno Property Owner	-			50,730	2	0.85%
MPT of Reno LLC	-			38,863	4	0.65%
International Gaming Technology	-			24,850	6	0.42%
Charles River Laboratories Inc	-			16,078	9	0.27%
G & I VII Reno Operating LLC	-			16,024	7	0.27%
Total	<u>\$ 556,578</u>		<u>5.32%</u>	<u>\$ 318,898</u>		<u>5.34%</u>

Source: Office of the Washoe County Assessor, Statistical Section, "Top Reno Taxpayers"
washoecounty.gov/assessor/online_data/CurrentStatisticalReports.php

Taxable Assessed Value is 35% of Appraised Value & the City of Reno Annual Report

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

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Levy Collected	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	55,900	55,427	99.1538	473	55,900	100.0000
2015	56,998	56,643	99.3772	355	56,998	100.0000
2016	59,638	59,480	99.7351	233	59,713	100.1258
2017	61,992	61,700	99.5290	292	61,992	100.0000
2018	64,859	64,538	99.5051	273	64,811	99.9260
2019	68,417	62,592	91.4860	275	62,867	91.8880
2020	67,720	67,484	99.6515	236	67,720	100.0000
2021	79,337	72,842	91.8134	301	73,143	92.1928
2022	84,986	77,612	91.3233	158	77,770	91.5092
2023	92,514	84,200	91.0133	-	84,200	91.0133

¹ Source: Washoe County Assessor and Treasurer and City of Reno Finance Department

² Excludes centrally assessed property tax and Reno Redevelopment Agency.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Business licenses	\$ 12,969,765	\$ 15,458,489	\$ 16,231,251	\$ 16,118,729	\$ 16,170,577	\$ 18,365,130	\$ 16,950,200	\$ 18,001,649	\$ 20,174,187	\$ 22,641,194
City gaming licenses	1,929,494	1,917,251	1,971,267	1,810,594	1,785,717	1,935,624	1,210,573	1,581,804	1,598,182	1,382,575
Liquor licenses	1,473,174	1,642,761	1,754,494	1,787,426	1,876,915	1,999,702	1,710,670	2,036,702	2,164,824	2,460,729
Marijuana sales (3%)							1,307,906	2,060,715	2,464,878	2,239,121
Non-business licenses and permits	-	3,306	5,096	9,052	8,372	-	8,073	5,290	128,646	145,684
Subtotal - licenses and permits	<u>16,372,433</u>	<u>19,021,807</u>	<u>19,962,108</u>	<u>19,725,801</u>	<u>19,841,580</u>	<u>22,300,456</u>	<u>21,187,422</u>	<u>23,686,160</u>	<u>26,530,718</u>	<u>28,869,303</u>
Telephone licensing fees	3,164,583	2,993,460	3,078,404	2,970,414	2,769,691	2,777,762	2,693,005	2,633,805	2,709,409	2,823,854
Electricity franchise fees	11,634,425	11,330,372	10,251,397	9,389,603	10,671,343	10,459,152	10,087,371	9,499,691	12,065,192	15,095,468
Natural gas franchise fees	3,622,350	4,068,093	3,917,603	3,028,718	3,277,400	3,147,058	3,908,825	3,326,036	4,249,372	6,944,741
Sanitation franchise fees	2,465,678	3,205,038	3,378,650	3,607,572	3,951,866	4,456,330	4,898,138	5,204,026	5,545,438	5,870,121
Water toll fees ²	-	-	-	-	-	-	-	-	-	-
Sewer-in-lieu-of-franchise fees ³	2,788,314	3,053,773	3,322,613	3,470,429	3,562,554	3,729,957	3,996,315	3,876,553	4,702,076	4,683,762
Cable television fees	2,242,873	2,407,101	2,441,541	2,362,450	2,476,689	2,342,652	2,330,550	2,307,415	2,102,736	1,931,150
Subtotal - franchise fees	<u>22,753,640</u>	<u>24,064,377</u>	<u>23,311,804</u>	<u>21,858,772</u>	<u>23,939,852</u>	<u>24,135,149</u>	<u>25,221,199</u>	<u>24,213,721</u>	<u>28,664,813</u>	<u>37,349,096</u>
Total	<u>39,126,073</u>	<u>43,086,184</u>	<u>43,273,912</u>	<u>41,584,573</u>	<u>43,781,433</u>	<u>46,435,604</u>	<u>46,408,621</u>	<u>47,899,881</u>	<u>55,195,531</u>	<u>66,218,399</u>

Note:

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

Excludes administration fees related to business licensing

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

³ Includes franchise fee audit recoveries

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

Fiscal Year	Governmental Activities					Business-type Activities				
	General Obligation Bonds	Redevelopment Tax Allocation Bonds	Revenue Backed	Special Assessment Bonds	Other ²	General Obligation/ Pledged Revenue Bonds	Other ²	Total Primary Government	Percentage of Personal Income ³	Per Capita ³
			(Incl. Room Tax and/or Sales Tax)							
2014	76,616	27,280	327,345	16,979	17,796	74,474	-	540,490	5.02%	2,300
2015	64,472	25,724	318,789	15,660	16,207	69,495	-	510,347	4.22%	2,135
2016	58,836	24,094	312,899	14,473	14,626	64,377	-	489,305	3.88%	2,022
2017	52,887	22,457	307,118	12,140	12,476	59,118	-	466,196	3.34%	1,903
2018	45,506	20,727	364,443	10,849	12,058	53,710	-	507,293	3.29%	2,037
2019	37,476	18,932	377,403	9,425	10,660	48,147	-	502,043	3.11%	1,969
2020	41,213	17,019	370,910	8,084	9,251	45,043	-	491,520	2.44%	1,862
2021	38,518	14,999	354,088	6,761	7,809	42,556	-	464,731	2.32%	1,760
2022	30,865	14,420	362,680	5,960	-	74,899	-	488,824	2.47%	1,852
2023	90,545	10,113	310,213	3,339	41,550	62,537	-	518,297	2.50%	1,963

Notes:

¹ Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. These figures are reported net of bond premiums and discounts.

² Includes loans and notes payable, installment purchase agreements and capital leases

³ See the "Demographics and Economic Statistics" table for personal income and population data. Personal income data for 2006 forward us from Applied Analysis, 10100 W. Charleston Blvd Ste 200, Las Vegas, NV 89135 or [www. Appliedanalysis.com](http://www.Appliedanalysis.com)

City of Reno, Nevada
Direct and Overlapping Governmental Activities Debt^{1,2}
June 30, 2023
In Thousands

Governmental Unit	Total Debt Outstanding ²	Percentage Applicable ¹	Estimated Share of Overlapping Debt
Direct			
City of Reno			
General activity bonds	\$ 86,135	100.00%	\$ 86,135
Revenue bonds	303,516		
Special assessment bonds	3,360	100.00%	
Notes and capital leases	41,550		\$ 41,550
Tax allocation bonds	10,110		
General activity bonds w/ pledged revenue	62,537		
Direct Debt	507,208	25.17%	127,685
Washoe County School District	1,121,165	56.82%	636,994
Washoe County	97,293	48.65%	47,331
State of Nevada	1,132,610	8.04%	91,010
Overlapping Debt	2,351,068		775,335
Total Direct & Overlapping Debt	\$ 2,858,276		\$ 903,020

Notes:

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

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

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

Source: Washoe County for County and State information

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General bonded debt outstanding										
General obligation bonds	76,616	64,472	54,329	52,887	45,506	37,476	41,213	38,518	30,865	86,135
Sanitary sewer bonds	74,474	69,495	64,312	59,118	53,710	48,147	45,043	42,556	74,899	62,537
Total	151,090	133,967	118,641	112,005	99,216	85,623	86,256	81,074	105,764	148,672
Percentage of estimated actual property value ¹	2.78%	2.24%	1.85%	1.62%	1.37%	0.99%	0.92%	0.86%	1.05%	1.47%
Per capita ²	641.92	561.44	489.93	8.02	6.44	5.30	4.28	4.04	1.46	2.06
Less: Amounts set aside to repay general debt	(425)	(425)	(425)	(425)	(425)	(425)	(425)	(425)	(425)	(425)
Total net debt applicable to debt limit	150,665	133,542	118,216	111,580	98,791	85,198	85,831	80,649	105,339	148,247
Legal debt limit ³	814,076	895,751	960,356	1,037,165	1,086,445	1,294,773	1,401,404	1,415,385	1,516,758	1,516,758
Legal debt margin ⁴	663,412	762,209	842,140	925,585	987,654	1,209,575	1,315,573	1,334,736	1,411,419	1,368,511
Legal debt margin as a percentage of the debt limit	81.49%	85.09%	87.69%	89.24%	90.91%	93.42%	93.88%	94.30%	93.05%	90.23%

Notes:

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

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

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

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

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

	Senior Lien Sales and Room Tax Revenue (ReTRAC) Bonds ¹						Capital Improvement (Events Center) Bonds ²						Sales Tax Anticipation Revenue (STAR) Bonds ³			
Fiscal Year	Room Tax Collections ⁴	Sales Tax Collections ⁴	Total Available Revenue	Principal	Interest	Coverage	Room Tax Collections ⁵	Consolidated Taxes (15%) ⁵	Total Available	Principal	Interest	Coverage	Sales Tax Increment Collections	Principal	Interest	Coverage
2014	703,885	7,672,343	8,376,228	1,945,000	4,922,321	121.97%	5,158,134	6,970,639	12,128,773	1,550,000	3,961,748	220.05%	1,997,367	1,010,000	1,629,375	75.68%
2015	710,154	8,227,820	8,937,974	2,095,000	4,854,414	128.61%	5,406,411	7,727,455	13,133,866	1,725,000	4,075,616	226.42%	1,957,843	1,140,000	1,616,275	71.03%
2016	854,988	8,864,540	9,719,529	2,250,000	4,723,039	139.39%	6,217,456	8,432,047	14,649,503	1,900,000	3,960,242	249.98%	1,876,597	1,280,000	1,555,250	66.19%
2017	887,957	8,976,874	9,864,831	2,400,000	5,064,471	132.16%	6,650,707	8,632,193	15,282,900	2,100,000	4,007,953	250.21%	1,782,394	1,435,000	1,486,138	61.02%
2018	1,025,199	10,211,963	11,237,162	2,575,000	5,035,864	147.65%	7,308,361	9,912,052	17,220,413	3,335,000	3,854,972	239.51%	1,627,114	1,595,000	1,408,675	54.17%
2019	1,037,858	10,724,252	11,762,110	1,405,000	6,785,788	143.60%	7,353,585	10,127,524	17,481,109	1,325,000	3,619,913	353.52%	1,297,216	1,775,000	1,322,013	41.89%
2020	688,373	11,205,444	11,893,817	3,890,250	7,370,293	105.62%	5,782,083	10,658,596	16,440,679	2,390,000	5,121,314	218.88%	1,308,375	1,965,000	1,225,300	41.01%
2021	559,093	13,037,210	13,596,303	4,458,590	7,493,404	113.76%	5,938,294	12,844,289	18,782,583	2,605,000	5,013,313	246.55%	1,258,209	2,160,000	1,118,175	38.38%
2022	1,615,745	14,693,577	16,309,323	4,956,517	7,664,517	129.22%	8,462,457	14,175,296	22,637,753	5,960,000	7,743,477	165.20%	1,053,480	2,380,000	999,763	31.17%
2023	1,092,934	14,624,291	15,717,226	6,763,966	8,236,046	104.78%	8,365,586	14,017,448	22,383,033	3,065,000	4,767,188	285.78%	1,043,167	2,610,000	869,238	29.98%

	Special Assessment Bonds						Agency Special Assessment District Bonds ⁷						Taxable Lease Revenue Bonds ⁸			
Fiscal Year	Special Assessment Collections		Principal ⁶	Interest	Coverage	Special Assessment Collections		Principal ⁶	Interest	Coverage	Rent Collections	Principal ⁹	Interest	Coverage		
2014	3,206,260		1,919,200	1,269,729	100.54%	2,622,893		1,385,000	622,977	130.62%	907,589	339,000	75,858	218.77%		
2015	2,808,343		1,321,910	1,153,487	113.45%	2,414,225		1,315,000	456,191	136.31%	864,294	560,000	50,871	141.49%		
2016	2,436,020		1,190,640	1,069,984	107.76%	2,099,830		1,420,000	394,573	115.72%	989,960	606,000	59,167	148.83%		
2017	2,742,139		1,313,400	544,611	147.58%	2,025,385		1,345,000	341,945	120.06%	953,555	656,000	83,460	128.95%		
2018	2,125,279		1,299,190	541,007	115.49%	1,887,591		1,340,000	289,463	115.84%	1,068,771	1,286,000	129,711	75.49%		
2019	2,115,801		1,434,010	486,136	110.19%	1,641,434		1,570,000	215,545	91.93%	980,112	684,000	160,969	115.99%		
2020	2,008,461		1,327,000	397,380	116.47%	1,376,394		1,025,000	151,335	117.01%	965,132	737,000	112,113	113.66%		
2021	2,019,868		1,331,760	372,989	118.48%	1,328,353		865,000	103,628	137.14%	980,247	804,000	24,315	118.34%		
2022	1,999,074		1,023,609	651,933	119.31%	1,129,461	-	56,696	1992.13%	-	-	0	0.00%			
2023	1,911,428		1,341,660	253,743	119.81%	1,795,177	-	31,080	5775.99%							

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

- Notes:
- ¹ Series 1998 Nevada Sales and Room Tax Bonds were issued on 12/28/98. These bonds were then called and paid with proceeds from the Series 2002 Senior Lien Sales and Room Tax Bond issued on 06/26/02. The 2002 bonds were refunded with the issuance of the Series 2006 Bonds on 04/14/06. Series 2006 A & B Bonds are repayable with sales tax revenues; Series 2006 C Bonds are repayable from room tax revenues. The Series 2006 A & B Bonds were refunded on 03/04/08 with the issuance of the Series 2008 A & B Bonds, which converted the 2006 A Bonds from auction rate securities to variable rate demand bonds. Totals do not include SAD bonds. Bond proceeds financed the rail transportation access corridor (ReTRAC) construction and cover capital projects.
- ² On 10/26/05 the Series 2002 Capital Improvement Revenue Bonds were partially refunded with the issuance of the Series 2005 A Bonds; the Series 2005 B & C Bonds were also issued. The Series 2005 A Bonds, which were auction rate securities, were converted to Variable Rate Demand Bonds on 02/05/09. Totals do not reflect SAD balances. On 07/09/13, the balance of the Series 2002 Capital Improvement Revenue Bonds were refunded with the issuance of the 2013A G. O. Capital Improvement Refunding Bonds. Therefore, fiscal year 2014 includes only the payments made on the Series 2005A Bonds. On 2/26/19, the Series 2005A&B Capital Improvement Bonds were refunded with the issuance of the 2019A-1 Bonds, and the 2005C Bonds were partially advance refunded through the issuance of the 2019A-2 Bonds. Therefore, fiscal year 2019 does not include a June principal or interest payment for the 2005A Bonds nor a principal payment for the 2019A-1 and 2019A-2 bonds.
- ³ On 10/23/08, the Series 2007 A & B Cabela's STAR Bonds were issued. Payments shown are based on amortization schedules and not on actuals.
- ⁴ Sales and Room Tax Revenue Bonds are backed by a 1% tax on the rental of transient lodging within the City's Police Protection area, and by Washoe County's 0.125% sales tax, net of applicable fees and allowances, which is transferred to the City pursuant to an Interlocal Agreement.
- ⁵ Capital Improvement (Events Center) Bonds are backed by an irrevocable pledge on certain taxes imposed on the rental of transient lodging within Washoe County, as well as up to 15% of consolidated tax revenues. Amounts in FY 2017 and FY 2018 reflect adjustments related to the AT&T sales and use tax refund given by the NV State Dept of Taxation
- ⁶ Principal payments may include early principal redemptions based upon excess fund balance availability.
- ⁷ In FY 10/11 added table for Agency SAD's reported as agency funds.
On 03/27/14, the City refunded the 2002 Special Assessment District No. 4 Limited Obligation Improvement Bonds with the Series 2014 Local Improvement Refunding Bonds (Somerset Parkway). Fiscal year 2014 includes the December 1 payment on the refunded bonds and the June 1 payment on the Series 2014 bonds.
- ⁸ On 03/05/14, the City of Reno refinanced the Series 2006 Taxable Lease Revenue Bonds and the Series 2007 Taxable Lease Revenue Bonds with the issuance of the Series 2014 Taxable Lease Revenue Bonds. The transaction included a principal paydown using \$2.5 million realized from the sale of the land underneath the former Fitzgerald's parking garage. In fiscal year 2018, property whose rents are dedicated to the payments of the bonds were sold, with the proceeds used to make an additional principal payment. The interest rate on these bonds are tied to LIBOR.
- ⁹ An additional principal payment of \$3,163,316 was due to sale of property collateralizing the ReTRAC Lease Revenue Bonds and a reduction of cash representing excess lease revenue.

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

Fiscal Year	Population ¹	Personal Income (thousands of dollars) ²	Per Capita Personal Income ³	Median Age ⁴	Public School Enrollment ⁶	Charter School Enrollment ⁶	Unemployment Rate ⁵
2014	235,371	10,812,944	45,940	37.8	32,786	2,564	7.3%
2015	238,615	11,978,234	50,199	37.1	32,210	1,626 *	6.4%
2016	242,158	12,585,436	51,972	34	34,256	2,818	5.9%
2017	244,612	13,591,377	55,563	35.1	39,669	2,959	4.0%
2018	248,806	14,922,140	59,975	35.3	39,735	2,900	4.7%
2019	255,170	15,846,823	62,103	35.5	42,466	3,084	3.4%
2020	258,230	16,967,002	65,705	35.6	39,284	2,876	8.7%
2021	264,318	18,895,830	71,489	35.8	38,304	2,841	4.9%
2022	274,129	19,793,210	72,204	35.8	35,114	2,751	3.3%
2023	274,129	20,695,783	75,497	36.1	35,148	3,192	4.4%

Sources:

- ¹ Nevada State Demographer's office 1999-2007
State of Nevada Department of Taxation, Demographer - 2008 Estimate
State of Nevada Department of Taxation, Demographer - 2009 used projected figure to be certified by the Governor
Correct Prior year estimate with new data from State of Nevada, Demographer
State of Nevada Department of Taxation, Demographer-2010 Certified Figures from the Governor's office
Certification of Population by the Governor per NRS 360.285 occurs on or before March 1 of the next fiscal year we are using the known figure from the prior year each year and will correct once certification is obtained
- ² Started Calculating Personal Income 2009-calculated as Population X (Per Capita Personal Income*43%)
Personal Income 2012 estimate-Corrected Per Capita Personal Income through 2010 with BEA Figures for each Calendar year this corrected each prior year
- ³ Per Capita Personal Income 2009-US Bureau of Economic Analysis Website (www.bea.gov/regional)
Calculate FY using the 2nd Qtr of Personal Income from BEA website* 43% as this is the population % for Reno/Sparks Metro area
FY 14-15 BEA website has 2011-2013 figures-Updated calculate 2014 & 2015 as above
- ⁴ Bureau of Economic and Business Research, University of Nevada, Reno, 1995-1999
State Demographer Office, UNR Small Business Development Center, 2000
Washoe County Department of Community Development, 2001-2003
Median age is for the entire County (WC Stat Section Sch 4.1)
- ⁵ State of Nevada, Department of Employment, Training and Rehabilitation
Rate is for the entire County.
2006 - Nevada Workforce Informer - rate is for the entire county. This runs approximately 2 years in the past.
2008-Nevada Workforce Informer - rate is up to date as of 6/2008
- ⁶ Washoe County School District - added Charter Schools to 05/06 to enrollment amounts
***FY 11/12 corrected previous years-used tax records to verify address in Reno or County.

*Not all charter school information was available with count day totals

www.nevadareportcard.com

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

December, 2022				December, 2015		
Employer	Rank	(Average) Employees	Percentage of Total City Employment	Rank	Employees	Percentage of Total City Employment
Washoe County School District	1	7,500	2.84%	1	8,750	3.95%
Renown Reginal Medical Ctr	2	7,500	2.84%	3	2,750	1.24%
Washoe County	3	3,000	1.13%	4	2,250	1.01%
Peppermill Hotel Casino	4	3,000	1.13%	5	2,250	1.01%
Nugget Casino Resort	5	3,000	1.13%			
Grand Sierra Resort & Casino	7	3,000	1.13%	9	1,750	
Harrah's Reno Casino	6	3,000	1.13%			
St. Mary's Regional Medical Center	8	3,000	1.13%	10	1,250	0.56%
Eldorado Resort Casino	9	3,000	1.13%			
Silver Legacy Resort Casino	10	3,000	1.13%	8	1,750	0.79%
University of Nevada-Reno				2	4,750	2.14%
Atlantis Hotel Casino		-		7	1,750	0.79%
IGT-International Gaming Technology				6	1,750	0.79%
Total		39,000	14.75%		29,000	12.29%

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

*Formerly Washoe Medical Center

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

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Function/Program										
General Government:										
Management ³	44.0	47.0	44.0	51.0	51.0	46.0	42.0	44.0	58.0	123.0
Records management/cashiering	7.0	7.0	8.0	7.0	7.0	7.0	7.0	7.0	9.0	8.0
Finance	14.0	15.0	15.0	13.0	18.0	19.0	24.0	25.0	21.0	21.0
Legal	24.5	27.0	28.0	29.0	28.0	28.0	28.0	28.0	29.0	28.0
Human resources & Civil Service	9.0	9.0	12.0	11.0	10.0	9.0	9.0	9.0	21.0	25.0
Information technology	16.0	15.0	20.0	19.0	19.0	21.0	21.0	22.0	23.0	24.0
Judicial:										
Judges	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Others	44.0	44.0	43.0	44.0	46.0	46.0	46.0	46.0	48.0	51.0
Police:										
Sworn employees	318.0	296.0	319.0	329.0	322.0	327.0	336.0	337.0	337.0	348.0
Non-commissioned employees	46.0	51.0	64.5	52.0	67.5	71.5	71.75	73.75	81.00	84.00
Dispatch services	53.0	47.0	53.0	53.0	54.0	54.0	57.0	56.0	58.0	57.0
Fire:										
Authorized emergency personnel	192.0	213.0	231.0	231.0	231.0	234.0	232.0	241.0	273.0	278.0
Fire prevention officers	12.0	12.0	11.0	14.0	14.0	14.0	16.0	16.0	16.0	16.0
Others	13.0	9.0	11.0	9.0	9.0	9.0	9.0	8.0	8.0	8.0
Public works: ⁴										
Engineers	11.5	11.0	11.0	13.0	13.0	14.0	17.0	8.2	2.0	13.0
Fleet maintenance	10.0	11.0	10.1	10.0	11.0	11.0	11.0	11.1	6.0	13.0
Others-Maintenance & Operations	106.0	89.1	91.4	91.0	101.5	111.5	120.9	97.2	159.0	136.0
Community development & support	22.8	27.2	24.7	25.0	46.0	28.0	41.1	42.6	66.0	31.0
Neighborhood Services	0.0	0.0	0.0	0.0	0.0	25.0	27.0	27.0	0.0	13.0
Culture and recreation	68.5	69.0	70.5	71.0	73.0	74.0	74.5	75.8	81.0	85.0
Sanitary sewer	48.5	62.9	64.5	72.0	57.5	47.0	43.0	0.0	0.0	0.0
Building permits	27.2	26.8	44.5	51.0	35.0	35.0	34.0	37.5	40.0	41.0
Utility Services										
Engineers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.7	3.0	9.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	70.7	26.0	24.0
Total City Employees	<u>1,091.0</u>	<u>1,093.0</u>	<u>1,180.2</u>	<u>1,199.0</u>	<u>1,217.5</u>	<u>1,235.0</u>	<u>1,271.25</u>	<u>1,293.50</u>	<u>1,369.00</u>	<u>1,440.00</u>

Note:

¹ The number of employees shown are approved full-time equivalent positions. Actual employee numbers may be less if there are vacant positions as of year end.

² Rosewood Lakes Golf course sold May 2014

³ City Manager & Staff, Council, and Department Heads

⁴ FY 20/21 Utility Services was established separate from Public Works accounting for decreases

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Function/Program										
General government										
Active business licenses	23,634	23,851	25,173	25,363	24,478	25,766	22,518	-	25,302	25,668
Business license audits completed	296	311	231	202	186	174	116	20	40	35
Percentage of same day response to public requests for research of public documents (No longer performance measure)	98%	98%	98%							
Total number of public records requests and average time open in days ⁷				1399/ <1	4550/ 7	17138/6	19045/5	19325/6	19240/6	18892/-
Judicial										
Criminal cases prepared for trial (excl minor traffic cases)	2,971	2,843	2,256	2,916	3,149	3,152	2,573	3,253	3,099	2,962
Cases filed in municipal court	9,032	21,569	19,685	18,130	20,856	20,462	17,899	18,211	19,324	16,403
Cases adjudicated in municipal court	17,989	21,613	18,394	17,344	19,219	19,559	15,962	19,005	19,558	15,802
Police ¹										
Physical arrests	10,713	10,400	10,134	10,410	11,644	11,212	9,445	7,709	8,149	8,286
Misdemeanor citations	2,246	2,135	2,289	2,566	3,191	3,316	1,878	1,713	1,781	1,837
Traffic-related offenses cited	17,750	12,557	10,385	10,306	10,667	10,526	11,066	12,207	13,053	13,856
Fire ²										
Fire emergencies	8,870	10,468	8,424	10,915	13,253	13,634	14,441	16,267	17,390	14,190
Emergency medical calls	28,403	25,250	25,272	26,749	28,816	28,093	28,426	27,962	27,968	30,608
Inspections	6,914	6,686	7,735	5,103	7,676	9,455	6,886	7,730	7,633	10,166
Public works										
Streets reported in "fair" or better condition	91%	92%	92%	93%	93%	94%	94%	95%	95%	95%
Pothole calls received/% repaired within 24 hrs ⁵	54/100%	63/100%	52/75%	274/50%	212/30%	361/36%	123/66%	95/94%	114/95%	457/95%
Culture and recreation										
Participants in senior recreation programs	7,071	7,123	7,200	6,840	8,183	8,039	6,381	4,113	5,491	4,002
Participants in youth programs	4,672	4,709	3,928	4,240	4,575	5,059	5,838	2,115	4,132	4,281
Instructional swimming classes offered ⁸	1,233	923	925	1,084	1,595	1,224	855	303	820	953

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Community devp't & support-HAND:										
Affordable housing units developed in non-RDA area ³	-	-	11	89	314	360	7	-	-	565
Rental assistance for individuals previously homeless	-	-	-	-	371	438	432	694	1,688	1,405
Housing rehabilitation/accessibility projects completed	-	-	75	147	183	7	-	-	-	-
Code enforcement cases	2,814	3,680	3,651	3,917	4,115	3,990	3,878	3,010	2,908	3,866
Sanitary Sewer:										
Lineal feet of sewer lines & storm drains maintained	6.8 mil	6.8 mil	6.8 mil	6.9 mil	7.0 mil	7.1 mil	7.2 mil	7.3 mil	7.3 mil	7.3 mil
Building:										
Building permits issued	6,846	7,345	9,080	9,058	10,101	10,323	9,625	12,287	12,002	9,589
Avg. # of monthly building inspections performed	3,115	3,423	3,423	4,782	5,126	5,324	6,626	7,525	7,113	5,282

Notes:

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

¹ Traffic violation information provided by the Reno Police Department

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

³ FY 22-23 Affordable Housing units Approved - HAND is a separate department effective 7/1/23 will update measures for next FY

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

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

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

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

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

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Function/Program										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	2	0	1	1	2	2	2	2	2	2
Patrol units ¹	250	248	245	288	284	286	329	270	182	190
Fire:										
Stations	14	14	14	14	14	14	14	14	14	14
Fire fighting vehicles ³	29	29	31	34	35	36	33	36	36	36
Specialty response fire vehicles ³			26	26	26	26	17	15	15	15
Ambulances ⁴			2	4	4	4	2	1	2	2
Public works:										
Paved streets (miles)	681.2	689.3	691.0	708.9	710.0	723.5	730.5	742.4	746.7	746.7
Unpaved streets (miles)	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
Culture and recreation:										
Acreage	2,741	2,741	2,741	2,744	2,744	2,745	2,834	2,894	3,373	3,373
Park facilities	85	85	85	85	85	86	88	87	87	87
Playgrounds	51	51	51	51	51	51	52	55	55	55
Swimming pools	4	4	4	4	4	4	4	4	4	4
Sanitary sewer:										
Sanitary sewer lines (miles)	751.0	769.0	769.0	784.0	786.0	803.0	817.0	825.0	828.0	828.0
Storm drains (miles)	528.0	528.0	528.0	530.0	534.0	548.0	562.0	565.0	568.0	568.0
Treatment capacity (millions of gallons)	44.0	44.0	46.3	46.3	39.8	44.0	44.6	44.0	46.5	46.5
Golf:										
Golf courses ²	1	1	-	-	-	-	-	-	-	-

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

Notes:

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

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

³ Fire Vehicles include all fire apparatus and trucks able to pump water and be used in actual fires. In FY 2010 4 vehicles went to auction per Fire Dept-Fleet Maintenance.

Also in FY 2014 the number for fire vehicles were reduced to exclude non-fire fighting vehicles and HAZMAT vehicles, but those specialty vehicles have been added back effective FY 2016.

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

Business License Fees

City of Reno, Nevada
Schedule of Business License Fees
For the Year Ended June 30, 2023

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

Flat/Fixed Fees:

Business license revenue for the year ended June 30, 2022-Adjusted Base	\$	15,684,590
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Adjustment to Base:

1. Percentage increase in population of the local government	0.97%	
2. Percentage increase in the Consumer Price Index for the year ending on December 31 next preceding the year for which the limit is being calculated	6.20%	
Total adjustment percentage	7.17%	
Adjustment amount (base x percentage)		1,124,585
Adjusted Base, June 30, 2023		16,809,175
Actual Revenue		6,451,628
Amount Over (Under) Allowable Amount		\$ (10,357,547)

Fees Calculated As A Percentage Of Gross Revenue:

Business license revenue for year ended June 30, 2022	\$	17,608,888
Percentage Increase In The Consumer Price Index	6.20%	1,091,751
Adjusted Base, June 30, 2023		18,700,639
Actual Revenue		19,872,590
Amount Over (Under) Allowable Amount		\$ 1,171,951

Auditor Comments

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

Honorable Mayor and City Council Members
City of Reno, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Reno, Nevada (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 5, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon
December 5, 2023

Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Honorable Mayor and City Council Members
City of Reno, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Reno, Nevada's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon
December 5, 2023

City of Reno
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
<u>U.S. Department of Agriculture</u>				
Direct Programs:				
Watershed Rehabilitation Program	10.916	NR209327XXXXC001	\$ 75,976	\$ -
Passed through State of Nevada Division of Forestry				
State Fire Assistance Wildland Urban Interface Grant	10.664	19-GD-110460000-612	50,331	-
Total U.S. Department of Agriculture			<u>126,307</u>	<u>-</u>
<u>U.S. Department of Commerce</u>				
Direct Programs:				
<i>Economic Development Cluster</i>				
Investments for Public Works & Economic Development Facilities	11.300	07-01-07561	267,366	-
Total U.S. Department of Commerce			<u>267,366</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>				
Direct Programs:				
<i>CDBG Entitlement Cluster:</i>				
Community Development Block Grants-Entitlement	14.218		4,490,149	-
COVID-19 Community Development Block Grants-CV (CARES Act Funding)	14.218	B-20-MW-32-0002	404,995	-
Total CDBG Entitlement Cluster			<u>4,895,144</u>	<u>-</u>
Direct Programs:				
Emergency Solutions Grants Program	14.231	E-20-MC-32-0002	13,805	-
Emergency Solutions Grants Program	14.231	E-21-MC-32-0002	158,257	-
Emergency Solutions Grants Program	14.231	E-22-MC-32-0003	29,123	-
COVID-19 Emergency Solutions Grants Program CV (CARES Act Funding)	14.231	E-20-MW-32-00002	728,165	-
HOME Investment Partnerships Program	14.239	M-21-DP-32-0234	17,870	-
Passed through Nevada State Housing Division:				
Emergency Solutions Grants Program	14.231	E20-DW-32-0001	100,000	-
Emergency Solutions Grants Program	14.231	E21-DC-32-0001	14,553	-
Subtotal ALN 14.231			<u>1,043,903</u>	<u>-</u>
HOME Investment Partnerships Program	14.239	--	1,633,822	-
Subtotal ALN 14.239			<u>1,651,692</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>7,590,738</u>	<u>-</u>
<u>U.S. Department of the Interior</u>				
Passed through the NV State Historic Preservation Office:				
Historic Preservation Fund Grants In-Aid	15.904	NV-22-10016	3,956	-
Total U.S. Department of Interior			<u>3,956</u>	<u>-</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
Harold Rogers Prescription Drug Monitoring Program	16.754	2018-AR-BX-K093	69,492	14,709
Edward Byrne Memorial Justice Assistance Grant Program-FY18	16.738	2018-WY-BX-0005	168,350	58,067
Edward Byrne Memorial Justice Assistance Grant Program-FY19	16.738	2019-DJ-BX-0830	16,545	16,545
Edward Byrne Memorial Justice Assistance Grant Program-FY20	16.738	2020-DJ-BX-0494	46,635	24,539
Edward Byrne Memorial Justice Assistance Grant Program-FY21	16.738	15BPJA-21-GG-01710-JAGX	75,802	46,857
Edward Byrne Memorial Justice Assistance Grant Program-FY22	16.738	15PBJA-22-GG-02180-JAGX	1,194	1,194
Drug Court Discretionary Grant Program - Reno Veterans Treatment Court	16.585	2018-VC-BX-0014	76,104	-
Drug Court Discretionary Grant Program - Fresh Start Therapeutic Program	16.585	2020-DC-BX-0163	180,388	-
Drug Court Discretionary Grant Program - CAMO-RNO VTC	16.585	2020-VC-BX-0162	114,909	-
Drug Court Discretionary Grant Program - Reno Municipal Court Community	16.585	2020-DC-BX-0040	113,503	-
Subtotal ALN 16.585			<u>484,903</u>	<u>-</u>

See notes to schedule of expenditures of federal awards.

City of Reno

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	21-JAG-11	38,332	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	21-JAG-23	21,275	-
Forensics and Evidence Unit Start Up	16.738	20-JAG-29	31,556	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	21-JAG-10	53,101	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	22-JAG-14	29,596	-
<i>Subtotal ALN 16.738</i>			482,385	147,201
Passed through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Crime Victim Assistance Grant	16.575	16575-20-045	27,163	-
Crime Victim Assistance Grant	16.575	16575-20-127	147,987	-
<i>Subtotal ALN 16.575</i>			175,150	-
Passed through Nevada Office of Attorney General:				
Violence Against Women Formula Grants	16.588	2021-VAWA-58	65,973	-
Violence Against Women Formula Grants	16.588	2022-VAWA-58	42,069	-
<i>Subtotal ALN 16.588</i>			108,041	-
Total U.S. Department of Justice			1,353,671	161,910
<u>U.S. Department of Transportation</u>				
Direct Programs:				
High Priority Motor Carrier Safety Assistance Program - FMCSA Cluster	20.237	FM-MHP-0586-21-01-00	145,782	-
Passed through Nevada Department of Public Safety, Office of Traffic Safety:				
<i>Highway Safety Cluster</i>				
State and Community Highway Safety	20.600	JF-2022-RPD-00036	24,894	-
State and Community Highway Safety	20.600	JF-2023-RPD-00022	47,579	-
State and Community Highway Safety	20.600	JF-2022-RPD-00127	9,369	-
State and Community Highway Safety	20.600	LFD-2022-RPD-00003	9,997	-
<i>Subtotal ALN 20.600</i>			91,840	-
National Priority Safety Program	20.616(h)	TS-2022-RPD-00125	16,101	-
National Priority Safety Program	20.616(h)	TS-2023-RPD-00065	23,221	-
National Priority Safety Program	20.616(h)	TS-2022-RPD-00126	1,957	-
National Priority Safety Program	20.616(h)	TS-2023-RPD-00066	18,650	-
<i>Subtotal ALN 20.616(h)</i>			59,930	-
<i>Total Highway Safety Cluster</i>			151,770	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	TS-2022-RPD-00118	18,257	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	TS-2023-RPD-00064	47,314	-
<i>Subtotal ALN 20.608</i>			65,571	-
Total U.S. Department of Transportation			363,122	-
<u>US Department of the Treasury</u>				
Direct Program:				
COVID-19 Emergency Rental Assistance Program	21.023		14,503	-
COVID-19 Emergency Rental Assistance Program	21.023		3,162,097	-
<i>Subtotal ALN 21.023</i>			3,176,600	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		12,243,930	2,595,550
Total US Department of the Treasury			15,420,530	2,595,550

See notes to schedule of expenditures of federal awards.

City of Reno
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
<u>National Endowment of the Arts</u>				
Direct Programs:				
Promotion of the Arts Grants to Organizations and Individuals	45.024	1895916-66-22	393,207	393,207
Total National Endowment of the Arts			393,207	393,207
<u>U.S. Department of Veterans Affairs</u>				
Direct Programs:				
VA Grants for Adaptive Sports Programs for Disabled Veterans and Disabled Members of the Armed Forces	64.034	SPORTS-21-093	3,615	-
VA Grants for Adaptive Sports Programs for Disabled Veterans and Disabled Members of the Armed Forces	64.034	SPORTS-22-078	40,569	-
Passed through Nevada Department of Veterans Services				
VA Grants for Adaptive Sports Programs for Disabled Veterans and Disabled Members of the Armed Forces	64.034	Sports-21-084-RENO	21,286	-
Subtotal ALN 64.034			65,471	-
Total U.S. Department of Veterans Affairs			65,471	-
<u>U.S. Environmental Protection Agency</u>				
Passed through Nevada Division of Environmental Protection				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	4C-98T49601-0	3,376,811	-
Total Clean Water State Revolving Fund Cluster			3,376,811	-
Nonpoint Sources 319(h) C9-97908121 - Chalk Creek	66.460	DEPS 21-031	38,162	-
Total U.S. Environmental Protection Agency			3,414,973	-
<u>U.S. Department of Health and Human Services</u>				
Passed through Christopher and Dana Reeve Foundation				
1st Cycle Direct Effect Quality of Life Grant	93.325		24,899	-
Total U.S. Department of Health and Human Services			24,899	-
<u>U.S. Department of Homeland Security</u>				
Direct Programs:				
Assistant to Firefighters Grant	97.044	EMW-2019-FP-00037	10,553	-
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2018-FH-00040	69,763	-
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2020-FF-00435	2,408,060	-
Subtotal ALN 97.083			2,477,824	-
Passed through State of Nevada Department of Public Safety, Division of Emergency Management:				
Emergency Management Performance Grant (Quarters 1-3)	97.042	EMF-2020-EP-00005	124,429	-
Emergency Management Performance Grant 4th Quarter	97.042	EMF-2020-EP-00005	55,403	-
Emergency Management Performance Grant Vehicle Purchase	97.042	EMF-2020-EP-00005	25,500	-
EMPG COVID-19 Supplemental FFY 2020	97.042	EMF-2020-EP-00017-S01	28,650	-
Subtotal ALN 97.042			233,982	-
Pre-disaster Mitigation Grant (Seismic Retrofit)	97.047	9704720-3400	3,366,255	-
Homeland Security Formula Grant	97.067	DHS-21-GPD-067-00-02	255,795	-
Homeland Security Formula Grant	97.067	DHS-22-GPD-067-00-02	163,857	-
Subtotal ALN 97.067			419,652	-
Passed through the United Way:				
Emergency Food and Shelter National Board Grant	97.024	LRO-589600-023	50,000	-
Total U.S. Department of Homeland Security			6,558,265	-
Total Expenditures of Federal Awards			\$ 35,582,506	\$ 3,150,667

See notes to schedule of expenditures of federal awards.

City of Reno
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Reno (the City) under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The City has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4. Outstanding Loan Balances

The federal loan programs listed below are administered directly by the City, and balances and transactions relating to these programs are included in the City's basic financial statements. Loans made during the year are included in the federal expenditures presented in the Schedule. Outstanding balances do not have continuing compliance requirements.

At June 30, 2023, outstanding loan balances were as follows:

Federal ALN Number	Program Title	Loan Balance Receivable
14.239	HOME Investment Partnerships Program	\$ 41,134,467
		<u>\$ 41,134,467</u>

City of Reno
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major federal programs and type of auditor’s report issued on compliance for major federal programs:

<i>Federal Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor’s Report Issued on Compliance for Major Federal Programs</i>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	<i>Unmodified</i>
21.023	COVID-19 Emergency Rental Assistance Program	<i>Unmodified</i>
97.047	Pre-disaster Mitigation Grant (Seismic Retrofit)	<i>Unmodified</i>
14.239	HOME Investment Partnerships Program	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs: \$ 1,067,475

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported