



COMPREHENSIVE ANNUAL FINANCIAL REPORT

REGIONAL TRANSPORTATION COMMISSION



Reno, Sparks and Washoe County, Nevada

Fiscal Year Ended June 30, 2019



Your RTC. Our Community.



REGIONAL TRANSPORTATION COMMISSION

Reno, Sparks and Washoe County, Nevada

CAFR

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019

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REGIONAL TRANSPORTATION COMMISSION

Metropolitan Planning • Public Transportation & Operations • Engineering & Construction

Metropolitan Planning Organization of Washoe County, Nevada

RTC BOARD OF COMMISSIONERS



BOB LUCEY
RTC CHAIR
Washoe County Vice Chair



RON SMITH
City of Sparks Mayor



NEOMA JARDON
RTC VICE CHAIR
City of Reno Council Member



OSCAR DELGADO
City of Reno Council Member



VAUGHN HARTUNG
Washoe County Chair



KRISTINA SWALLOW, Ex-officio
Director
Nevada Department of Transportation

RTC DIRECTORS



LEE G. GIBSON, AICP
Executive Director



**AMY MCABEE CUMMINGS,
AICP/LEED AP**
Deputy Executive Director/
Director of Planning



STEPHANIE HADDOCK, CGFM
Director of Finance/
Chief Financial Officer



ADAM SPEAR, ESQ
Director of Legal Services



DAVID JICKLING
Director of Public Transportation
& Operations



BRIAN STEWART, P.E.
Director of Engineering



ANGELA REICH, SPHR
Director of Administrative Services

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INTRODUCTORY SECTION



REGIONAL TRANSPORTATION COMMISSION

Metropolitan Planning • Public Transportation & Operations • Engineering & Construction

Metropolitan Planning Organization of Washoe County, Nevada

December 20, 2019

Honorable Chair, Vice Chair and Members
Regional Transportation Commission
1105 Terminal Way
Reno, Nevada 89502

Dear Chair Lucey, Vice Chair Jardon, Members of the Commission, and Citizens of Reno, Sparks and Washoe County:

I am pleased to transmit to you the Comprehensive Annual Financial Report (CAFR) of the Regional Transportation Commission of Washoe County (RTC) for the fiscal year ended June 30, 2019. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed Certified Public Accountants.

The CAFR consists of management's representations concerning the finances of the RTC. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the RTC has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the RTC's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the RTC'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 RTC's financial statements have been audited by Crowe LLP, a firm of licensed Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2019, 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 RTC's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report. The independent audit of the financial statements of the RTC was part of a broader, federally-mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the

financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

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

Profile of the Government

The RTC is located in Northern Nevada. It serves the cities of Reno and Sparks and the county of Washoe. The RTC's designated urbanized service area is 165 square miles and serves a population of 475,596.

Two major sources of revenue for the RTC are fuel tax and sales tax (public transportation tax). Fuel tax and sales tax can be designated for the RTC transportation purposes by the Nevada State Legislature and must be implemented by Washoe County ordinance. By statute, the RTC may exercise the power of eminent domain with the approval of the City or County in which the property lies.

The RTC has operated as a special purpose unit of government since 1979, as a result of legislation approved in the 1979 Nevada State Legislature.

Overall agency guidance is provided by the Commission, which is composed of locally elected officials. Members of the Commission are appointed by their respective political jurisdiction and include two (2) members representing Washoe County, two (2) members representing the largest city in the jurisdiction (City of Reno), and one (1) member representing the other city in the jurisdiction (City of Sparks). They serve staggered two-year terms.

The Commission establishes and approves policy direction for the agency in all program areas. Policy established by the Commission is implemented through a professional/technical staff supervised by an Executive Director.

As the Executive Director, I serve at the pleasure of the Commission and I am considered to be an unclassified employee. The Commission establishes compensation for the Executive Director position. Department Directors and certain administrative and senior level personnel are also unclassified employees of the RTC and are subject to a classification and compensation plan approved by the Commission. Remaining staff are classified employees of the RTC and are also subject to a classification and compensation plan approved by the Commission.

The RTC is responsible for three major transportation programs:

Public Transportation Program – The RTC operates public transportation, for fixed-route, paratransit, and vanpool in conformance with Nevada Revised Statutes. The RTC has the responsibility and the authority to appropriate money from the Public Transit Fund for such purposes and may provide for all functions incident to the administration and operation of public transportation.

Separate contracts have been established for the public transportation elements of the RTC. MV Transit, Inc., provides turnkey operation for RTC RIDE, the local fixed-route bus system, RTC RAPID, the bus rapid transit service, and RTC REGIONAL CONNECTOR, a commuter service between Reno/Sparks and Carson City. The RTC REGIONAL CONNECTOR service is funded by the RTC and the city of Carson City. The RTC also has a turnkey contract with Ride Right, LLC, for the operation of RTC ACCESS, the ADA paratransit service. RTC established general service delivery policies for both systems and receives all revenues and purchases and maintains ownership of all assets of the transit operations.

In addition, the RTC helps fund transit service on the North Shore of Lake Tahoe for the Tahoe Truckee Area Rapid Transit (TART) system. The service is provided by Placer County, California, through a contractual agreement, with RTC reimbursing Placer County for the transit service provided in the Washoe County portion of the Tahoe basin.

Transportation Planning – The RTC is designated as the Metropolitan Planning Organization (MPO) for Washoe County. In that capacity, the RTC is responsible for establishing policy direction for transportation planning. This responsibility includes the approval of the Regional Transportation Plan (RTP), the annual Five-Year Financial Plan, Transportation Improvement Program (TIP), Unified Planning Work Program (UPWP), and the establishment and approval of federal funding priorities in certain program areas. The RTC provides major project review of the transportation impacts of new projects and developments.

Regional Street and Highway Program – The primary responsibility of the RTC in the Regional Street and Highway program is to approve and implement road projects through a priority-setting process in both the technical and political levels.

The RTC's Budget Process

The annual budget serves as the foundation for the RTC's financial planning and control. All Department Directors of the RTC are required to submit their budgets for approval by the Executive Director in March of each year. The RTC uses zero-based budgeting. Each department's budget is presented in extensive line item detail. A budget workshop is held for the Commissioners in February. A draft budget is presented to the Commission in April. Any Commissioners' changes are included in the final document, and that document is presented for a public hearing and approval in May. The appropriated budget is prepared by fund, function (e.g., Street and Highway), and department (e.g., Finance). Department Directors may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Executive Director. Any increase in Fund Budgets requires the approval of the Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the major governmental funds, the General Fund, the Regional Road Impact Fee Fund, and the Paratransit Services Fund, these comparisons are presented as part of the basic financial statements. For the nonmajor governmental fund, with appropriated annual budgets, these comparisons are presented in the Nonmajor Governmental Fund subsection of this report, following the basic financial statements. For the Public Transit Fund, the comparison is presented as part of the other supplementary information.

Agency Accomplishments – FY 2019

- Completed RTC 2018 Annual Report
- Completed construction of SouthEast Connector Phase II
- Completed construction of 4th Street & Prater Way Bus RAPID Transit project
- Completed Bicycle Facility Alternatives Analysis
- Completed Transit Asset Management Plan
- Completed 219 Community Outreach events for RTC programs and services
- Completed renovations to Jerry L. Hall Regional Transit Operations & Maintenance Facility
- Participated in 242 media interviews on a range of topics related to public transportation, planning and construction
- Received 1,056,621 social media impressions
- Established the Vision Zero Truckee Meadows Task Force
- Continued South Meadows Multimodal Transportation Study
- Expanded electric bus fleet with the addition of 17 new buses
- Initiated construction of Virginia Street Bus RAPID Transit Extension project to the University of Nevada, Reno
- Received unmodified opinion – Certified Audit
- Received GFOA Certificate of Achievement

Factors Affecting Financial Condition

Local economy – Washoe County continues to experience strong economic growth and improvement. The area’s economy is principally based in the trade and service sector. Although gaming and other recreational activities represent a major portion of Washoe County’s economy, the area continues to diversify its business base with the expansion of distribution, warehousing, and manufacturing facilities. Washoe County’s workforce increased significantly with 15,700 new jobs, up 6.2% from FY 2018 to FY 2019. The majority of the workforce increase is employed in the fields of construction, manufacturing, trade, transportation, utilities, government, hospitality, professional, and finance-related services. These job sectors of Washoe County had a 7% increase in total job growth. The unemployment rate as of June 2019 was 3.4%, a 0.2% decrease over June 2018.

Statewide gross gaming revenues were up over the prior year by 0.8% and Washoe County gross gaming revenues were up by approximately 0.2% as of June 2019.

Washoe County’s median home sale price increased 4.8% and new residential permits were up 21% in FY 2019.

Washoe County actual sales tax revenue for FY 2019 was 2.3% higher than the prior year due to higher taxable sales. Fuel tax revenues continue to increase year-over-year; the increase for FY 2019 was 6.9% due to the producer price inflation (PPI) indexing that was implemented in January 2010. The gallons of gasoline used in Washoe County in FY 2019 were up 1.5% in comparison to FY 2018.

Nevada has no personal income tax, and it is a right-to-work state. The State has no estate and/or gift taxes, no unitary taxes, no franchise taxes, and no inventory taxes. These factors have contributed to the State's tremendous growth over the last 20 years and will continue to be important for the State's future growth and continued recovery.

Long-term financial planning – As the Metropolitan Planning Organization (MPO) for surface transportation in the Truckee Meadows, the RTC uses a cooperative strategy inclusive of all local and state governments and community input. The RTC coordinates, plans, and executes Washoe County's transportation projects to serve the present and the future.

As the MPO, the RTC:

- designs and implements the short-range and long-range regional transportation plans for Washoe County;
- acquires federal, state, and local funding for major regional transportation projects;
- coordinates with local jurisdictions to identify traffic impacts from current and proposed residential and commercial development;
- defines measures to relieve congestion;
- creates traffic projections to anticipate and respond to future regional growth; and
- recommends, implements, and monitors new technologies for transit programs.

The foundation of the RTC planning program is a 20-year Regional Transportation Plan (RTP). The current RTP 2040 plan was adopted in May 2017. The plan had substantial citizen involvement. The RTP serves as the region's long-range transportation plan to accommodate the master-planned developments in the City of Reno, City of Sparks, and Washoe County. The plan addresses all modes of travel including automobiles, transit, bicycles, pedestrians, aviation, rail, and goods movement as well as transportation management strategies to make the system more efficient.

Short Term Planning

The Short-Range Transit Program (SRTP) for the fiscal years 2018-2022 was adopted in March 2017. The SRTP serves as the implementation plan for public transit with annual updates over the next five years. The SRTP is driven by the goals and policies of the RTP. The SRTP is a capital-intensive plan. Approximately \$74.7 million in capital and \$193.1 million in operating expenditures are programmed over 5 years. Continued changes in the economy and the financial forecast may affect how some projects move forward. RIDE and ACCESS service levels are projected and implemented from this plan.

Debt Management

The Road Program received a substantial revenue boost when NV Senate Bill 201 (indexing of Local, State and Federal fuel taxes) was approved by the Legislature in June 2009. Collections began in January 2010. In an effort to stimulate the local economy, the Commission deviated from

their usual pay-as-you-go philosophy and has initiated four bond sales totaling \$434.6 million. The first bond sale was completed in July 2009, the second in March 2010, the third in December 2010, and the fourth in April 2013. All bond sale funds have been expended and RTC has moved back to the pay-as-you-go method. In December 2019, RTC refunded the 2009 and 2013 bonds providing an average of \$2.4 million in annual debt services savings. Key future projects in the road program between now and the next 10 years include: the Virginia Street Bus RAPID Transit Extension project; the Oddie Boulevard & Wells Avenue corridor project; the Sparks Boulevard corridor project; the Sun Valley Boulevard corridor project, Lemmon Drive corridor project; Keystone Avenue corridor project, Center Street multimodal improvements and the expansion of the US395/I-580/I-80 interchange.

Operational Model

RTC uses privatization for implementation of the majority of its programs. RTC contracts out with engineering and construction firms for implementation of the road programs. Corridor studies are prepared by engineering and consulting firms. RTC contracts out the operation of RIDE and ACCESS through “turnkey” contracts which are common in the transportation industry. The RTC maintains a staff of 70 employees to oversee the RTC programs.

Awards and Recognition

The RTC staff, projects, and services were recognized on various occasions in FY 2019 for their commitment to quality and meeting the needs of the community:

- Associated General Contractors Nevada Chapter - Pinnacle Award for General Engineering Contractors and Contracts Innovation for Projects over \$5M to Granite Construction Pyramid/McCarran Intersection Improvement Project, May 2018
- North American Transportation – Coach Operator of the Year Award John Moss, June 2018
- Nevada Department of Transportation Excellence in Partnering Gold Award – Pyramid/McCarran Intersection Improvement Project, July 2018
- Intelligent Transportation Society of Nevada ITS – Project of the Year Award RTC Washoe Intelligent Transportation Society of America Center to Center Project, November 2018
- American Consumer Council – Green C Self-Certification Program Recognition, November 2018
- Government Finance Officers Association - 2018 Certificate of Achievement, November 2018
- Transportation Security Administration – 2018 Gold Standard Mass Transit Award, December 2018

Honorable Chair and Members
Regional Transportation Commission
December 20, 2019

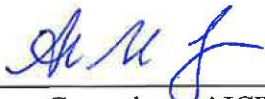
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Regional Transportation Commission for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the 32nd consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of the CAFR on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the Certified Public Accountants from Crowe LLP. We would like to express our appreciation to all who assisted and contributed to its preparation.

Respectfully submitted,

Respectfully submitted,



Amy Cummings, AICP, LEED AP
Interim Executive Director
Regional Transportation Commission



Stephanie Haddock, CGFM
Director of Finance/CFO
Regional Transportation Commission

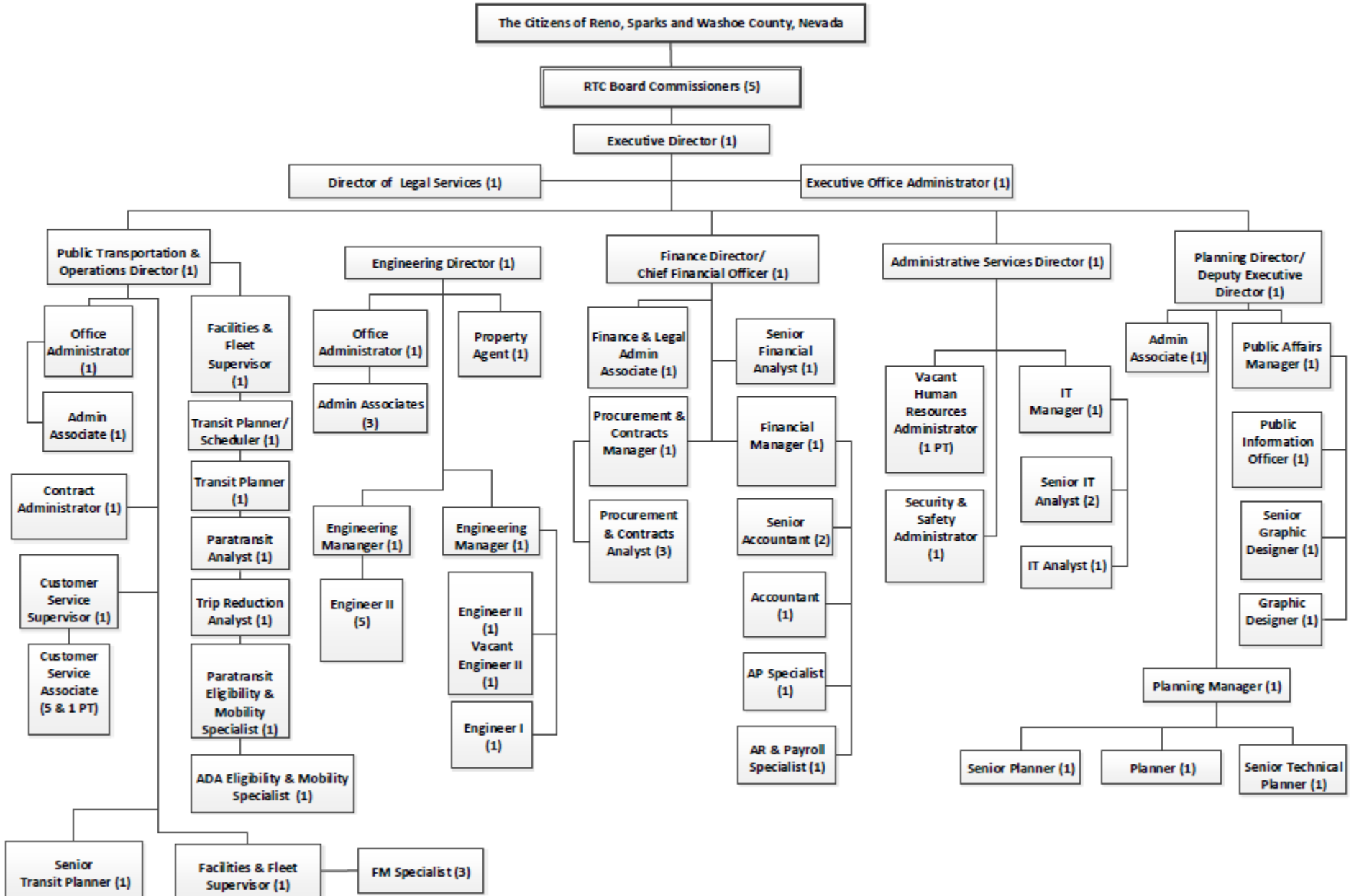
PRINCIPAL OFFICIALS

REGIONAL TRANSPORTATION COMMISSION

<u>OFFICE</u>	<u>NAME</u>	<u>TERM OF OFFICE</u>	<u>TERM EXPIRES</u>
<u>Board Members</u>			
Chair	Bob Lucey	2 years	December 31, 2019
Vice-Chair	Neoma Jardon	2 years	December 31, 2019
Board Member	Oscar Delgado	2 years	December 31, 2020
Board Member	Vaughn Hartung	2 years	December 31, 2020
Board Member	Ron Smith	2 years	December 31, 2020
<u>RTC Staff</u>			
Executive Director *	Lee G. Gibson, AICP		Appointed
Director of Legal Services	Adam Spear, Esq.		Appointed
Administrative Services Director	Angela Reich, SPHR		Appointed
Chief Financial Officer	Stephanie Haddock, CGFM		Appointed
Engineering Director	Brian Stewart, P. E.		Appointed
Deputy Executive Director	Amy M. Cummings, AICP		Appointed
Public Transportation Director	David F. Jickling		Appointed
Legal Counsel	Dale Ferguson, Esq.		Appointed
<u>Contracts</u>			
General Manager	Jeff Matland, MV Contract Transportation, Inc		Contracted
General Manager	Geo Jackson, Ride Right LLC		Contracted
Independent Auditor	Crowe LLP		Contracted

*The Executive Director is appointed by the Regional Transportation Commission. All other staff members are appointed by the Executive Director.

Regional Transportation Commission of Reno, Sparks and Washoe County, Nevada Fiscal Year 2019 Organization Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Regional Transportation Commission
of Washoe County, Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Commissioners
Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Transportation Commission, Reno, Sparks and Washoe County, Nevada (RTC), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the RTC's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the RTC, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Regional Road Impact Fee Fund, and Paratransit Services Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedules of Changes in the Total OPEB Liability and Related Ratios, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of RTC Contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 RTC's basic financial statements. The Introductory Section, Individual Fund Statements and Schedules, Capital Assets Used in Operation of Governmental Funds, Other Supplementary Information, 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, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Individual Fund Statements and Schedules, Capital Assets Used in the Operation of Governmental Funds, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Individual Fund Statements and Schedules, Capital Assets Used in the Operation of Governmental Funds, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Prior Year Partial Comparative Information

We have previously audited the RTC's fiscal year 2018 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated November 26, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2019, on our consideration of RTC'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 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 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 RTC's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

Sacramento, California
November 26, 2019

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019

As management of the Regional Transportation Commission (RTC), we are presenting this narrative overview and analysis of the functional activities of the RTC for the fiscal year ended June 30, 2019. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The RTC's cash and investments exceeded its liabilities due within one year by \$107.6 million at the close of the most recent fiscal year. The RTC's cash ratio is 4.3, meaning the RTC has 4.3 times the cash and investments available to meet current obligations. Last year's ratio was 2.6. The increase is primarily due to increases in cash used for road construction projects.
- The RTC's total net position decreased by \$56.8 million. Net position of the governmental activities decreased by \$52 million due to revenue bond financing of infrastructure assets that are not included in RTC's capital assets (Note O). Net position of the business-type activities increased by \$4.5 mainly due to increases in capital assets.
- At the close of the current fiscal year, the RTC's governmental funds reported combined ending fund balances of \$137 million, an increase of \$20 million in comparison with the prior year. Most of the increase is due to cash used and reserved for future road construction expenses.
- RTC's outstanding bond debt decreased from \$390.7 million to \$346.6 million, as a result of \$2.3 million in principal payments on existing debt and current debt refunding. RTC issued Series 2018 Bonds for total proceeds of \$183,235,000 with a premium of \$22,507,275 in the current fiscal year. Additional information on the RTC's outstanding bond debt and debt refunding can be found in Note I to the Financial Statements.
- The RTC's total revenue decreased 1.4% or \$2.3 million in comparison with the prior year. The decrease is due to decreases in operating grants and contributions. The RTC's primary revenue sources are Motor Vehicle Fuel tax and Public Transportation (Sales) tax. These two revenue sources comprise 51.1% and 18.8% of the RTC's revenues, respectively. Motor Vehicle Fuel tax revenue increased \$5.6 million or 6.8% due to increased fuel gallons sold and the passage of State legislation that authorized additional indexing taxes on motor vehicle fuel and special fuel. The annual indexing increases are based on a ten year rolling average of the Producer Price Index (PPI). Inflationary increases have been in effect since January 1, 2010. Public Transportation tax increased \$0.8 million or 2.7% due to increased taxable retail sales for the County.
- The RTC's total program revenues decreased 21.9% or \$13 million in comparison with the prior year. The decrease is mostly due to decreases in capital and operating grant revenues.
- Total expenses were \$113 million, a decrease of 39.7% over the prior year primarily due to decreases in road construction expenses in the general fund. Governmental activities made up 65.2% of the total expenses, a decrease of 18% over the prior year. Business-type activities made up 34.8% of the total expenses, an increase of 18% over the prior year due to decreases in governmental activities. Operating expenses for public transportation services were up 24.8% for the fiscal year primarily due to the increase in depreciation and pension expense.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the RTC's basic financial statements. The RTC's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the RTC's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the RTC's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the RTC is improving or deteriorating.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Financial Statements (continued)

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

Both of the government-wide financial statements distinguish functions of the RTC that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the RTC include general government activities, streets and highways projects, transportation services, and metropolitan planning. The business-type activity of the RTC includes public transportation.

The government-wide financial statements can be found on pages 19-20 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The RTC, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the RTC can be divided into two categories: governmental funds and a proprietary fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the RTC's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The RTC maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, the Regional Road Impact Fee Fund, and the Paratransit Services Fund, all of which are considered to be major funds and for the Metropolitan Planning Organization Fund which is considered to be a nonmajor fund.

Additional data for all of the governmental funds is provided in the supplementary information section of this report.

The RTC adopts an annual appropriated budget for all funds. Budgetary comparison statements and schedules have been provided to demonstrate compliance with these budgets.

Proprietary Fund

The RTC maintains one proprietary fund. This proprietary fund, an enterprise fund, is used to report the same functions presented as business-type activities in the government-wide financial statements. The RTC uses this fund to account for public transportation.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-63 of this report.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Other Information

Required supplementary information concerning the RTC's progress in funding its obligation to provide pension benefits and OPEB to its employees and retirees can be found on pages 65-66.

Other supplementary information, including individual fund statements and schedules providing budget to actual comparisons and schedules of capital assets used in the operations of governmental funds, are presented after the basic financial statements.

The Statistical Section provides detailed multi-year information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the RTC's overall financial health.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

RTC'S NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<u>Assets:</u>						
Current and other assets	\$ 151,875,610	\$ 141,600,785	\$ 24,716,525	\$ 29,189,796	\$ 176,592,135	\$ 170,790,581
Capital assets	6,822,444	6,290,221	94,683,525	89,357,472	101,505,969	95,647,693
Total assets	158,698,054	147,891,006	119,400,050	118,547,268	278,098,104	266,438,274
<u>Deferred Outflows of Resources:</u>						
Deferred outflows related to pension	1,696,778	2,446,997	999,516	-	2,696,294	2,446,997
Deferred outflows related to OPEB	647,717	376,704	381,549	-	1,029,266	376,704
Total deferred outflows of resources	2,344,495	2,823,701	1,381,065	-	3,725,560	2,823,701
<u>Liabilities:</u>						
Noncurrent liabilities	385,938,976	420,925,628	9,034,473	5,119,123	394,973,449	426,044,751
Other liabilities	21,215,747	30,916,321	3,128,586	10,273,163	24,344,333	41,189,484
Total liabilities	407,154,723	451,841,949	12,163,059	15,392,286	419,317,782	467,234,235
<u>Deferred Inflows of Resources:</u>						
Deferred inflows related to pension	686,892	1,213,310	404,625	-	1,091,517	1,213,310
Deferred inflows related to OPEB	1,013,527	956,172	597,035	-	1,610,562	956,172
Deferred inflows related to debt refunding	3,124,746	-	-	-	3,124,746	-
Total deferred inflows of resources	4,825,165	2,169,482	1,001,660	-	5,826,825	2,169,482
<u>Net position:</u>						
Net investment in capital assets	6,822,444	6,290,221	94,094,235	89,134,808	100,916,679	95,425,029
Restricted	133,570,608	115,138,055	-	-	133,570,608	115,138,055
Unrestricted	(391,330,391)	(424,725,000)	13,522,161	14,020,174	(377,808,230)	(410,704,826)
Total net position	<u>\$ (250,937,339)</u>	<u>\$ (303,296,724)</u>	<u>\$ 107,616,396</u>	<u>\$ 103,154,982</u>	<u>\$ (143,320,943)</u>	<u>\$ (200,141,742)</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Net Position

As noted earlier, net position may serve over time as a useful indicator of the RTC's financial position. In the case of the RTC, total liabilities exceeded total assets by \$143,320,943 at the close of the current fiscal year. RTC's negative net position results from revenue bond financing of infrastructure assets that are not included in RTC's capital assets (Note O).

A significant portion of RTC's net position represents resources that are subject to external restrictions (e.g. statutes, bond covenants, and grants) on how they may be used. Restricted net position increased \$18,432,553 from the prior year due to cash increases for road construction expenses.

Unrestricted net position may be used to meet the government's ongoing obligations to its citizens and creditors. RTC's negative unrestricted net position decreased \$32,896,596 from the prior year due to decreases in long-term liabilities.

Another significant portion of RTC's total net position is its net investment in capital assets, (e.g. land, buildings, machinery, and equipment) less any related outstanding debt used to acquire those assets. RTC's net investment in capital assets increased by a net amount \$5,491,650 over the prior year due to the addition of building improvements and buses, less depreciation expense.

The RTC did not use debt to acquire capital assets in this fiscal year. The RTC uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. If the RTC uses debt to purchase capital assets in future fiscal years, it should be noted that the resources needed to repay any long-term obligations must be provided from other sources, since the capital assets themselves cannot be used to liquidate these types of liabilities.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

RTC's CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues						
Charges for services	\$ 13,700,467	\$ 9,762,480	\$ 5,726,408	\$ 6,314,382	\$ 19,426,875	\$ 16,076,862
Operating grants and contributions	9,225,725	30,324,216	4,320,161	4,088,110	13,545,886	34,412,326
Capital grants and contributions	210,063	745,229	12,935,472	7,847,909	13,145,535	8,593,138
Total program revenues	<u>23,136,255</u>	<u>40,831,925</u>	<u>22,982,041</u>	<u>18,250,401</u>	<u>46,118,296</u>	<u>59,082,326</u>
General revenues:						
Motor vehicle fuel taxes	86,738,311	81,179,894	-	-	86,738,311	81,179,894
Public transportation taxes	11,650,266	9,805,973	20,274,451	21,278,436	31,924,717	31,084,409
Investment earnings	3,266,293	465,271	544,930	65,488	3,811,223	530,759
Gain on sale of assets	19,360	8,360	18,240	218	37,600	8,578
Other miscellaneous	989,854	162,161	133,549	30,121	1,123,403	192,282
Total general revenues	<u>102,664,084</u>	<u>91,621,659</u>	<u>20,971,170</u>	<u>21,374,263</u>	<u>123,635,254</u>	<u>112,995,922</u>
Total revenues	<u>125,800,339</u>	<u>132,453,584</u>	<u>43,953,211</u>	<u>39,624,664</u>	<u>169,753,550</u>	<u>172,078,248</u>
Expenses:						
Streets and highways	39,636,731	118,729,501	-	-	39,636,731	118,729,501
Transportation services	9,949,107	10,348,473	-	-	9,949,107	10,348,473
Regional road impact fees	2,726,991	5,154,308	-	-	2,726,991	5,154,308
Metropolitan planning	2,653,323	2,226,012	-	-	2,653,323	2,226,012
Public transportation	-	-	39,281,797	31,465,024	39,281,797	31,465,024
Debt service	18,684,802	19,284,377	-	-	18,684,802	19,284,377
Total expenses	<u>73,650,954</u>	<u>155,742,671</u>	<u>39,281,797</u>	<u>31,465,024</u>	<u>112,932,751</u>	<u>187,207,695</u>
Change in net position before transfers	52,149,385	(23,289,087)	4,671,414	8,159,640	56,820,799	(15,129,447)
Transfers	210,000	300,000	(210,000)	(300,000)	-	-
Change in net position	<u>52,359,385</u>	<u>(22,989,087)</u>	<u>4,461,414</u>	<u>7,859,640</u>	<u>56,820,799</u>	<u>(15,129,447)</u>
Net position - July 1 as originally stated	(303,296,724)	(273,278,405)	103,154,982	98,757,499	(200,141,742)	(174,520,906)
Cumulative effect of GASB 75 implementation	-	(7,029,232)	-	(3,462,157)	-	(10,491,389)
Net position - July 1 as restated	<u>(303,296,724)</u>	<u>(280,307,637)</u>	<u>103,154,982</u>	<u>95,295,342</u>	<u>(200,141,742)</u>	<u>(185,012,295)</u>
Net position - June 30	<u>\$ (250,937,339)</u>	<u>\$ (303,296,724)</u>	<u>\$ 107,616,396</u>	<u>\$ 103,154,982</u>	<u>\$ (143,320,943)</u>	<u>\$ (200,141,742)</u>

Change in Net Position

The RTC's overall net position increased \$56,820,799 from the prior year primarily due to revenue bond financing of infrastructure assets that are not included in RTC's capital assets (Note O). Program revenues are directly related to service activities of a function. Program revenues decreased from the prior year and included charges for services which increased 21% due to increased regional road impact fees; operating grants and contributions decreased 61% mostly due to timing of reimbursements from federal grants. General revenues increased \$10,639,332 or 9.4% from the prior year mostly due to a 6.8% increase in motor vehicle fuel tax and a 618% increase in investment earnings. General revenues represent 72.8% of total revenues. Total expenses decreased by \$74,274,944 or 39.7% from the prior year mostly from streets and highways expenses.

**Regional Transportation Commission
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MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

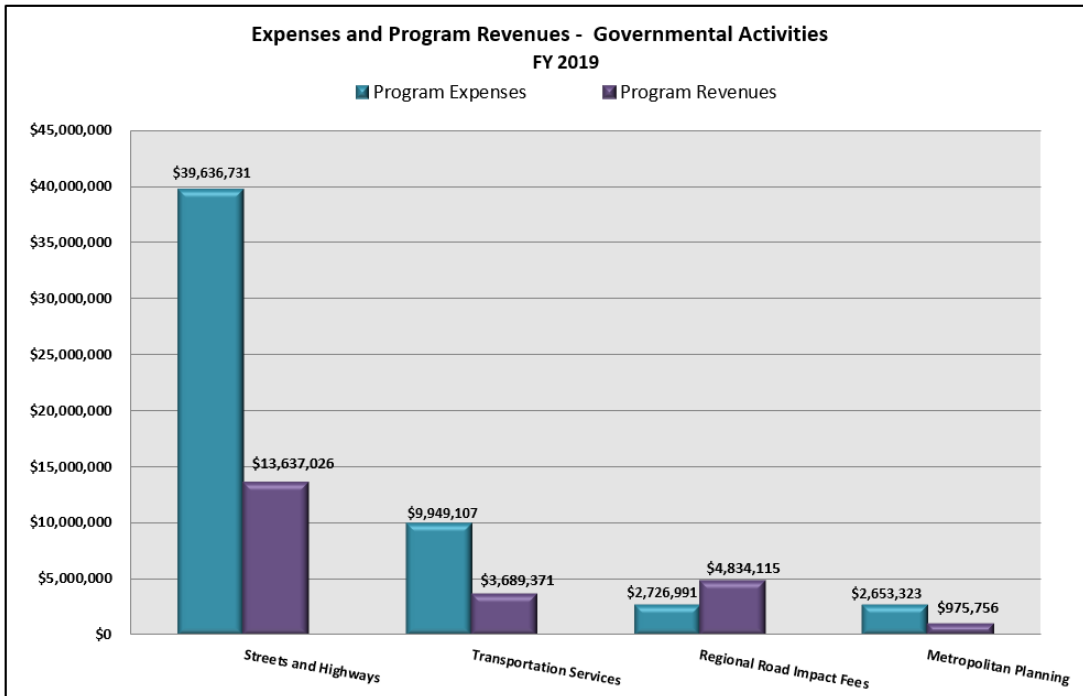
GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental Activities

Governmental activities include programs for streets and highways, transportation services, and metropolitan planning. Governmental activities increased the RTC's net position by \$52,359,385. The key element of this increase is:

- Streets and highway expenses decreased from the prior year by \$79,092,770 or 66.6% due to major construction expenses on RTC's largest road project to date the Southeast Connector completed in FY 2018.

The following chart depicts the expenses and program revenues for governmental activities:



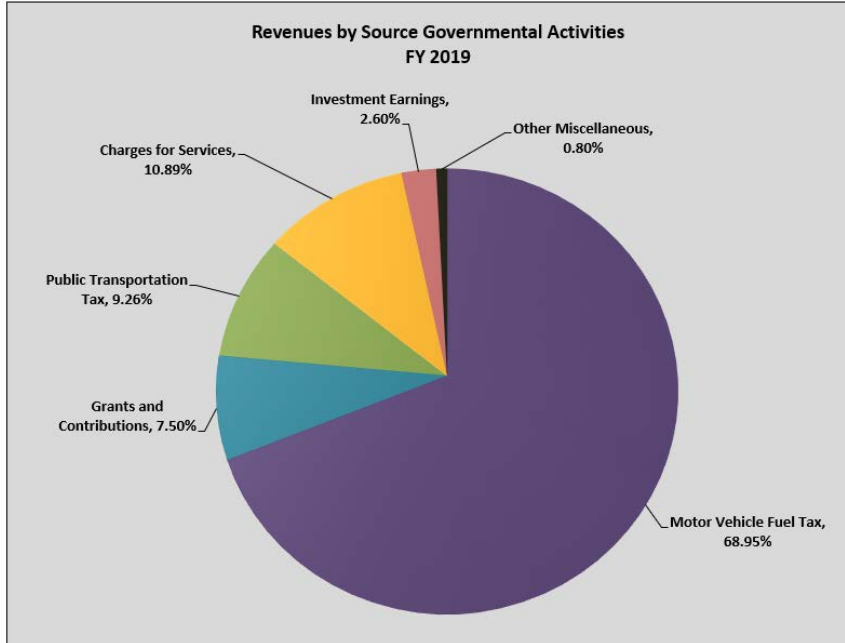
Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

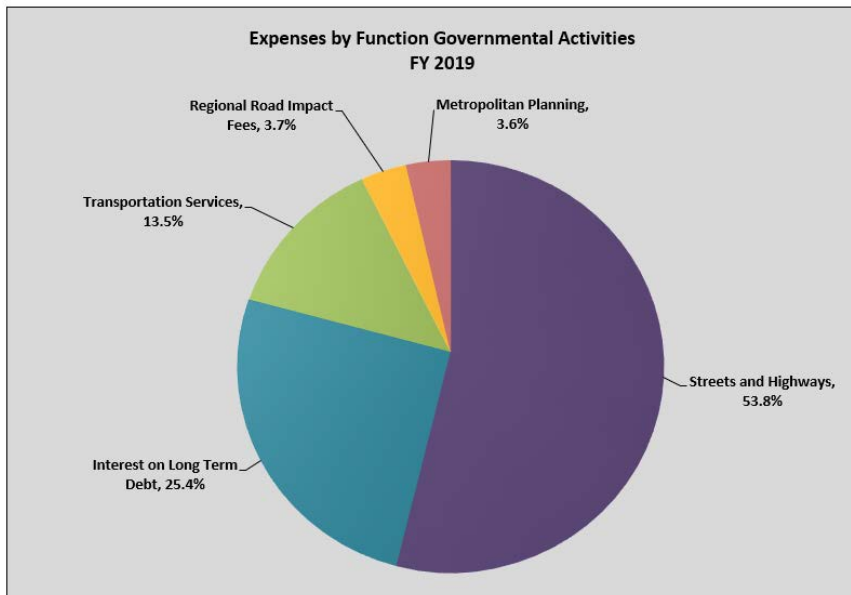
June 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following chart depicts the governmental activities revenues by source for the current fiscal year:



The following chart depicts the governmental activities expenses by function for the current fiscal year:



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MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019

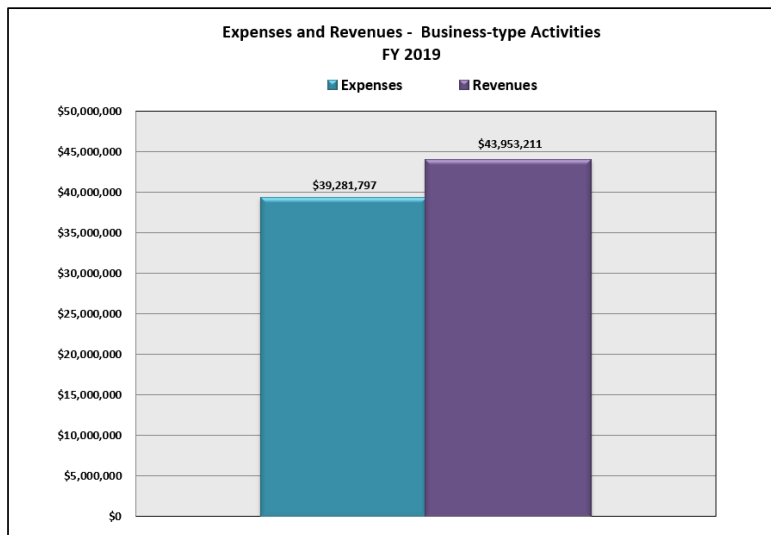
GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities

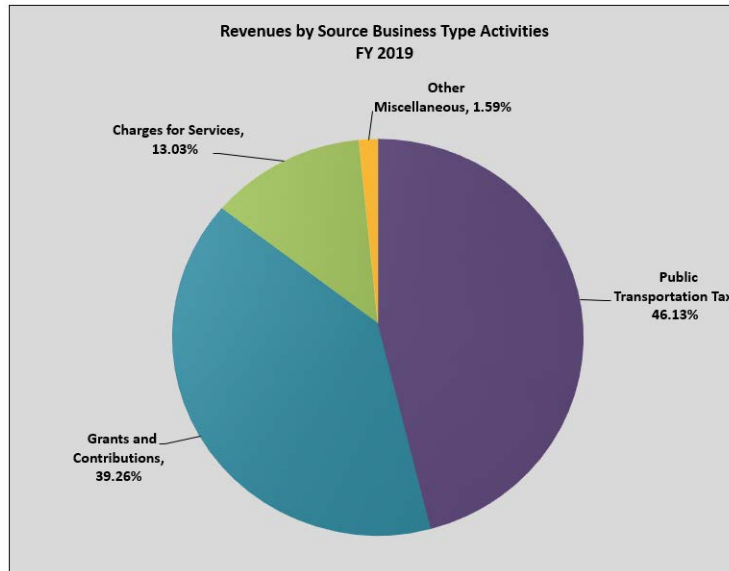
Under this section there is only one program, Public Transportation. Business-type activities increased the RTC's net position by \$4,461,414. The key element of this increase is:

- Capital grants and contributions increased by \$5,087,563 or 64.8% due to increases in capital assets.

The following chart depicts the expenses and revenues for business-type activities:



The following chart depicts the business-type activities revenues for current fiscal year:



**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019

FINANCIAL ANALYSIS OF THE RTC'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the RTC's governmental funds reported combined ending fund balances of \$136,862,263 an increase of \$19,503,917 in comparison with the prior year primarily due to increase in cash and decrease in retention payable. Most of RTC's governmental fund balances are externally restricted and limited in their use.

General Fund

The General Fund is the primary operating fund of the RTC. It accounts for all financial resources of the RTC, except for those required to be accounted for in another fund. Regional streets and highways expenditures for road projects are accounted for in this fund instead of a separate fund in order to reduce undue complexity in budgeting, accounting and other phases of financial management. At the end of the current fiscal year, the nonspendable fund balance of the general fund was \$306,693 for prepaid expenses and deposits. Restricted fund balance was \$87,463,032 for federal grants match and road construction projects. There is no unassigned fund balance in the General Fund.

The fund balance of the RTC's General Fund increased \$28,761,864 or 48.7% during the current fiscal year mostly due to increases in cash used for road construction project expenditures.

Debt Service Fund

The Debt Service Fund is a governmental fund used to account for RTC's debt service requirements. The existing debt in this fund is backed by Motor Vehicle Fuel tax revenues and 1/8th percent of Public Transportation (Sales) tax. The ending fund balance at June 30, 2019, is \$31,818,343 and is restricted for future principal and interest payments on revenue bonds.

Regional Road Impact Fee Fund

The Regional Road Impact Fee Fund is a special revenue fund for road projects funded with impact fees. The fees consist of two components, cash impact fees and impact fee waivers. Waivers are given to developers for the construction of major arterial roads during development. Waivers are booked as a revenue and expenditure with a net zero effect on the financial statements, therefore, they are not included in analysis of fund balance. Ending fund balance at June 30, 2019, is \$13,326,552 of which \$192,975 is nonspendable for prepaid expenses and \$13,133,577 is restricted for road construction projects. The Regional Road Impact Fee fund balance increased \$3,211,908 or 32% for the current fiscal year mostly due to increases in cash impact fee revenue.

Paratransit Services Fund

The Paratransit Services Fund is a special revenue fund, which consists of the paratransit service RTC ACCESS for people with disabilities. The Paratransit Services Fund also records all transactions for the Washoe Senior Ride Program, a taxi subsidy for elderly residents of Washoe County. The ending fund balance at June 30, 2019, is \$3,065,255, of which \$897,419 is restricted for federal grants match and \$2,167,836 is assigned for future expenditures. Unassigned fund balance is a zero.

The Paratransit Services fund balance increased \$1,662,086 or 118% for the current fiscal year mostly due to \$373,150 decrease in paratransit service expenditures over the prior year and increase in public transportation tax in the amount of \$1,725,000.

**Regional Transportation Commission
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MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

FINANCIAL ANALYSIS OF THE RTC'S FUNDS (CONTINUED)

Paratransit Services Fund (continued)

RTC ACCESS service levels were relatively flat for the current fiscal year but passenger demand for paratransit services decreased. The operating statistics for RTC ACCESS are:

- RTC ACCESS carried a total of 226,913 passengers in FY 2019 compared with 251,461 in FY 2018; and
- RTC ACCESS operated 104,718 revenue vehicle hours in FY 2019 compared with 101,872 hours in FY 2018; and
- RTC ACCESS traveled 1,697,800 revenue vehicle miles in FY 2019 compared to 1,593,665 miles in FY 2018.

Metropolitan Planning Organization Fund

The Metropolitan Planning Organization Fund is a special revenue fund. The RTC serves as the Metropolitan Planning Organization (MPO) for Washoe County. The MPO is funded by transfers of public transportation (sales) tax revenues, fuel tax revenues and federal transportation planning grants. The Metropolitan Planning Organization ending fund balance at June 30, 2019, is \$882,388, of which \$25,231 is nonspendable for prepaid expenses, \$290,829 is restricted for federal grants match and \$566,328 is assigned for future expenditures.

The total fund balance decreased \$294,964 or 25% for the current fiscal year mostly due to \$427,314 in increased consulting expenditures for the Unified Planning Work Program (UPWP).

Proprietary Fund

The RTC's proprietary fund provides the same type of information found in the government-wide financial statements but this fund's statements provide more detail.

Proprietary Operations

The proprietary fund consists of an enterprise fund for the RTC RIDE transit system. The RTC RIDE transit system has been in operation since September, 1978.

RTC RIDE ridership slightly decreased 2.7% over the prior fiscal year as low local fuel prices allows riders to choose use of a personal vehicle over public transportation. The operating statistics for RTC RIDE are:

- RTC RIDE carried a total of 7,197,386 passengers in FY 2019 compared to 7,396,590 passengers in FY 2018; and
- RTC RIDE operated 256,324 revenue service hours in FY 2018 compared to 247,779 revenue service hours in FY 2018; and
- RTC RIDE traveled 2,837,770 revenue miles in FY 2019 compared to 2,825,080 revenue miles in FY 2018.

RTC RIDE currently operates 26 total routes, including RTC SIERRA SPIRIT, RTC RAPID and RTC INTERCITY most of which operate seven days a week with three routes operating 24 hours per day.

Revenues

The revenue sources for the RTC RIDE transit system are a 5/16 percent public transportation tax revenue, passenger revenues, investment income, advertising revenue, and Federal and State capital and operating grants.

In November 1982, voters of Washoe County approved a 1/4 percent sales tax increase for the purpose of public transportation and related support services. This tax is to be used for the operation of the RTC RIDE transit system, transportation planning, paratransit services, and other transportation services. This revenue source cannot be used for the construction of street and highway projects.

Effective July 1, 2003, an additional 1/8 percent sales tax was implemented. This revenue source can be used for public transportation or the construction of street and highway projects as directed by RTC management.

In total Public Transportation tax revenue was \$31,924,717 in FY 2019 compared to \$31,084,409 in FY 2018, an increase of \$840,308 or 2.7%.

**Regional Transportation Commission
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MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

FINANCIAL ANALYSIS OF THE RTC'S FUNDS (CONTINUED)

RTC RIDE passenger revenues were \$5,108,047 in FY 2019 compared to \$5,614,832 in FY 2018, a decrease of \$506,785 or 9.0% due to decreases in ridership.

Federal funding amounts, received from the Federal Transit Administration (FTA), are based on nationwide formula allocations included in the Surface Transportation Act and discretionary grants. The RTC has built or renovated five major facilities and currently has a total fleet of 77 coaches. The FTA has participated in most of the transit and paratransit capital acquisitions.

Expenses

RTC RIDE operating expenses, including depreciation, in FY 2019 were \$39,281,797 compared to \$31,465,024 in FY 2018, an increase of \$7,816,773 or 24.8%; due to an increase in net pension expense (GASB 82 implementation) and due to increase in depreciation due to the purchase of the new buses and bus charging equipment.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total revenues were under budget by \$18,505,854 primarily due to decreased reimbursements of federal grant revenue for road construction projects. Total expenditures were \$53,654,268 under budget due to the timing of planned road construction projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The RTC's investment in capital assets for its governmental and business-type activities as of June 30, 2019 amounted to \$101,505,969 (net of accumulated depreciation). The RTC's net investment in capital assets for the current fiscal year increased \$5,858,276 or 4.8% due to completed building renovations and bus purchases.

Capital spending decisions are based upon:

- Needs defined in the Regional Transportation Plan, and
- The availability of FTA funding and local funding

Major capital assets events during the current fiscal year included the following:

- Eleven electric buses \$9,898,079.
- Eight new rapid stations on the 4th and Prater corridor \$3,952,779.
- Eleven electric bus chargers \$1,185,053.

**Regional Transportation Commission
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MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Capital Assets (continued)

RTC's CAPITAL ASSETS (Net of Depreciation) (Expressed in Thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 2,282	\$ 2,282	\$ 16,682	\$ 16,682	\$ 18,964	\$ 18,964
Construction in progress	267	19	3,569	9,778	3,836	9,796
Total capital assets not being depreciated	2,549	2,301	20,251	26,460	22,800	28,760
Coaches/vehicles	5,495	5,587	47,660	40,484	53,155	46,071
Buildings and leasehold improvements	7,176	7,176	65,905	65,453	73,081	72,629
Miscellaneous equipment	4,224	4,301	6,566	4,172	10,790	8,473
ITS	-	-	3,057	3,057	3,057	3,057
Computer equipment	-	-	1,761	1,761	1,761	1,761
Office furniture	-	-	133	133	133	133
Passenger shelters	-	-	11,594	7,641	11,594	7,641
Communications equipment	-	-	2,048	558	2,048	558
Revenue collection equipment	-	-	1,574	1,784	1,784	1,784
	16,896	17,064	140,297	125,043	157,402	142,106
Accumulated depreciation	(13,923)	(13,074)	(65,865)	(62,144)	(79,787)	(75,219)
Total capital assets being depreciated (net)	2,973	3,990	74,433	62,899	77,406	66,888
Capital assets (net)	<u>\$ 5,522</u>	<u>\$ 6,290</u>	<u>\$ 94,684</u>	<u>\$ 89,358</u>	<u>\$ 100,206</u>	<u>\$ 95,649</u>

Additional information on the RTC's capital assets can be found in Note E in the Notes to the Financial Statements and the Supplementary Information section.

Long-term Debt

At the end of the fiscal year, RTC had total bonded debt outstanding of \$346,612,000. The proceeds from all bond issues are used for financing the construction of street and highway projects. RTC's current fiscal year outstanding debt decreased \$44.1 million as a result of debt principal payments on debt and a debt refunding.

Additional information of the RTC's long-term debt including a roll-forward of debt, debt issues outstanding and future debt service requirements can be found in Notes I and J in the Notes to the Financial Statements.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2019

ECONOMIC FACTORS

- Nevada economy continues to experience steady growth in retail sales, jobs, and the housing market.
- Nevada overall unemployment rate of 4.0% is higher than the national average of 3.7% for June 2019.
- Reno-Sparks metropolitan area unemployment rate was at 3.4% in June 2019.
- Unemployment in Nevada did not change over the past twelve months. In the Reno-Sparks metropolitan area, the rate declined 0.1%.
- Nevada continues to experience an ongoing healthy labor market with positive twelve months of job growth in FY 2019.
- Nevada experienced overall job growth of 3.3%. June 2019 was the 102th consecutive month of job gains in the State. Nevada continues to exceed the national average job growth of 1.5%. The largest job gains were in manufacturing an increase of 13.4% and construction an increase of 11.1% in June of 2019 as compared to June of 2018.
- Washoe County's total labor force for June 2019 is estimated at 267,200, with total employment of 258,100. An increase of 6.2% and 7.3% respectively over the prior year.
- Consumer Price Index (CPI) was 2.7% for the western region for June 2019.
- Nevada's average personal income growth exceeded national growth over thirty of the past thirty-three quarters as of June 2019.
- Nevada's statewide taxable sales increased 6.1% for FY 2019. Reno-Sparks taxable sales increased 3.5% for FY 2019.
- Median home sale prices in Washoe County increased 4.8% in June of 2019 as compared to June of 2018 and new residential permists were up 21%.
- Washoe County fuel consumption was up 1.5% for FY 2019 and Nevada's statewide fuel consumption was up 1% for FY 2019. The fiscal year fuel consumption increases are attributed to average lower fuel prices.

All of these factors were considered in preparing the RTC's budget for fiscal year 2020.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the RTC's finances for all those with an interest in the RTC's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Regional Transportation Commission, 1105 Terminal Way, Suite 300, Reno, NV 89502.



BASIC FINANCIAL STATEMENTS

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

STATEMENT OF NET POSITION

June 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments in custody of County Treasurer	\$ 79,967,153	\$ 13,160,881	\$ 93,128,034
Cash in bank and on hand	12,661,310	2,725,521	15,386,831
Restricted cash and investments	31,721,390	-	31,721,390
Accounts receivable	3,329,828	179,495	3,509,323
Due from federal government	2,274,510	4,036,009	6,310,519
Due from State of Nevada	16,533,821	5,509,126	22,042,947
Interest receivable	2,032,129	58,016	2,090,145
Impact fees receivable	1,361,250	-	1,361,250
Internal balances	1,469,322	(1,469,322)	-
Inventory	-	163,742	163,742
Prepaid expenses, deposits and other assets	524,897	353,057	877,954
Capital Assets:			
Land and construction in progress	2,549,434	20,250,850	22,800,284
Water Rights	1,300,000	-	1,300,000
Property, buildings and equipment, net of accumulated depreciation	2,973,010	74,432,675	77,405,685
Total assets	<u>158,698,054</u>	<u>119,400,050</u>	<u>278,098,104</u>
Deferred Outflows of Resources			
Deferred outflows related to pension	1,696,778	999,516	2,696,294
Deferred outflows related to OPEB	647,717	381,549	1,029,266
Total deferred outflows of resources	<u>2,344,495</u>	<u>1,381,065</u>	<u>3,725,560</u>
Liabilities			
Accounts payable	6,642,450	2,210,107	8,852,557
Retentions payable	4,861,111	589,290	5,450,401
Accrued liabilities	125,576	305,561	431,137
Unearned revenue	13,750	23,628	37,378
Interest payable	9,572,860	-	9,572,860
Noncurrent liabilities:			
Due within one year	8,307,224	-	8,307,224
Due in more than one year	361,120,093	-	361,120,093
Net pension liability	6,947,872	4,092,764	11,040,636
Total OPEB liability	9,563,787	4,941,709	14,505,496
Total liabilities	<u>407,154,723</u>	<u>12,163,059</u>	<u>419,317,782</u>
Deferred Inflows of Resources			
Deferred inflows related to pension	686,892	404,625	1,091,517
Deferred inflows related to OPEB	1,013,527	597,035	1,610,562
Deferred inflows related to debt refunding	3,124,746	-	3,124,746
Total deferred inflows of resources	<u>4,825,165</u>	<u>1,001,660</u>	<u>5,826,825</u>
Net Position			
Net investment in capital assets	6,822,444	94,094,235	100,916,679
Restricted for:			
Street and highway construction	99,771,431	-	99,771,431
Federal grants match	2,013,426	-	2,013,426
Debt service	31,785,751	-	31,785,751
Total restricted net position	133,570,608	-	133,570,608
Unrestricted	(391,330,391)	13,522,161	(377,808,230)
Total net position	<u>\$ (250,937,339)</u>	<u>\$ 107,616,396</u>	<u>\$ (143,320,943)</u>

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

STATEMENT OF ACTIVITIES

Year ended June 30, 2019

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
Streets and highways	\$ 39,636,731	\$ 8,442,924	\$ 5,194,088	\$ -	\$ (25,999,719)	\$ -	\$ (25,999,719)
Transportation services	9,949,107	423,427	3,055,881	210,063	(6,259,736)	-	(6,259,736)
Regional road impact fees	2,726,991	4,834,116	-	-	2,107,125	-	2,107,125
Metropolitan planning	2,653,323	-	975,756	-	(1,677,567)	-	(1,677,567)
Interest on long-term debt	18,684,802	-	-	-	(18,684,802)	-	(18,684,802)
Total governmental activities	73,650,954	13,700,467	9,225,725	210,063	(50,514,699)	-	(50,514,699)
Business-type activities:							
Public Transportation	39,281,797	5,726,408	4,320,161	12,935,472	-	(16,299,756)	(16,299,756)
Total primary government	<u>\$ 112,932,751</u>	<u>\$ 19,426,875</u>	<u>\$ 13,545,886</u>	<u>\$ 13,145,535</u>	<u>(50,514,699)</u>	<u>(16,299,756)</u>	<u>(66,814,455)</u>
General revenues:							
Motor vehicle fuel tax					86,738,311	-	86,738,311
Public transportation tax					11,650,266	20,274,451	31,924,717
Investment earnings					3,266,293	544,930	3,811,223
Gain on sale of capital assets					19,360	18,240	37,600
Miscellaneous					989,854	133,549	1,123,403
Transfers					210,000	(210,000)	-
Total general revenues and transfers					<u>102,874,084</u>	<u>20,761,170</u>	<u>123,635,254</u>
Change in net position					<u>52,359,385</u>	<u>4,461,414</u>	<u>56,820,799</u>
Net position - beginning of year					<u>(303,296,724)</u>	<u>103,154,982</u>	<u>(200,141,742)</u>
Net position - ending					<u>\$ (250,937,339)</u>	<u>\$ 107,616,396</u>	<u>\$ (143,320,943)</u>

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2019

	Major Funds	
	General Fund	Debt Service Fund
Assets		
Cash and investments in custody of County Treasurer	\$ 69,042,030	\$ 21,766
Cash in bank and on hand	8,173,825	10,826
Restricted cash and investments	-	31,721,390
Accounts receivable	3,309,978	-
Due from federal government	768,603	-
Due from other government	15,112,554	-
Interest receivable	235,036	71,860
Impact fees receivable	-	-
Prepays and other assets	304,508	-
Due from other funds	2,251,882	-
Deposits	2,185	-
Total assets	\$ 99,200,601	\$ 31,825,842
Liabilities		
Accounts payable	\$ 5,162,419	\$ 7,499
Retentions payable	4,795,245	-
Accrued liabilities	125,576	-
Due to other funds	168,382	-
Unearned revenue	13,750	-
Total liabilities	10,265,372	7,499
Deferred Inflows of Resources		
Unavailable revenue - federal grants	194,916	-
Unavailable revenue - other reimbursements	970,588	-
Total deferred inflows of resources	1,165,504	-
Fund balances		
Nonspendable:		
Prepays	304,508	-
Deposits	2,185	-
Restricted for:		
Federal grants match	825,178	-
Street and highway construction	86,637,854	-
Debt service	-	31,785,751
Assigned:		
Subsequent year's actual & budget: appropriation of fund balance	-	32,592
Total fund balances	87,769,725	31,818,343
Total liabilities, deferred inflows of resources and fund balances	\$ 99,200,601	\$ 31,825,842

The accompanying notes are an integral part of this statement.

Major Funds		Nonmajor Fund	
Regional Road Impact Fee Fund	Paratransit Services Fund	Metropolitan Planning Organization Fund	Total Governmental Funds
\$ 8,949,802	\$ 1,807,972	\$ 145,583	\$ 79,967,153
3,223,141	380,635	872,883	12,661,310
-	-	-	31,721,390
-	19,850	-	3,329,828
-	1,229,619	276,288	2,274,510
-	1,421,267	-	16,533,821
37,507	4,974	1,672	351,049
1,361,250	-	-	1,361,250
192,975	-	25,231	522,714
-	6,485	-	2,258,367
-	-	-	2,185
<u>\$ 13,764,675</u>	<u>\$ 4,870,802</u>	<u>\$ 1,321,657</u>	<u>\$ 150,983,577</u>
\$ 275,025	\$ 1,098,511	\$ 98,996	\$ 6,642,450
65,866	-	-	4,861,111
-	-	-	125,576
97,232	183,158	340,273	789,045
-	-	-	13,750
<u>438,123</u>	<u>1,281,669</u>	<u>439,269</u>	<u>12,431,932</u>
-	523,878	-	718,794
-	-	-	970,588
-	<u>523,878</u>	-	<u>1,689,382</u>
192,975	-	25,231	522,714
-	-	-	2,185
-	897,419	290,829	2,013,426
13,133,577	-	-	99,771,431
-	-	-	31,785,751
-	2,167,836	566,328	2,766,756
<u>13,326,552</u>	<u>3,065,255</u>	<u>882,388</u>	<u>136,862,263</u>
<u>\$ 13,764,675</u>	<u>\$ 4,870,802</u>	<u>\$ 1,321,657</u>	<u>\$ 150,983,577</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

June 30, 2019

Total fund balances - Governmental Funds		\$ 136,862,263
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in governmental funds.		
Capital assets used in the operation of governmental funds	\$ 20,744,998	
Less accumulated depreciation	<u>(13,922,554)</u>	6,822,444
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
		1,689,382
Long-term liabilities, including bonds payable and accrued interest, are not due and payable in the current period, and therefore, are not reported in the governmental funds		
Governmental bonds payable	(346,612,000)	
Bond premiums and discounts	(22,007,070)	
Accrued interest payable	(9,572,860)	
Compensated absences	(808,247)	
Other postemployment benefits (OPEB)	<u>(9,563,787)</u>	(388,563,964)
Build America Bond credits are not due in the current period and are not reported in the governmental funds		
		1,681,079
Net pension liabilities are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental funds		
		(6,947,872)
Deferred inflows of resources related to debt refunding are applicable to reporting periods and, therefore, are not reported in the funds		
		(3,124,746)
Deferred outflows and inflows of resources related to OPEB are applicable to reporting periods and, therefore, are not reported in the funds		
		(365,810)
Deferred outflows and inflows of resources related to pensions are applicable to reporting periods and, therefore, are not reported in the funds		
		1,009,886
Net position of governmental activities		<u><u>\$ (250,937,338)</u></u>

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

Year ended June 30, 2019

	Major Funds	
	General Fund	Debt Service Fund
Revenues		
Motor vehicle fuel tax	\$ 86,738,311	\$ -
Public transportation tax	5,225,266	-
Impact fees	-	-
Passenger fares	-	-
Project reimbursements	7,624,007	-
Transportation planning, operating and capital grants, and contributions:		
State of Nevada Department of Health and Human Services	-	-
Federal Transit Administration	3,907,754	-
Federal Highway Administration	1,232,161	-
Investment income	2,299,059	563,500
Miscellaneous	982,698	-
Total revenues	<u>108,009,256</u>	<u>563,500</u>
Expenditures		
Current:		
Streets and highways	48,899,491	-
Transportation services	-	-
Metropolitan planning	-	-
Capital outlay:		
Water Rights	1,300,000	-
Equipment	242,149	-
Debt service:		
Principal	-	2,303,000
Interest	-	19,445,659
Debt service fees and other fiscal charges	977,573	43,966
Total expenditures	<u>51,419,213</u>	<u>21,792,625</u>
Excess (deficiency) of revenues over (under) expenditures	<u>56,590,043</u>	<u>(21,229,125)</u>
Other financing sources (uses)		
Sale of capital assets	-	-
Transfers in	-	27,024,148
Transfers out	(28,776,598)	-
Refunding bonds issued	183,235,000	-
Premium on refunding bonds issued	22,507,275	-
Payment to refunded bond escrow agent	<u>(204,793,856)</u>	<u>(19,632,000)</u>
Total other financing sources (uses)	<u>(27,828,179)</u>	<u>7,392,148</u>
Net change in fund balances	28,761,864	(13,836,977)
Fund balances - beginning	<u>59,007,861</u>	<u>45,655,320</u>
Fund balances - ending	<u>\$ 87,769,725</u>	<u>\$ 31,818,343</u>

The accompanying notes are an integral part of this statement.

Major Funds		Nonmajor Fund	
Regional Road Impact Fee Fund	Paratransit Services Fund	Metropolitan Planning Organization Fund	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 86,738,311
-	6,425,000	-	11,650,266
4,830,616	-	-	4,830,616
-	423,427	-	423,427
3,500	-	-	7,627,507
-	2,178,627	-	2,178,627
-	1,488,877	-	5,396,631
198,952	-	975,756	2,406,869
338,381	49,875	15,478	3,266,293
5,000	17,416	-	1,005,114
<u>5,376,449</u>	<u>10,583,222</u>	<u>991,234</u>	<u>125,523,661</u>
2,726,991	-	-	51,626,482
-	8,659,317	-	8,659,317
-	-	2,653,323	2,653,323
-	-	-	1,300,000
-	281,179	32,875	556,203
-	-	-	2,303,000
-	-	-	19,445,659
-	-	-	1,021,539
<u>2,726,991</u>	<u>8,940,496</u>	<u>2,686,198</u>	<u>87,565,523</u>
<u>2,649,458</u>	<u>1,642,726</u>	<u>(1,694,964)</u>	<u>37,958,138</u>
-	19,360	-	19,360
562,450	-	1,400,000	28,986,598
-	-	-	(28,776,598)
-	-	-	183,235,000
-	-	-	22,507,275
-	-	-	(224,425,856)
<u>562,450</u>	<u>19,360</u>	<u>1,400,000</u>	<u>(18,454,221)</u>
3,211,908	1,662,086	(294,964)	19,503,917
10,114,644	1,403,169	1,177,352	117,358,346
<u>\$ 13,326,552</u>	<u>\$ 3,065,255</u>	<u>\$ 882,388</u>	<u>\$ 136,862,263</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

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

Year ended June 30, 2019

Net change in fund balances - total governmental funds \$ 19,503,917

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	\$ 1,856,203	
Current year depreciation expense	<u>(1,323,983)</u>	532,220

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		257,320
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of bond premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.

Bond issue	(183,235,000)	
Bond premium	(13,329,420)	
Principal payments	227,355,000	
Debt issue	571,830	
Amortization of bond premium and discounts	<u>(492,724)</u>	30,869,686

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 compensated absences	(63,619)	
Change in other post-employment benefits (OPEB)	28,368	
Change in accrued interest payable	1,043,436	
Change in interest credits due from federal government	<u>210,147</u>	1,218,332

Governmental funds report pension contributions as expenditures when made. However, in the statement of activities pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions, and investment experience.

Contributions	1,652,215	
Pension expense	<u>(1,674,305)</u>	(22,090)

Change in net position of governmental activities		<u>\$ 52,359,385</u>
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The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

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

Year ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance to Final Budget
	Original	Final		
Revenues				
Motor vehicle fuel tax	\$ 86,639,885	\$ 86,639,885	\$ 86,738,311	\$ 98,426
Public transportation tax	5,021,799	5,021,799	5,225,266	203,467
Project reimbursements	1,500,000	1,500,000	7,624,007	6,124,007
Transportation planning and operating grants:				
Federal Transit Administration	5,187,000	5,187,000	3,907,754	(1,279,246)
Federal Highway Administration	27,106,426	27,106,426	1,232,161	(25,874,265)
Investment income	1,010,000	1,010,000	2,299,059	1,289,059
Miscellaneous	50,000	50,000	982,698	932,698
Total revenues	<u>126,515,110</u>	<u>126,515,110</u>	<u>108,009,256</u>	<u>(18,505,854)</u>
Expenditures				
Current:				
Streets and highways	102,553,759	102,553,759	48,899,491	53,654,268
Capital outlay:				
Water Rights	-	-	1,300,000	(1,300,000)
Equipment	43,275	43,275	242,149	(198,874)
Debt service fees and other fiscal charges	-	-	977,573	(977,573)
Total expenditures	<u>102,597,034</u>	<u>102,597,034</u>	<u>51,419,213</u>	<u>51,177,821</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,918,076</u>	<u>23,918,076</u>	<u>56,590,043</u>	<u>32,671,967</u>
Other financing sources (uses)				
Transfers out	(29,092,165)	(29,092,165)	(28,776,598)	315,567
Refunding bonds issued	-	-	183,235,000	183,235,000
Premium on refunding bonds issued	-	-	22,507,275	22,507,275
Payment to refunded bond escrow agent	-	-	(204,793,856)	(204,793,856)
Total other financing sources (uses)	<u>(29,092,165)</u>	<u>(29,092,165)</u>	<u>(27,828,179)</u>	<u>1,263,986</u>
Net change in fund balance	(5,174,089)	(5,174,089)	28,761,864	33,935,953
Fund balance - beginning	<u>52,542,363</u>	<u>52,542,363</u>	<u>59,007,861</u>	<u>6,465,498</u>
Fund balance - ending	<u>\$ 47,368,274</u>	<u>\$ 47,368,274</u>	<u>\$ 87,769,725</u>	<u>\$ 40,401,451</u>

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND
(Regional Road Impact Fee Fund)**

Year ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Impact fees	\$ 20,000,000	\$ 20,000,000	\$ 4,830,616	\$ (15,169,384)
Project reimbursements	6,000	6,000	3,500	(2,500)
Transportation planning and capital grants:				
Federal Highway Administration	38,950	38,950	198,952	160,002
Investment income	200,000	200,000	338,381	138,381
Miscellaneous	-	-	5,000	5,000
Total revenues	<u>20,244,950</u>	<u>20,244,950</u>	<u>5,376,449</u>	<u>(14,868,501)</u>
Expenditures				
Current:				
Streets and highways	<u>20,682,555</u>	<u>20,682,555</u>	<u>2,726,991</u>	<u>17,955,564</u>
Total expenditures	<u>20,682,555</u>	<u>20,682,555</u>	<u>2,726,991</u>	<u>17,955,564</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(437,605)</u>	<u>(437,605)</u>	<u>2,649,458</u>	<u>3,087,063</u>
Other financing sources				
Transfers in	<u>500,000</u>	<u>500,000</u>	<u>562,450</u>	<u>62,450</u>
Total other financing sources	<u>500,000</u>	<u>500,000</u>	<u>562,450</u>	<u>62,450</u>
Net change in fund balance	62,395	62,395	3,211,908	3,149,513
Fund balance - beginning	<u>6,628,542</u>	<u>6,628,542</u>	<u>10,114,644</u>	<u>3,486,102</u>
Fund balance - ending	<u>\$ 6,690,937</u>	<u>\$ 6,690,937</u>	<u>\$ 13,326,552</u>	<u>\$ 6,635,615</u>

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND
(Paratransit Services Fund)**

Year ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Public transportation tax	\$ 7,250,000	\$ 7,250,000	\$ 6,425,000	\$ (825,000)
Passenger fares	454,878	454,878	423,427	(31,451)
Transportation planning, operating and capital grants, and contributions:				
State of Nevada Department of Health and Human Services	1,218,953	1,218,953	2,178,627	959,674
Federal Transit Administration	3,355,296	3,355,296	1,488,877	(1,866,419)
Investment income	20,000	20,000	49,875	29,875
Miscellaneous	166,450	166,450	17,416	(149,034)
Total revenues	<u>12,465,577</u>	<u>12,465,577</u>	<u>10,583,222</u>	<u>(1,882,355)</u>
Expenditures				
Current:				
Transportation services	9,741,455	9,741,455	8,659,317	1,082,138
Capital outlay:				
Equipment	2,800,000	2,800,000	281,179	2,518,821
Total expenditures	<u>12,541,455</u>	<u>12,541,455</u>	<u>8,940,496</u>	<u>3,600,959</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,878)</u>	<u>(75,878)</u>	<u>1,642,726</u>	<u>1,718,604</u>
Other financing sources				
Sale of capital assets	5,000	5,000	19,360	14,360
Total other financing sources	<u>5,000</u>	<u>5,000</u>	<u>19,360</u>	<u>14,360</u>
Net change in fund balance	(70,878)	(70,878)	1,662,086	1,732,964
Fund balance - beginning	<u>339,590</u>	<u>339,590</u>	<u>1,403,169</u>	<u>1,063,579</u>
Fund balance - ending	<u>\$ 268,712</u>	<u>\$ 268,712</u>	<u>\$ 3,065,255</u>	<u>\$ 2,796,543</u>

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**STATEMENT OF NET POSITION
PROPRIETARY FUND
ENTERPRISE FUND
(Public Transit Fund)**

**June 30, 2019
with comparative amounts at June 30, 2018**

	2019	2018
Assets		
Current assets:		
Cash in custody of County Treasurer	\$ 13,160,881	\$ 16,255,626
Cash in bank and on hand	2,725,521	2,927,762
Accounts receivable	179,495	184,692
Due from federal government	4,036,009	5,916,187
Due from State of Nevada	5,509,126	5,469,842
Interest receivable	58,016	58,082
Due from other funds	202,134	153,574
Inventory	163,742	180,901
Prepaid expenses	353,057	460,072
Total current assets	26,387,981	31,606,738
Noncurrent assets:		
Property, buildings, and equipment, net	94,683,525	89,357,472
Total assets	121,071,506	120,964,210
Deferred Outflows of Resources		
Deferred outflows related to pension	999,516	-
Deferred outflows related to OPEB	381,549	-
Total deferred outflows of resources	1,381,065	-
Liabilities		
Current liabilities:		
Accounts payable	2,210,107	9,409,722
Retentions payable	589,290	222,663
Accrued liabilities	305,561	606,928
Unearned revenue	23,628	33,850
Due to other funds	1,671,456	2,416,942
Total current liabilities	4,800,042	12,690,105
Noncurrent liabilities:		
Other post-employment benefits	4,941,709	4,832,562
Sales tax refund payable	-	286,561
Net pension liability	4,092,764	-
Total liabilities	13,834,515	17,809,228
Deferred Inflows of Resources		
Deferred inflows related to pension	404,625	-
Deferred inflows related to OPEB	597,035	-
Total deferred inflows of resources	1,001,660	-
Net Position		
Net investment in capital assets	94,094,235	89,134,808
Unrestricted	13,522,161	14,020,174
Total net position	\$ 107,616,396	\$ 103,154,982

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
ENTERPRISE FUND
(Public Transit Fund)**

**Year ended June 30, 2019
With comparative amounts for the year ended June 30, 2018**

	2019	2018
Operating revenues:		
Passenger fares	\$ 5,108,047	\$ 5,614,832
Bus advertising	261,659	264,091
Rental income	356,704	435,459
Miscellaneous	133,547	30,121
Total operating revenues	5,859,957	6,344,503
Operating expenses:		
General administration	32,037,960	25,769,143
Depreciation	7,243,837	5,695,881
Total operating expenses	39,281,797	31,465,024
Operating loss	(33,421,840)	(25,120,521)
Nonoperating revenues:		
Operating subsidies:		
Federal government grants	4,320,161	4,088,110
Other revenue:		
Public transportation tax	9,823,919	11,066,489
Public transportation taxes pledged	10,450,532	10,211,947
Investment income	544,930	65,488
Gain (loss) on sale of capital assets	18,240	218
Total nonoperating revenues	25,157,782	25,432,252
Loss before capital contributions and transfers	(8,264,058)	311,731
Capital contributions:		
Federal grants	12,935,472	7,710,653
State grants	-	137,256
Total capital contributions	12,935,472	7,847,909
Transfers:		
Transfers out	(210,000)	(300,000)
Total transfers	(210,000)	(300,000)
Change in net position	4,461,414	7,859,640
Net position - beginning of year	103,154,982	95,295,342
Net position - ending	\$ 107,616,396	\$ 103,154,982

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND
ENTERPRISE FUND
(Public Transit Fund)**

**Year ended June 30, 2019
With comparative amounts for the year ended June 30, 2018**

	2019	2018
Cash flows from operating activities		
Cash received from customers	\$ 5,513,724	\$ 6,069,334
Cash received from other funds	291,360	291,360
Cash payments to suppliers for goods and services	(31,730,628)	(15,894,942)
Cash compensation and employee benefits	(4,240,521)	(6,110,601)
Net cash provided by (used for) operating activities	(30,166,065)	(15,644,849)
Cash flows from noncapital financing activities		
Operating grants	4,219,585	4,822,871
Transfers to other funds	(210,000)	(300,000)
Public transportation tax received	19,949,895	19,778,983
Net cash provided by (used for) noncapital financing activities	23,959,480	24,301,854
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(12,569,863)	(14,711,709)
Capital contributions	14,916,226	7,040,756
Proceeds from the sale of capital assets	18,240	218
Net cash provided by (used for) capital and related financing activities	2,364,603	(7,670,735)
Cash flows from investing activities:		
Investment income	544,996	50,560
Net change in cash and cash equivalents	(3,296,986)	1,036,830
Cash and cash equivalents - beginning	19,183,388	18,146,558
Cash and cash equivalents - ending	\$ 15,886,402	\$ 19,183,388

(continued)

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND - CONTINUED
ENTERPRISE FUND
(Public Transit Fund)**

**Year ended June 30, 2019
With comparative amounts for the year ended June 30, 2018**

	2019	2018
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (33,421,840)	\$ (25,120,521)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation and amortization expense	7,243,837	5,695,881
Decrease (increase) in accounts receivable	3,908	109,673
Decrease (increase) in inventory	17,159	(53,613)
Decrease (increase) in prepaid expenses	107,013	(72,125)
Increase (decrease) in accounts payable	(7,199,615)	6,717,756
Increase (decrease) in net pension liability	3,483,035	-
Increase (decrease) in net OPEB liability	324,633	206,732
Increase (decrease) in other liabilities	(724,195)	(3,128,632)
Total adjustments	3,255,775	9,475,672
Net cash used for operating activities	\$ (30,166,065)	\$ (15,644,849)

The accompanying notes are an integral part of this statement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Regional Transportation Commission of Reno, Sparks and Washoe County, Nevada (RTC) conform to accounting principles generally accepted in the United States of America (GAAP), as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental and Financial Reporting Standards, which along with subsequent GASB pronouncements, constitutes GAAP for governmental units. A summary of RTC's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Reporting Entity

The Regional Transportation Commission of Reno, Sparks and Washoe County was created through an interlocal cooperative agreement signed in May 1978 by Washoe County, the City of Reno and the City of Sparks. It became the Regional Transportation Commission (RTC) in July 1979. The agreement was amended in 1985 when these three public entities delegated their powers to the Commission in order to consolidate the administration and operation of public mass transportation in Washoe County. The Commission operates as a governing board with two representatives selected by the Washoe County Board of Commissioners, two representatives selected by the City Council of the City of Reno and one representative selected by the City Council of the City of Sparks.

The RTC's street and highway construction projects in Washoe County are financed from the motor vehicle fuel tax revenue, public transportation tax revenue, and impact fees for the construction of new roads and capacity improvements on roads impacted by new development. These projects are submitted to the RTC for approval and subsequently to Washoe County, City of Reno, and City of Sparks for approval. An interlocal cooperative agreement, signed by the three public entities mentioned is required before monies can be expended on these construction projects. The infrastructure created by these projects becomes the asset of the applicable public entity (City of Reno, the City of Sparks or Washoe County) upon completion.

The RTC is also responsible for the local public transit system, RTC RIDE. Final authority on the budget of the program rests with the RTC.

The RTC has allocated public transportation tax receipts to the following operations: (1) RTC RIDE a public bus system in Washoe County; the RTC contracts with a private company, MV Transportation, Incorporated, to operate RTC RIDE; (2) RTC ACCESS a paratransit operation which provides transportation services to the elderly and disabled population in Washoe County; the RTC contracts with a private company, Ride Right LLC, to operate RTC ACCESS; and (3) Tahoe Area Regional Transit (TART) a transit system operating in part in Incline Village, Nevada; TART is operated by Placer County, California; the RTC reimburses Placer County for operating expenses incurred while providing transit service in Washoe County.

The accompanying financial statements present the government. The RTC does not have any component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. *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 fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (continued)

Separate financial statements are provided for governmental funds and the proprietary fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, and allowable expenses are made under the grant provisions.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Income earned on investments and project reimbursements associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Motor vehicle fuel tax and public transportation tax revenues are derived tax revenues collected by the State of Nevada and shared with the RTC. The RTC recognizes these revenues in the same period as the State. All other revenue items are considered to be measurable and available only when cash is received by the government.

Generally, expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other postemployment benefits and claims and judgments, are recorded only when payment is due.

Project appropriations that have been approved but for which expenditure has not been incurred, are reflected as amounts restricted for project appropriations in the General Fund and Special Revenue Funds. Project appropriations are approved when a cooperative agreement specifying the amount of motor vehicle fuel tax funds, bond proceeds, impact fees or other financing sources to be spent, is executed by all the governing bodies within the jurisdiction of the RTC, or when the project has been added to the program of projects and approved by the RTC Board of Commissioners.

The RTC reports the following major governmental funds:

General Fund – The General Fund is the RTC's primary operating fund. It accounts for all financial resources of the RTC, except for those required to be accounted for in another fund. Regional street and highway expenditures for road projects are accounted for in this fund instead of a separate fund in order to reduce undue complexity in budgeting, accounting and other phases of financial management.

Debt Service Fund – The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Regional Road Impact Fee Fund (Special Revenue Fund) – Monies recovered from impact fees and resources provided for capacity improvements to the regional road system are accounted for in the Regional Road Impact Fee Fund.

Paratransit Services Fund (Special Revenue Fund) – Allocation of public transportation tax, passenger fares, and federal grants for RTC ACCESS are accounted for in the Paratransit Services Fund.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The RTC reports the following major proprietary fund:

Public Transit Fund (*Enterprise Fund*) – Accounts for the operation of RTC RIDE.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The proprietary fund distinguishes *operating* revenues and expenses from *non-operating* 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 RTC's proprietary fund are charges to customers for services. Operating expenses for the proprietary fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the RTC's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash, Cash Equivalents and Temporary Investments

The RTC's cash and cash equivalents are considered to be cash on hand, demand deposits, and temporary investments. A portion of the cash resources of the individual funds are deposited with the Washoe County Treasurer. Those resources are combined with the resources of the County's funds and other local governments within the County to form a pool of cash and investments. In accordance with 355.170 of Nevada Revised Statutes, Washoe County invested in various treasury notes, mutual funds, commercial paper, bonds, and U.S. Government securities. The RTC's net position in these securities is reported at fair value, in accordance with GASB Statement No. 72, Fair Value Measurements and Application.

In addition to the cash and investment pool, certain deposits and investments are held separately by RTC funds and reported accordingly. Investments are reported at fair value and changes in fair value are included in investment income.

Investment income earned as a result of the above pooling arrangement is distributed by the County Treasurer to the appropriate funds as it is received. Interest receivable at June 30 is calculated by the Treasurer's office and accrued in the various funds. The investment income is allocated based on each fund's monthly average cash balance.

For purposes of the statement of cash flows, the RTC considers all highly liquid investments, including pooled investments with original maturities of three months or less to be cash equivalents.

Restricted Assets

Restricted assets consist of cash and investments that are restricted in their use by either bond covenants or other external agreements. RTC's restricted assets consist of remaining bond proceeds for specific road construction projects, unspent grant proceeds and debt service requirements pursuant to bond covenants.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables and Payables (continued)

between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” The RTC considers trade receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to operations when that determination is made.

Inventories and Prepaid Items

The Proprietary Fund’s inventory is comprised of bus fuel and is stated at weighted average cost. Inventories of governmental funds, generally consisting of materials and supplies, are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in government-wide, governmental, and proprietary fund financial statements. The RTC uses the consumption method in accounting for prepaids.

Capital Assets

Capital assets, which include property, buildings and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the RTC as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

Infrastructure assets constructed by the street and highway function of the RTC (e.g., roads, bridges, curbs and gutters, streets and sidewalks) are not assets of the RTC, and so have not been capitalized or depreciated. Under the cooperative agreements to build such infrastructure assets, the entities agree that the infrastructure created belongs to the applicable public entity (City of Reno, City of Sparks or Washoe County).

The RTC has intangible assets in the form of water rights. The water rights are acquired through right-of-way land purchases as part of the construction of infrastructure assets. Water rights are separated from land purchases before the land is dedicated to the applicable public entity as part of their completed infrastructure asset. Water rights are not used in the operation of RTC’s street and highway function and are recorded as other assets.

Expenditures related to the construction of infrastructure assets are recognized when incurred. Grants, contributions and reimbursements for the construction of infrastructure assets are recognized as operating grants and contributions in the Statement of Activities. Impact fees collected for use in the street and highway function are recognized as general revenues in the Statement of Activities.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

When capital assets are retired, sold, or otherwise disposed of, the asset’s carrying amount and related accumulated depreciation are removed from the asset accounts and any gain or loss is recorded in the period of disposal.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation of all exhaustible capital assets is charged as an expense against operations. Accumulated depreciation is reported on the Statement of Net Position. For both governmental and business-type activities, property, buildings and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Estimated Service Life (Years)</u>
Buildings and building improvements	15-30
Communication equipment	3-5
Computer equipment	3-5
Leasehold improvements	3-20
Miscellaneous fixtures and equipment	4-7
Office furniture and equipment	3-8
Passenger shelters	3 -15
Revenue collection and counting equipment	3-6
Revenue vehicles (buses)	12
Revenue vehicles (vans)	5-7
Support vehicles	5
Safety and security equipment	5-6
Tool and shop equipment	3-12

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position or balance sheet will sometimes report separate sections for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The RTC reports an amount related to pensions and other post-employment benefits (OPEB) on the government-wide financial statements.

In addition to liabilities, the Statement of Net Position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The RTC has two types of deferred inflows of resources: 1) Amounts which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The unavailable revenue reported is from three sources, federal grants, state grants, and project reimbursements and 2) Amounts related to pensions and OPEB on the government-wide financial statements. The amounts are deferred and recognized as an inflow of resources in the period that they become available.

Compensated Absences

It is the RTC's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A liability is recognized for compensated absences relating to services already rendered that are not contingent on a specific event and are accrued as employees earn the rights to the benefits. Compensated absences relating to future services or that are contingent on a specified event will be accounted for in the period those services are rendered or those events take place. The obligation for compensated absences is accrued when incurred in the government-wide financial statements.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (continued)

For governmental type funds, the compensated absences are reported as fund liabilities only to the extent that those liabilities relate to benefits payable to employees upon termination of their employment as of the fiscal year end.

Interfund Activity

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include interfund lease payments between the RTC's street and highways, transportation services and metropolitan planning functions and the business-type activities, public transportation function. Elimination of these payments would distort the direct costs and program revenues for the various functions concerned.

Long-Term Obligations, Bond Discounts and Issuance Costs

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund Statement of Net Position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which is materiality consistent with the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed during the current period.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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 debt proceeds received, are reported as expenditures.

Pension

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of the State of Nevada (PERS) Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position Classifications

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

- Net investment in capital assets – consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of capital assets.
- Restricted – consists of net position subject to constraints that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – all other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

In the fund financial statements, governmental funds report the difference between assets and liabilities as fund balance. The following are the classification policies and procedures used for reporting fund balance:

- *Nonspendable* fund balance includes amounts that are not in a spendable form or are required to be legally or contractually maintained intact.
- *Restricted* fund balance includes amounts that can only be spent for the specific purposes where restrictions are externally imposed by creditors, grantors, contributors, constitutional provisions, regulations of other governments, or enabling legislation. Effectively, restrictions may only be changed or lifted with the consent of the external party. The RTC has restricted fund balances in the form of monies restricted by the State for special studies, federal grants and enabling legislation.
- *Committed* fund balance includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision making authority. Commitments may only be changed or lifted by the government taking the same formal action that imposed the original constraint. The RTC's Board of Commissioners is the highest level of decision making authority and any fund balance commitments established, modified, or rescinded would require a majority vote of the RTC's Board of Commissioners.
- *Assigned* fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body, an official or body to which the governing body delegates the authority. The RTC Board of Commissioners delegates to the Executive Director or his or her designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.
- *Unassigned* fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted or committed.

The RTC will consider restricted fund balance to be spent first for an expenditure for which multiple fund balance classifications are available. Committed fund balance will be spent first, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for the purposes for which any unrestricted fund balance classification could be used.

Budget Minimum Fund Balance Policy

The RTC Board of Commissioners has adopted a minimum fund balance policy for budget preparation. Fund balance is set aside as a contingency for revenue shortfalls or unanticipated expenditures. Fund balance can also be used to temporarily finance cash flow and to fund self-insurance and capital replacement programs. A minimum fund balance policy establishes the type of fund balances an organization will have, as well as the size and use of those fund balances. It is not the intent of this policy to accumulate unnecessary or excessive levels of fund balance; nor is it to be used to fund regular or ongoing operations.

The purpose of this minimum fund balance policy is to:

- Provide an overall, long-range approach to financial management.
- Ensure that the RTC is able to meet its financial obligations as they arise.
- Improve fiscal stability and protect the RTC during a financial emergency.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget Minimum Fund Balance Policy (continued)

a. Public Transportation Program Policy Statement

The sum of all fund balances for the Public Transportation Program shall be maintained at a minimum amount equal to two months of operating expenditures at June 30 of each fiscal year budget. The maximum fund balance amount would not exceed three months of operating expenditures.

b. Street and Highway Program Policy Statement

The minimum fund balance for the Street and Highway Program shall consist of two components:

1. Operating fund reserves will be maintained at a minimum of five (5) percent of operating expenditures.
2. The projects not yet finalized account will be maintained annually at a minimum of \$500,000.

The development of the minimum fund balance policy should ensure financial planning and stability for the future.

Comparative Data

The financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. The comparative data has been presented only for the Enterprise Fund in the basic financial statements in order to provide an understanding of the changes in the financial position and operations of this fund. Accordingly, such information should be read in conjunction with the RTC's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

New Accounting Pronouncements

The Governmental Accounting Standards Board has issued GASB Statement No. 83, *Certain Asset Retirement Obligations*, effective for fiscal years beginning after June 15, 2018. This pronouncement was applicable; however, had no impact on the financial statements as of June 30, 2019.

The Governmental Accounting Standards Board has issued GASB Statement No. 84, *Fiduciary Activities*, effective for fiscal years beginning after December 15, 2018. This pronouncement will be implemented in fiscal year ending June 30, 2020.

The Governmental Accounting Standards Board has issued GASB Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019. This pronouncement will be implemented in fiscal year ending June 30, 2021.

The Governmental Accounting Standards Board has issued GASB Statement No. 88, *Certain Disclosures Related to Debt*, effective for fiscal years beginning after June 15, 2018. This pronouncement was applicable; however, had no impact on financial statements as of June 30, 2019.

The Governmental Accounting Standards Board has issued GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2019. This pronouncement will be implemented in fiscal year ending June 30, 2021.

The Governmental Accounting Standards Board has issued GASB Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61.*, effective for fiscal years beginning after December 15, 2018. This pronouncement will be implemented in fiscal year ending June 30, 2020.

The Governmental Accounting Standards Board has issued GASB Statement No. 91, *Conduit Debt Obligations*, effective for fiscal years beginning after December 15, 2020. This pronouncement will be implemented in fiscal year ending June 30, 2022.

**Regional Transportation Commission
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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

For the year ended June 30, 2019, the RTC established its budget within the legally mandated timeframe.

- a. On or before April 15, the Finance Department submits to the Nevada Department of Taxation a tentative budget for the fiscal year commencing July 1, 2018.
- b. On May 21, 2018, the Executive Director submitted to the RTC's Board of Commissioners a proposed operating budget for the fiscal year commencing July 1, 2018. The operating budget includes proposed expenditures/expenses and the means of financing them.
- c. Public hearings were conducted in May to obtain taxpayer comments. On May 21, 2018, the budget for each fund was adopted through passage of a resolution by a majority vote of the RTC's Board of Commissioners of the RTC. The RTC filed the budget directly with the Department of Taxation, State of Nevada.

The following legal requirements were considered in developing the budgetary data which is reflected in the financial statements.

- a. Annual budgets for all governmental and proprietary funds are adopted on a basis consistent with generally accepted accounting principles. The governing body can augment the budget after following public hearing procedures. Unexpended appropriations lapse at year-end.
- b. The Executive Director is authorized to transfer appropriations between accounts within the General Fund. Any revision which alters the total appropriations of a function or fund must be approved in advance prior to year-end by the RTC's Board of Commissioners and submitted to the Department of Taxation, State of Nevada.
- c. State statute does not require that capital outlay, debt service payments, and other cash transactions normally reflected in the Statement of Net Position of the Proprietary Fund be limited by the budget.
- d. Budgeted appropriations generally may not be exceeded by actual expenditures of the various governmental functions in the General Fund, Special Revenue Funds, and by operating and non-operating expenses in the Proprietary Fund.
- e. Fund net position in the Proprietary Fund may not be a deficit.

Excess of Expenditures over Appropriations and Deficit Fund Net Position

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

**Regional Transportation Commission
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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE C – CASH AND INVESTMENTS

Deposits

For the year ended June 30, 2019, the RTC had the following cash balances:

	Carrying Amount	Bank Balance
On hand	\$ 7,815	\$ 7,815
On deposit with bank	15,379,016	16,941,991
Restricted cash from Motor Vehicle Fuel Tax Revenue Bonds	17,915,850	17,915,851
Total RTC cash and deposits	\$ 33,302,681	\$ 34,865,657

The difference between the carrying amount and bank balance results from outstanding checks and deposits not yet reflected at the bank.

Custodial Credit Risk – Deposits

For deposits, custodial credit risk is the risk that in the event of a bank failure, the RTC's deposits may not be returned. The RTC does not have a policy for custodial credit risk; however, the RTC participates through Washoe County in the Nevada State Collateral Pool for public fund deposits. Depository banks are required to place acceptable securities of no less than 102% of the market value of the total deposits of public entities in Nevada with a third party custodian. The collateral pool is administered and monitored by the Nevada State Treasurer's Office. Due to its participation in the Nevada State Collateral Pool, the RTC's deposits were fully insured and collateralized, and as such, were not exposed to any custodial credit risk at June 30, 2019.

Pooled Investment Funds

The RTC deposits are maintained in a recognized pooled investment fund under the care of the Washoe County Chief Investment Official (the Washoe County Treasurer) under authority delegated by the Board of County Commissioners. In addition, the Washoe County Treasurer's External Investment Pool is overseen by an Investment Committee and is included in their annual audit.

Pooled investment funds consist of cash deposited in the interest-bearing Washoe County Treasurer's External Investment Pool. The investment pool is not registered with the SEC as an investment company and no legally binding guarantees have been provided to support the value of the shares. The fair value of the pooled investments deposited in the investment pool is equal to the value of the pool shares. At June 30, 2019, the carrying amount of \$93,128,034 recorded at fair value of the various funds of the RTC in the pool was approximately 17.8% of the County's total balance. Earnings, realized and unrealized gains and losses are included in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Proprietary Fund's Statement of Revenues, Expenses and Changes in Fund Net Position, captioned as investment income.

Because the RTC's deposits are maintained in a recognized pooled investment fund under the care of a third party and the RTC's share of the pool does not consist of specific, identifiable investment securities, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required. The RTC's deposits in the pool are considered to be highly liquid. The Washoe County audited Comprehensive Annual Financial Report indicates that there were no derivatives in the pool as of June 30, 2019. A copy of this report can be obtained at www.washoecounty.us or through a request sent to P.O. Box 11130, Reno, NV 89520.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments

The RTC has a formal investment policy adopted by the RTC Board of Commissioners that is designed to insure conformity with NRS and seeks to limit exposure to investment risks. State statute authorizes the RTC to invest in the following:

- Obligations of the United States or its agencies.
- Certificates of deposit issued by commercial banks, insured credit unions or savings and loan associations as well as certain farm loan bonds.
- Certain securities issued by local governments of the State of Nevada and other securities expressly authorized by other statutes of the State of Nevada.
- Bankers acceptances, commercial paper issued by a U.S. corporation or state operating in the U.S., and money market mutual funds registered with the Securities and Exchange Commission.
- Notes, bonds, and other unconditional obligations for the payment of money issued by corporations organized and operating in the United States.

Investments are recorded at fair value.

The RTC categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The RTC does not have any investment that is measured using Level 2 and 3 inputs.

As of June 30, 2019, the RTC had the following recurring fair value measurements as identified below:

Government-Wide Balances:	Total	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Commercial Paper	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Notes	11,554,415	11,554,415	-	-
Money Market Mutual Funds	2,002,373	2,002,373	-	-
Federal Agency Bond	248,752	248,752	-	-
Total Investment	13,805,540	13,805,540	-	-
Total Cash	33,302,681			
Washoe County Investment Pool	93,128,034			
Total Cash and Investments	\$ 140,236,255			

Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. Investments categorized as Level 2 are valued at fair value based on the observable market prices of the underlying assets held by the pool or fund less liabilities.

As of June 30, 2019, the RTC had the following investments and maturities:

Government-Wide Balances:	Fair Value	Investment Maturities (In Years)			
		Less than 1	1 to 4	4 to 6	6 to 10
Commercial paper	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Notes	11,554,415	-	4,743,105	6,811,310	-
Money Market Mutual Funds	2,002,373	2,002,373	-	-	-
Federal Agency Bond	248,752	-	248,752	-	-
Washoe County Investment Pool	93,128,034	40,229,744	43,443,393	7,817,094	1,637,803
Total Investment	106,933,574	42,232,117	48,435,250	14,628,404	1,637,803
Total Cash	33,302,681	-	-	-	-
Total Cash and Investments	\$ 140,236,255	\$ 42,232,117	\$ 48,435,250	\$ 14,628,404	\$ 1,637,803

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit quality of investments is limited by NRS, which authorizes investments in obligations of the U.S. Treasury and agencies or instrumentalities of the U.S., obligations of the State of Nevada and local governments, notes, bonds and other obligations issued by corporations rated "A" or better by one or more nationally recognized bond credit rating agencies, commercial paper rated "A-1", "P-1" or better, repurchase agreements, certificates of deposit, and money market mutual funds rated "AAA" or its equivalent.

The RTC investment policy does not further limit its investment choices with the exception of investments in notes, bonds and other obligations issued by corporations. Pursuant to the RTC's formal investment policy, corporate obligations must be rated "AA" or better.

As of June 30, 2019, the RTC's investments were rated as follows:

Investment Type	Fair Value	Ratings	
		Moody's	Standard & Poor's
U.S. Treasury Notes	\$ 11,554,415	Aaa	AA+
Money Market Mutual Funds	2,002,373		
Federal Agency Bond	248,752	Aaa	AA+
Total Investments	<u>\$ 13,805,540</u>		

Interest Rate Risk

Interest rate risk is defined as the risk that changes in market interest rates will adversely affect the fair value of an investment. NRS 355.170 and NRS 355.171 limit maturities of authorized investments. The RTC's formal investment policy does not further limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The weighted average years to maturity for all investments at June 30, 2019 are 0.84 years.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The RTC's formal investment policy requires investment portfolio diversification in order to eliminate the risk of loss from overconcentration. The policy places the statutory limits on investments. Amounts invested in direct obligations of the U.S. government, securities backed by the full faith and credit of the U.S. government, repurchase agreements or certificates of deposit are not limited. Investment limits per issuer are placed on the following securities: securities backed by federal agencies, 35%; agency issued mortgage-backed securities, 15%; corporate obligations, 4%; obligations issued by state and local governments, 25%. Other limits are placed on the following securities: bankers acceptances, 20% in the aggregate; commercial paper, 20% of portfolio; and money market funds, 45% of money market fund assets.

At June 30, 2019, RTC's investments were invested in the following:

U.S. Treasury	83.69%
Money Market Mutual Funds	14.50%
Federal Agency Bond	1.80%

**Regional Transportation Commission
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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE D – RESTRICTED CASH AND INVESTMENTS

Governmental Funds

The restricted cash and investments balance of \$31,721,390 in the Debt Service Fund is restricted for required reserves and debt service on the bonds.

NOTE E – CAPITAL ASSETS

A summary of activity in capital assets used in the operation of governmental activities for the year ended June 30, 2019, follows:

Governmental Activities	Balance June 30, 2018	Additions & Reclassifications	Transfers/ Deletions	Balance June 30, 2019
Capital Assets not being depreciated:				
Land	\$ 2,282,090	\$ -	\$ -	\$ 2,282,090
Water Rights	-	1,300,000	-	1,300,000
Construction in progress	18,522	248,822	-	267,344
Total Capital Assets, not being depreciated	<u>2,300,612</u>	<u>1,548,822</u>	<u>-</u>	<u>3,849,434</u>
Capital Assets being depreciated:				
Revenue & support vehicles	5,586,902	39,148	(131,197)	5,494,853
Other equipment	4,300,717	288,780	(365,085)	4,224,412
Buildings and leasehold improvements	7,176,299	-	-	7,176,299
Total Capital Assets being depreciated	<u>17,063,918</u>	<u>327,928</u>	<u>(496,282)</u>	<u>16,895,564</u>
Less accumulated depreciation for:				
Revenue & support vehicles	(3,390,448)	(973,355)	131,197	(4,232,606)
Other equipment	(4,010,725)	(130,706)	365,085	(3,776,346)
Buildings and leasehold improvements	(5,673,136)	(240,466)	-	(5,913,602)
Total accumulated depreciation	<u>(13,074,309)</u>	<u>(1,344,527)</u>	<u>496,282</u>	<u>(13,922,554)</u>
Total Capital Assets being depreciated, net	<u>3,989,609</u>	<u>(1,016,599)</u>	<u>-</u>	<u>2,973,010</u>
Governmental activities Capital Assets, net	<u>\$ 6,290,221</u>	<u>\$ 532,223</u>	<u>\$ -</u>	<u>\$ 6,822,444</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE E – CAPITAL ASSETS (CONTINUED)

A summary of activity in capital assets used in business-type activities for the year ended June 30, 2019, follows:

Business-type Activities	Balance June 30, 2018	Additions	Transfers/ Deletions	Balance June 30, 2019
Capital Assets not being depreciated:				
Land	\$ 16,681,818	\$ -	\$ -	\$ 16,681,818
Construction in progress	9,777,897	3,569,033	(9,777,898)	3,569,032
Total Capital Assets, not being depreciated	<u>26,459,715</u>	<u>3,569,033</u>	<u>(9,777,898)</u>	<u>20,250,850</u>
Capital Assets being depreciated:				
Revenue vehicles	39,953,032	9,898,079	(2,760,467)	47,090,644
Tool and shop equipment	1,024,729	1,185,053	-	2,209,782
Office furniture and equipment	132,917	-	-	132,917
Support vehicles	531,378	38,107	-	569,485
Revenue collection and counting equipment	1,783,525	339,339	(548,906)	1,573,958
Miscellaneous fixtures and equipment	2,148,070	1,259,656	(133,590)	3,274,136
Buildings and leasehold improvements	64,088,151	452,466	-	64,540,617
Land improvements	1,364,355	-	-	1,364,355
Communications equipment	558,393	1,489,588	-	2,047,981
Surveillance equipment	999,133	98,733	(16,210)	1,081,656
Passenger shelters	7,640,786	3,952,779	-	11,593,565
Computer equipment	1,760,506	64,955	(64,408)	1,761,053
Intelligent transportation system	3,057,214	-	-	3,057,214
Total Capital Assets being depreciated	<u>125,042,189</u>	<u>18,778,755</u>	<u>(3,523,581)</u>	<u>140,297,363</u>
Less accumulated depreciation for:				
Revenue vehicles	(24,980,731)	(3,546,701)	2,760,467	(25,766,965)
Tool and shop equipment	(410,774)	(86,570)	-	(497,344)
Office furniture and equipment	(132,917)	-	-	(132,917)
Support vehicles	(486,743)	(20,993)	-	(507,736)
Revenue collection and counting equipment	(1,444,894)	(138,630)	548,906	(1,034,618)
Miscellaneous fixtures and equipment	(1,239,705)	(154,767)	133,590	(1,260,882)
Buildings and leasehold improvements	(22,598,835)	(2,235,809)	-	(24,834,644)
Land improvements	(654,081)	(55,049)	-	(709,130)
Communications equipment	(449,724)	(62,981)	-	(512,705)
Surveillance equipment	(884,003)	(32,096)	16,210	(899,889)
Passenger shelters	(4,332,627)	(786,111)	-	(5,118,738)
Computer equipment	(1,472,185)	(124,130)	64,408	(1,531,907)
Intelligent transportation system	(3,057,214)	-	-	(3,057,214)
Total accumulated depreciation	<u>(62,144,432)</u>	<u>(7,243,837)</u>	<u>3,523,581</u>	<u>(65,864,688)</u>
Total Capital Assets being depreciated, net	<u>62,897,757</u>	<u>11,534,918</u>	<u>-</u>	<u>74,432,675</u>
Business-type activities Capital Assets, net	<u>\$ 89,357,472</u>	<u>\$ 15,103,951</u>	<u>\$ (9,777,898)</u>	<u>\$ 94,683,525</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE E – CAPITAL ASSETS (CONTINUED)

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

<u>Governmental Activities:</u>	
Streets and highways	\$ 34,193
Transportation services	<u>1,310,334</u>
Total depreciation expense - Governmental activities	<u>1,344,527</u>
Business-type activities:	
Public transportation	<u>\$ 7,243,837</u>

NOTE F – CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the RTC expects such amounts, if any, to be immaterial.

NOTE G – UNEARNED REVENUE

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, \$13,750 in unearned rental revenue was reported in the General Fund.

NOTE H – UNINSURED RISK

The RTC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The RTC is self-insured for municipal liability and business auto liability. The RTC administers claims and judgments falling under the self-insurance limit. Liabilities of any fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount, as it depends on many factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. All claims are liquidated as they become due and payable using current resources. Additional excess coverage insurance policies cover individual claims in excess of \$25,000 per event. Settlements have not exceeded coverage for each of the past five fiscal years. The RTC did not incur any liability claim in fiscal year 2019.

**Regional Transportation Commission
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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE I – LONG - TERM OBLIGATIONS

Current Refunding

On December 20, 2018, RTC issued Series 2018 Bonds for a total proceeds of \$183,235,000 with a premium of \$22,507,275 to refund and defease the Bonds Series 2009 for \$60,787,000 and 2013 for \$164,265,000. As a result of the refunding, RTC reduced annual debt service payments starting in FY 2020 by \$2.4 million, with a total savings of refunding of \$44.7 million. The refunding transaction resulted in a gain on refunding of \$3.6 million that is recorded as a deferred inflow of resources on the statement of net position. The deferred inflow is being amortized as an adjustment to interest expense over the original life of the refunded debt.

Revenue Bonds

The RTC issued revenue bonds to provide funds for the construction and pavement maintenance of certain streets and highways in the County. All revenue bonds are publicly issued debt. There are no subjective accelerative clauses related tot he outstanding debt.

The bond Series 2010ABC, Series 2010EF and Series 2018 constitute special, limited obligations of Washoe County, payable solely from and secured by an irrevocable pledge of the Net Pledged Revenues, derived primarily from certain taxes on motor vehicle fuel collected by the RTC.

The bond Series 2010H constitutes special, limited obligations of Washoe County, payable from and secured by an irrevocable pledge of the Net Pledged Revenues, derived primarily from one-eighth of one percent (0.125%) sales tax collected by the RTC.

The bonds shall not be considered or held to be a general obligation of the County or RTC. Owners of the bonds may not look to any other funds or accounts other than those specifically pledged to the payment of the bonds.

Bonds outstanding at June 30, 2019 are as follows:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rates to Maturity</u>	<u>Final Maturity</u>	<u>Principal Outstanding June 30, 2019</u>
Motor Vehicle Fuel Tax Series 2010A ⁽¹⁾	3/17/2010	\$ 13,179,000	2.5 - 4.0 %	2/1/2020	\$ 2,396,000
Motor Vehicle Fuel Tax Series 2010B ⁽²⁾	3/17/2010	66,821,000	5.6 - 7.2	2/1/2039	66,821,000
Motor Vehicle Fuel Tax Series 2010C ⁽³⁾	3/17/2010	10,000,000	7.2	2/1/2040	10,000,000
Motor Vehicle Fuel Tax Series 2010E ⁽²⁾	12/16/2010	58,775,000	7.969	2/1/2040	58,775,000
Motor Vehicle Fuel Tax Series 2010F ⁽³⁾	12/16/2010	5,385,000	7.875	2/1/2040	5,385,000
Sales Tax Improvement Bonds Series 2010H ⁽²⁾	12/16/2010	20,000,000	7.451	2/1/2040	20,000,000
Motor Vehicle Fuel Tax Series 2018 ⁽¹⁾	12/20/2018	183,235,000	4 - 5.2	2/1/2043	183,235,000
		<u>\$ 357,395,000</u>			<u>\$ 346,612,000</u>

¹ Tax Exempt Bond

² Taxable Direct Pay Build America Bond (BAB) providing federally refundable interest credits

³ Taxable Recovery Zone Economic Development Bond (RZEDB) providing federally refundable interest credits

The debt service on bond Series 2010A and 2018 will be payable from net pledged revenues.

The debt service on bond Series 2010B, 2010C, 2010E, 2010F, and 2010H will be payable from net pledged revenues and BAB and RZED interest credits to the extent that any such credits are actually received by the RTC.

Net pledged motor vehicle fuel tax revenues for the fiscal year on Motor Vehicle Fuel Tax bonds totaled \$86,738,311 with principal and interest payments on the bonds totaling \$20,258,459. Total principal and interest remaining to be paid on all motor vehicle fuel tax bonds before BAB and RZEDB credits is \$614,457,488 payable through 2043.

Pledged sales tax revenue for the fiscal year on the Series 2010H bonds totaled \$10,450,532. Interest payments totaling \$1,490,200 were made during FY 2019. Total principal and interest remaining to be paid on the Series 2010H bond before BAB interest credits, is \$43,932,985 payable through 2040.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

Compensated Absences

The liability for compensated absences is included in noncurrent liabilities on the government-wide Statement of Net Position. The governmental activities liability for compensated absences is for RTC employee benefits which are paid from the General Fund; therefore, no compensated absences liability is reported for in the business-type activities.

Changes in long-term liabilities

Changes in long-term liabilities for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Revenue Bonds					
Motor Vehicle Fuel Tax Bonds	\$ 370,732,000	\$ 183,235,000	\$ (227,355,000)	\$ 326,612,000	\$ 6,626,000
Sales Tax Improvement Bonds	20,000,000	-	-	20,000,000	-
Total Revenue Bonds	390,732,000	183,235,000	(227,355,000)	346,612,000	6,626,000
Less					
Bond Premium	9,179,622	22,507,275	(9,670,579)	22,016,318	1,312,152
Bond Discount	(24,955)	15,707	-	(9,248)	(9,248)
Total Bond Premiums and Discounts	9,154,667	22,522,982	(9,670,579)	22,007,070	1,302,904
Other Liabilities					
Compensated absences	744,628	563,578	(499,959)	808,247	378,320
Total Other Liabilities	744,628	563,578	(499,959)	808,247	378,320
Total Governmental Activities	400,631,295	206,321,560	(237,525,538)	369,427,317	8,307,224
Total Long-Term Obligations	\$ 400,631,295	\$ 206,321,560	\$ (237,525,538)	\$ 369,427,317	\$ 8,307,224

Long - term liabilities are liquidated from the General Fund for governmental activities.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE J – DEBT SERVICE REQUIREMENTS

Revenue bond debt service requirements to maturity are as follows:

Year Ending June 30,	Principal ¹	Interest ²	Total
2020	\$ 6,626,000	\$ 21,962,144	\$ 28,588,144
2021	7,896,000	20,642,081	28,538,081
2022	8,257,000	20,233,082	28,490,082
2023	8,634,000	19,799,060	28,433,060
2024	9,036,000	19,337,355	28,373,355
2025-2029	53,388,000	88,735,641	142,123,641
2030-2034	73,591,000	69,141,677	142,732,677
2035-2039	93,670,000	41,665,325	135,335,325
2040-2043	85,514,000	10,262,109	95,776,109
	<u>\$ 346,612,000</u>	<u>\$ 311,778,474</u>	<u>\$ 658,390,474</u>

¹ Principal amounts exclude discounts and premiums

² Interest amounts exclude Build America Bond (BAB) and Recovery Zone Economic Development Bond (RZEDB) credits in the amount of \$62,953,717 through 2043.

NOTE K – INTERFUND ACCOUNT BALANCES AND TRANSFERS

Interfund account balances are a result of the timing differences between the dates that interfund goods and services are provided or reimbursable expenditures occur, and transfers between funds are made. Interfund account balances at June 30, 2019 are summarized as follows:

	Due From						Total
	General Fund	Debt Service Fund	Regional Road Impact Fee Fund	Paratransit Fund	Nonmajor Governmental Funds	Proprietary Fund	
Due To:							
General Fund	\$ -	\$ -	\$ 97,232	\$ 167,931	\$ 321,748	\$ 1,664,971	\$ 2,251,882
Regional Road Impact Fee Fund	-	-	-	-	-	-	-
Paratransit Fund	-	-	-	-	-	6,485	6,485
Nonmajor Governmental Fund	-	-	-	-	-	-	-
Governmental Funds	-	-	97,232	167,931	321,748	1,671,456	2,258,367
Proprietary Fund	168,382	-	-	15,227	18,525	-	202,134
	<u>\$ 168,382</u>	<u>\$ -</u>	<u>\$ 97,232</u>	<u>\$ 183,158</u>	<u>\$ 340,273</u>	<u>\$ 1,671,456</u>	<u>\$ 2,460,501</u>

**Regional Transportation Commission
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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE K – INTERFUND ACCOUNT BALANCES AND TRANSFERS (CONTINUED)

Transfers are used to (1) move revenues from the fund that statute or budget requires collect them to the funds that statute or budget requires expend them and (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due. Interfund transfer balances at June 30, 2019 were as follows:

Interfund transfers for the year ended June 30, 2019		
Transfers from:	Transfers to:	Amount
General Fund	Regional Road Impact Fee Fund	\$ 562,450
	Debt Service Fund	27,024,148
	Nonmajor Governmental Funds	1,190,000
	Subtotal	28,776,598
Public Transit Fund	Nonmajor Governmental Funds	210,000
Total Transfers In / Out		<u>\$ 28,986,598</u>

NOTE L – INVESTMENT INCOME

Investment income consists of the following as of June 30, 2019:

<u>Governmental Activities</u>	
Interest income	\$ 1,439,886
Net increase in the fair value of investments	1,736,119
Realized gain	90,288
	<u>\$ 3,266,293</u>
<u>Business-type Activities</u>	
Interest income	\$ 286,936
Net increase in the fair value of investments	243,919
Realized gain	14,075
	<u>\$ 544,930</u>

The calculation of realized gain or loss is independent of the calculation of the net change in the fair value of investments. Realized gains or losses on investments held more than one fiscal year, which were sold in the current year, have been included as a change in the fair value of investments as reported in prior years and the current year.

NOTE M – LEASE INCOME

The Proprietary Fund owns a building located on Terminal Way in Reno, Nevada. The acquisition cost and subsequent improvements of the building and land are \$6,563,799 as of June 30, 2019. As of June 30, 2019, accumulated depreciation of the building was \$4,260,000.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE M – LEASE INCOME (CONTINUED)

Building space is leased to various companies. Eventually, the RTC plans to fully occupy the building. Future minimum lease receipts are as follows:

Year ending June 30,

2020	<u>12,624</u>
\$	<u>12,624</u>

In addition, building space is leased to the General Fund and Special Revenue Funds on a month-to-month basis. Rental income from the building for the year ended June 30, 2019, was \$356,704 of which \$246,900 was received from the General Fund, and \$44,460 was received from the Special Revenue Funds.

In November 2018, RTC entered into a two year agreement with My Ride to Work, LLC. to allow the use of the Centennial Plaza property for passenger waiting, boarding and alighting for their service between Reno and the Tesla Factory east of Reno. Rental Income of \$12,000 was received in fiscal 2019.

In December 2018, RTC entered into a two year agreement with Greyhound Lines, Inc. to allow the use of the Centennial Plaza property for the conduct of business operations for passenger bus transportation. Rental income of \$28,200 was received in fiscal 2019.

In addition, a license agreement was entered into in June 2014 with Silver State Trailways to allow the use of Bus Bay B of the Centennial Plaza property for passenger waiting, boarding and alighting only. In fiscal year 2016, Silver State Trailways was purchased by Silverado Stages. Rental income of \$445 was received in fiscal year 2019.

Lease income of \$15,250 was received from Clear Channel Outdoor, Inc. for a billboard acquired through property acquisition for the Moana Lane widening project which was paid for by Motor Vehicle Fuel Tax Bond funds.

NOTE N – RETIREMENT PROGRAMS

The RTC contributes to the following retirement programs:

State of Nevada Public Employees' Retirement System

Plan Description

The RTC contributes to the Public Employees' Retirement System (PERS) (the System). PERS administers a cost-sharing, multiple-employer defined benefit Public employees' retirement system which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System 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 the Nevada Revised Statutes (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.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE N – RETIREMENT PROGRAMS (CONTINUED)

State of Nevada Public Employees' Retirement System (continued)

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, allows 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.

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Members become fully vested as to benefits upon completion of five years of service.

Funding Policy

Plan members are funded under the employer pay contribution plan, wherein the RTC is required to contribute all amounts due under the plan. The authority for establishing and mending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983 have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

The System'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. The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450. The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary. For the fiscal year ended June 30, 2019, the employer-pay contribution rate was 28% of annual covered payroll. The RTC contributes 100% of the required annual contribution. The following are the rates and amounts contributed for the last three years:

<u>Year ending June 30,</u>	<u>Contribution Required</u>	<u>Employers Contribution Rate</u>
2019	\$ 1,652,215	28.00%
2018	1,502,067	28.00%
2017	1,473,393	28.00%

The System'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 the System. The following was the Board adopted policy target asset allocation as of June 30, 2018:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return
Domestic Stocks	42.00%	5.50%
International Stocks	18.00%	5.75%
U.S. Bonds	30.00%	0.25%
Private Markets	10.00%	6.80%

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE N – RETIREMENT PROGRAMS (CONTINUED)

State of Nevada Public Employees' Retirement System (continued)

Pension Liability

The System's net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate it was determined by an actuarial valuation as of that date. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. 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, 2018. At June 30, 2018, RTC's proportion was .08096%, which was a .00112 decrease from its proportion measured at June 30, 2017.

The following presents the net pension liability of the RTC as of June 30, 2018, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
RTC's proportionate share of the net pension liability	\$ 16,836,525	\$ 11,040,636	\$ 6,224,591

Pension Plan Fiduciary Net Position

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

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Payroll Growth	5.00%, including inflation
Investment Rate of Return	7.5%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Rates include inflation and productivity increases
Consumer Price Index	2.75%
Mortality rate	Healthy/Regular: RP-2000 Combined Healthy Mortality Table projected to 2016 with Scale AA, set back one year for females (no age setback for males) Disables/Regular: RP-2000 Disabled Retiree Mortality table projected to 2016 with Scale AA, set forward three years
Other assumptions	Same as those used in the June 30, 2018 funding actuarial valuation

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of the experience review completed in 2017.

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30,

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE N – RETIREMENT PROGRAMS (CONTINUED)

State of Nevada Public Employees’ Retirement System (continued)

2018, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2018.

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

As of June 30, 2019, RTC's total pension expense is \$654,892. At June 30, 2018, the plan's measurement date, RTC's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 345,872	\$ 512,475
Changes of assumptions	581,772	-
Net difference between projected and actual earnings on investments	-	52,564
Changes in proportion and differences between actual contributions and proportionate share of contributions	116,435	526,478
Total before contribution subsequent to measurement date	1,044,079	1,091,517
Contributions subsequent to the measurement date	1,652,215	-
Total	\$ 2,696,294	\$ 1,091,517

As of June 30, 2018, RTC reported \$1,652,215 deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ending June 30, 2019.

Average expected remaining service lives are 6.22 years.

RTC's deferred outflows/(inflows) of resources related to pension will be recognized as follows:

Reporting period ended June 30:

2020	\$ 157,809
2021	(31,788)
2022	(285,375)
2023	22,529
2024	80,392
2025	8,995

Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension amounts by Employer is located in the PERS Comprehensive Annual Financial Report available on the PER's website at www.nvpers.org under Quick Links – Publications.

**Regional Transportation Commission
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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE N – RETIREMENT PROGRAMS (CONTINUED)

RTC – Internal Revenue Code Section 457 Deferred Compensation Plan

The RTC offers a non-qualified deferred compensation plan to its employees under Internal Revenue Code (IRC) Section 457. The plan is offered to all RTC employees and permits them to defer a portion of their salary until future years. The accumulated amount of each employee's deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries and are administered by an independent plan administrator. The RTC does not have fiduciary accountability for the plan. The RTC elects to contribute to each employee's deferred compensation plan, as matching funds, up to 1% of each employee's annual base salary. The RTC also matches 7% of the Executive Director's salary. Total contributions to the plan for the year ended June 30, 2019 were \$51,123.

RTC – 401(a) Plan

On December 17, 2004, the RTC established a 401(a) Money Purchase Retirement Plan through ICMA Retirement Corporation. The ICMA Retirement Corporation Governmental Money Purchase Plan & Trust was established for the exclusive benefit of eligible employees and their beneficiaries under Section 401(a) of the IRC. The plan year coincides with the calendar year. All employees whose positions are covered by PERS are eligible to participate. The Plan is voluntary and there are no mandatory contributions from employees or the RTC. Contributions are limited to less than 25% of compensation, and compensation has been defined to include overtime and bonuses. The decision to participate is a one-time irrevocable decision. Loans are not permitted under the plan.

In 2009, the Internal Revenue Service (IRS) ruled that annual open enrollment periods for 401(a) plans would no longer be allowed. New plan enrollments are only allowed for new hires within the first sixty days of employment.

RTC – Retirement Health Savings Plans

On December 17, 2004, the RTC established a Retirement Health Savings Plan (RHS Plan). The RHS Plan was funded through voluntary employee contributions. The assets of the Plan are held in trust for the exclusive benefit of the RHS Plan participants and their beneficiaries, with the ICMA Retirement Corporation serving as the trustee. Once an employee participates in the RHS Plan, the election to contribute is irrevocable. The participant is eligible to receive benefits upon separation from service.

In 2007, the IRS ruled that the elective features of the types of plans like the RHS Plan would not be permitted after December 31, 2007. Although the ICMA and IRS reached a settlement preserving the existing favorable tax treatment of participants already in the RHS Plan, no new participants can join the plan and no further contributions can be made to the Plan by existing participants.

NOTE O – FUND BALANCES / NET POSITION

Government-wide Financial Statements

The government-wide Statement of Net Position is categorized as net investment in capital assets, restricted and unrestricted. Governmental Activities reports \$6,822,444 in net investment in capital assets and \$101,784,857 of restricted net position which is restricted by terms of grants and by enabling legislation for street and highway construction. Another \$31,785,751 is subject to restrictions by the terms of bond covenants for future debt service requirements of principal and interest. Unrestricted net position is \$(391,330,391), and total net position is \$(250,937,339). The negative unrestricted balances are the result of bonds issued during the fiscal years ended June 30, 2010 and December 20, 2018 totaling \$357,395,000 in the aggregate. Proceeds of the bonds have been used to fund various streets and highways projects.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE O – FUND BALANCES / NET POSITION (CONTINUED)

Government-wide Financial Statements (continued)

RTC's Street and Highway program builds and maintain streets and highways, which are then dedicated to Reno, Sparks, and Washoe County. As a result the RTC carries a large debt burden with no offsetting asset. The debt will be paid through pledged motor vehicle fuel and sales taxes projected to be collected over the next 25 years. Management believes that the RTC will have sufficient cash flow to service the debt.

The net position for Business-type Activities is categorized as net investment in capital assets and unrestricted. The total net position at June 30, 2019 is \$107,616,396.

Fund Financial Statements

Governmental Funds

Governmental fund balances are classified as nonspendable, restricted, and assigned based primarily on the extent to which the RTC is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable funds include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. At June 30, 2019, nonspendable funds consisted of prepaid items and deposits totaling \$524,899.

Restricted fund balances are restricted to specific purposes either by external restrictions (debt covenants, grantors, laws or regulations of other governments) or restrictions imposed by law through constitutional provisions or enabling legislation.

At June 30, 2019, the RTC had \$2,013,426 in restricted fund balances on unspent federal grants match.

The restricted amounts for street and highway construction represent project appropriations for construction planning commitments as permitted by state statute.

The changes in the amounts for project appropriations in the General Fund (Regional Streets and Highways) during the year ended June 30, 2019 were as follows:

Balance at July 1, 2018	\$	111,191,453
Project appropriations		119,882,406
Expenditures		42,562,714
Net project adjustments		(29,429,842)
Total balance for project appropriations at June 30, 2019	\$	<u>159,081,303</u>

The total balance for project appropriations exceeds the available restricted fund balance of \$86,637,854 for street and highway construction in the General Fund by \$72,443,449. Since the expenditures for these projects will span more than one year, future revenue sources will be required to fund these appropriations.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE O – FUND BALANCES / NET POSITION (CONTINUED)

Fund Financial Statements (continued)

The changes in the amounts for project appropriations of the Special Revenue Fund (Regional Road Impact Fee) during the year ended June 30, 2019 were as follows:

Balance at July 1, 2018	\$	8,920,132
Project appropriations		5,397,087
Expenditures		2,105,218
Net project adjustments		(2,638,704)
Total balance for project		9,573,297
appropriations at June 30, 2019	\$	9,573,297

The available restricted fund balance for street and highway construction in the Regional Road Impact Fee Fund is \$13,133,577 which exceeds the total balance for project appropriations by \$(3,560,280) which will be used for future project expenditures.

Debt Service restricted funds of \$31,785,751 represents resources legally restricted by bond covenants for future debt service requirements of both principal and interest.

Assigned fund balances represent amounts that are constrained by the RTC's intent to use the funds for specific purposes. The RTC had \$2,167,836 in assigned balances which have been assigned for the purposes of the Paratransit Services Fund, 32,592 have been assigned for the purposes of the Debt Service Fund, and \$566,328 assigned for purposes of the Metropolitan Planning Organization fund.

NOTE P – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

In addition to the pension benefits described in Note N, the RTC provides other postemployment health benefits (OPEB) for eligible retirees through the RTC Retiree Health Benefit Program (RTC RHBP), a single employer defined benefit OPEB plan, and participates in the State of Nevada's Public Employee Benefit Plan (PEBP), an agent multiple-employer defined benefit OPEB plan.

RTC Retiree Health Benefit Program (RTC RHBP)

Plan Description

In accordance with NRS 287.010, the RTC Commission established and administers a retiree health insurance plan through the RTC Personnel Rules to provide postemployment benefits to eligible employees upon retirement. Retirees are offered medical, vision, and life insurance coverage through a single-employer defined benefit plan. As of June 30, 2017, all employees hired before June 1, 2013 who retire from the RTC and meet the requirements for retirement under the Public Employees Retirement System of Nevada (PERS) are eligible to participate. The plan benefit formula is based on years of service and retirees can choose from a self-funded group health plan or an HMO. The plan does not issue a separate financial report.

Funding Policy

The contribution requirements and benefits of the RTC are established and may be amended by the RTC Commission through the RTC Personnel Rules. The RTC contributes 50% of the health benefit premium for retirees with at least 10 years of service, 75% with 15 years, and 100% with 20 years or more. The benefit is reduced by 50% for part-time employees achieving the required milestones. Benefits are paid on a pay-as-you-go basis.

As of June 30, 2018, the following employees were covered by the benefit terms:

Active employees		68
Retirees		37
Total Participants		105

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE P – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

State of Nevada’s Public Employee Benefit Plan (PEBP)

Plan Description

NRS 287.023 allowed retired employees of governmental entities within the State of Nevada to join the State’s Public Employee Benefit Program (PEBP), an agent multiple-employer defined benefit OPEB plan administered by a nine member governing board. PEBP provided medical, prescription, vision, life and accident insurance, and dental for retirees. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan and no financial reports are issued.

Eligibility, benefit provisions, and subsidy requirements are governed by statutes of the State of Nevada and can only be amended through legislation. The statutes were revised effective November 30, 2008, to create new participation limitations so that only active members of PEBP can elect coverage after retirement. While the plan is generally closed to RTC retirees after September 1, 2008, former employees covered by PEBP at the time of their retirement (through a subsequent employer) may join the plan. For a retiree to participate in the PEBP program, the participant must be receiving PERS benefit.

Funding Policy

The RTC is required to provide a subsidy for their retirees that have elected to join PEBP. The subsidy is paid on the pay-as-you-go basis. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. Unsubsidized non-state retiree plan rates in effect for the fiscal year ranged from \$398 to \$814 per month. The contributions required for PEBP subsidies depend on the date of retirement or prior years of Public Employees Retirement System (PERS) service former employees earned while working for the RTC. The subsidy depends on years of service and ranges from a minimum of \$34 for 16 years of service to a maximum of \$169 for 20 years of service. These subsidies are then allocated and billed to all applicable former employers of the retiree.

RTC’s portion of the monthly subsidies ranged from \$2 to \$69 during the 2019 fiscal year. Subsidies for retiree premiums are required to be paid directly to the State when due.

As of June 30, 2018, the following employees were covered by the benefit terms:

Active employees	0
Retirees	<u>7</u>
Total Participants	<u><u>7</u></u>

Total OPEB Liability

An actuarial valuation performed as of June 30, 2018 was used to determine the total OPEB liability for both the RTC and PEBP plans for their fiscal year ended June 30, 2019. The plans are funded on a pay-as-you-go basis with zero percent funding for the plan. For fiscal year 2019, the RTC’s cost of the RTC plan was \$260,652 for 37 eligible retirees. The RTC’s cost of the PEBP plan was \$3,642 for 7 eligible retirees. The RTC RHPB total OPEB liability is \$14,435,328. The PEBP total OPEB liability is \$70,166. RTC’s total OPEB liability for both plans is \$14,505,494.

**Regional Transportation Commission
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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE P – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial methods and assumptions, applied to all periods included in the measurement, unless otherwise specified:

	<u>RTC Plan</u>	<u>PEBP</u>
Funding Method	Entry Age Normal	Entry Age Normal
Discount Rate	2.98% as of June 30, 2018	2.98% as of June 30, 2018
Salary Increase	4.00% per year	Not Applicable
General Inflation Rate	2.75% per year	2.75% per year
Mortality Rate	Headcount Weighted RP 2014 Healthy Annuitant, set forward 1 year; projected with MacLeod Watts Scale 2018	Headcount Weighted RP 2014 Healthy Annuitant, set forward 1 year; projected with MacLeod Watts Scale 2018
Healthcare Cost Trend	6.00% for 2020, decreasing 0.25% per year to 5.00% by 2024	Before Medicare: 6.25% for 2019, decreasing 0.25% per year to 5.00% by 2024. After Medicare: 4.5% per year

Mortality rates were based on the most recently published report of the Nevada Public Employees Retirement System, dated June 30, 2017, except for a different basis used to project future mortality improvements. The discount rate was based on the published change in return for the applicable municipal bond index.

The actuarial assumptions used for the fiscal year ending June 30, 2019 were measured as of June 30, 2018, based on a June 30, 2018 measurement date for both plans.

Changes in OPEB Liabilities

Changes in the Total OPEB Liability - RTC PLAN:

Balance at June 30, 2018	\$ 14,135,863
Service Cost	476,389
Interest	451,548
Differences between expected and actual experience	(984,820)
Changes of assumptions	727,940
Benefit Payments	(371,592)
Net Changes	299,465
Balance at June 30, 2019	\$ 14,435,328

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NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE P – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Changes in OPEB Liabilities (continued)

Changes in the Total OPEB Liability - PEBP:

Balance at June 30, 2018	\$ 75,196
Interest	2,274
Differences between expected and actual experience	(5,598)
Changes of assumptions	3,406
Benefit Payments	(5,112)
Net Changes	(5,030)
Balance at June 30, 2019	\$ 70,166

Changes in assumptions reflect a change in the discount rate from 3.13% as of June 30, 2017 to 2.98% as of June 30, 2018, based on the published change in the return for the applicable municipal bond index, as well as change in mortality rate based on a switch from the MacLeod Watts Scale 2016 to the MacLeod Watts Scale 2018 and an assumed healthcare trend increase of 0.25% per year for 2020 through 2023.

Sensitivity of the total OPEB liabilities to changes in the discount rate. The following presents the total OPEB liabilities of the plans, as well as what each plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.98 percent) or 1-percentage-point higher (3.98 percent) than the current discount rate:

	Current - 1% 1.98%	Current 2.98%	Current +1% 3.98%
RTC PLAN - Total OPEB Liability	\$ 17,223,665	\$ 14,435,328	\$ 12,248,342
PEBP - Total OPEB Liability	\$ 79,509	\$ 70,166	\$ 62,479

Sensitivity of the total OPEB liabilities to changes in the healthcare cost trend rates. The following presents the total OPEB liabilities of the plans, as well as what each plan's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Current Trend -1%	Current Trend	Current Trend +1%
RTC PLAN - Total OPEB Liability	\$ 11,777,418	\$ 14,435,328	\$ 18,186,216
PEBP - Total OPEB Liability	\$ 62,836	\$ 70,166	\$ 78,862

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE P – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

For the year ended June 30, 2019, the RTC recognized OPEB expense of \$705,913. At June 30, 2019, the RTC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	RTC PLAN	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 619,616	\$ 772,293
Differences between expected and actual experiences	-	838,269
Net difference between projected and actual earnings on investments	-	-
Benefits paid subsequent to the measurement date	406,008	-
Total	\$ 1,025,624	\$ 1,610,562

	PEBP PLAN	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ -
Differences between expected and actual experiences	-	-
Net difference between projected and actual earnings on investments	-	-
Benefits paid subsequent to the measurement date	3,642	-
Total	\$ 3,642	\$ -

\$409,650 reported as deferred outflows of resources related to benefits paid subsequent to measurement date will be recognized as a reduction of other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be the total OPEB liability in the year ended June 30, 2019. OPEB expense as follows:

Year ended June 30,	
2020	\$ (222,106)
2021	(222,106)
2022	(222,106)
2023	(222,106)
2024	(75,004)
Thereafter	(27,518)



REQUIRED SUPPLEMENTARY INFORMATION

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2019

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS - PEBP ^{1, 2}

	<u>2019</u>	<u>2018</u>
Total OPEB liability		
Service Cost	\$ -	\$ -
Interest	2,274	2,116
Changes of benefit terms	-	-
Differences between expected and actual experiences	(5,598)	-
Changes of assumptions or other inputs	3,406	(3,835)
Benefit payments	<u>(5,112)</u>	<u>(4,069)</u>
Net change in total OPEB liability	(5,030)	(5,788)
Total OPEB liability - beginning	75,196	80,984
Total OPEB liability - ending	<u>\$ 70,166</u>	<u>\$ 75,196</u>

¹ GASB Statement No. 75 requires 10 years of information to be presented in this table. However, until ten years of data is available, the RTC will present information only for those years which information is available.

² The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

Note: There are no assets accumulated in a trust to pay related benefits.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2019

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS-RTC Plan ^{1, 2}

	2019	2018
Total OPEB liability		
Service Cost	\$ 476,389	\$ 518,107
Interest	451,548	403,526
Changes of benefit terms	-	-
Differences between expected and actual experiences	(984,820)	-
Changes of assumptions or other inputs	727,940	(1,140,051)
Benefit payments	(371,592)	(369,079)
Net change in total OPEB liability	299,465	(587,497)
Total OPEB liability - beginning	14,135,863	14,723,360
Total OPEB liability - ending	\$ 14,435,328	\$ 14,135,863
Covered employee payroll	\$ 4,105,655	\$ 3,857,000
Net OPEB liability as a percentage of covered payroll	351.60%	366.50%

¹ GASB Statement No. 75 requires 10 years of information to be presented in this table. However, until ten years of data is available, the RTC will present information only for those years which information is available.

² The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

Note: There are no assets accumulated in a trust to pay related benefits.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2019

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - LAST TEN YEARS ^{1,2}

	2018 Valuation	2017 Valuation	2016 Valuation	2015 Valuation	2014 Valuation
RTC's proportion of the net pension liability	0.08096%	0.08207%	0.08636%	0.08468%	0.08501%
RTC's proportionate share of the net pension liability	\$ 11,040,636	\$ 10,915,835	\$ 11,621,332	\$ 9,704,188	\$ 8,860,041
RTC's covered payroll	\$ 5,364,778	\$ 5,262,122	\$ 5,279,436	\$ 5,076,193	\$ 5,003,226
RTC's proportionate share of the net pension liability as a percentage of its covered payroll	205.80%	207.44%	220.12%	191.17%	177.09%
Plan fiduciary net position as a percentage of the total pension liability	75.20%	74.40%	72.20%	75.10%	76.30%

SCHEDULE OF THE REGIONAL TRANSPORTATION COMMISSION'S CONTRIBUTION - LAST TEN YEARS ²

State of Nevada Public Employees' Retirement System (PERS)

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 1,652,215	\$ 1,502,067	\$ 1,473,393	\$ 1,464,380	\$ 1,287,423
Contributions in relation to the statutorily required contribution	\$ 1,652,215	\$ 1,502,067	\$ 1,473,393	\$ 1,464,380	\$ 1,287,423
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 5,910,545	\$ 5,364,778	\$ 5,262,122	\$ 5,279,436	\$ 5,076,193
Contributions as a percentage of covered payroll	28.00%	28.00%	28.00%	27.74%	25.36%

¹ The amounts presented for each fiscal year is of the valuation determined one year in arrears from the basic financial statements. For example, the fiscal year 2018 basic financial statements are based on the 2017 valuation.

² GASB Statement No. 68 requires ten years of information to be presented in this table. However, until ten years of data is available, the RTC will present information only for those years which information is available.



NON-MAJOR GOVERNMENTAL FUNDS

Metropolitan Planning Organization Fund

This fund is used to account for resources provided for transportation planning.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**BALANCE SHEET
NONMAJOR GOVERNMENTAL FUND
METROPOLITAN PLANNING ORGANIZATION**

June 30, 2019

Assets

Cash in custody of County Treasurer	\$ 145,583
Cash in bank and on hand	872,883
Due from federal government	276,288
Interest receivable	1,672
Prepays	25,231
Total assets	<u>\$ 1,321,657</u>

Liabilities

Accounts payable	\$ 98,996
Due to other funds	340,273
Total liabilities	<u>439,269</u>

FUND BALANCE

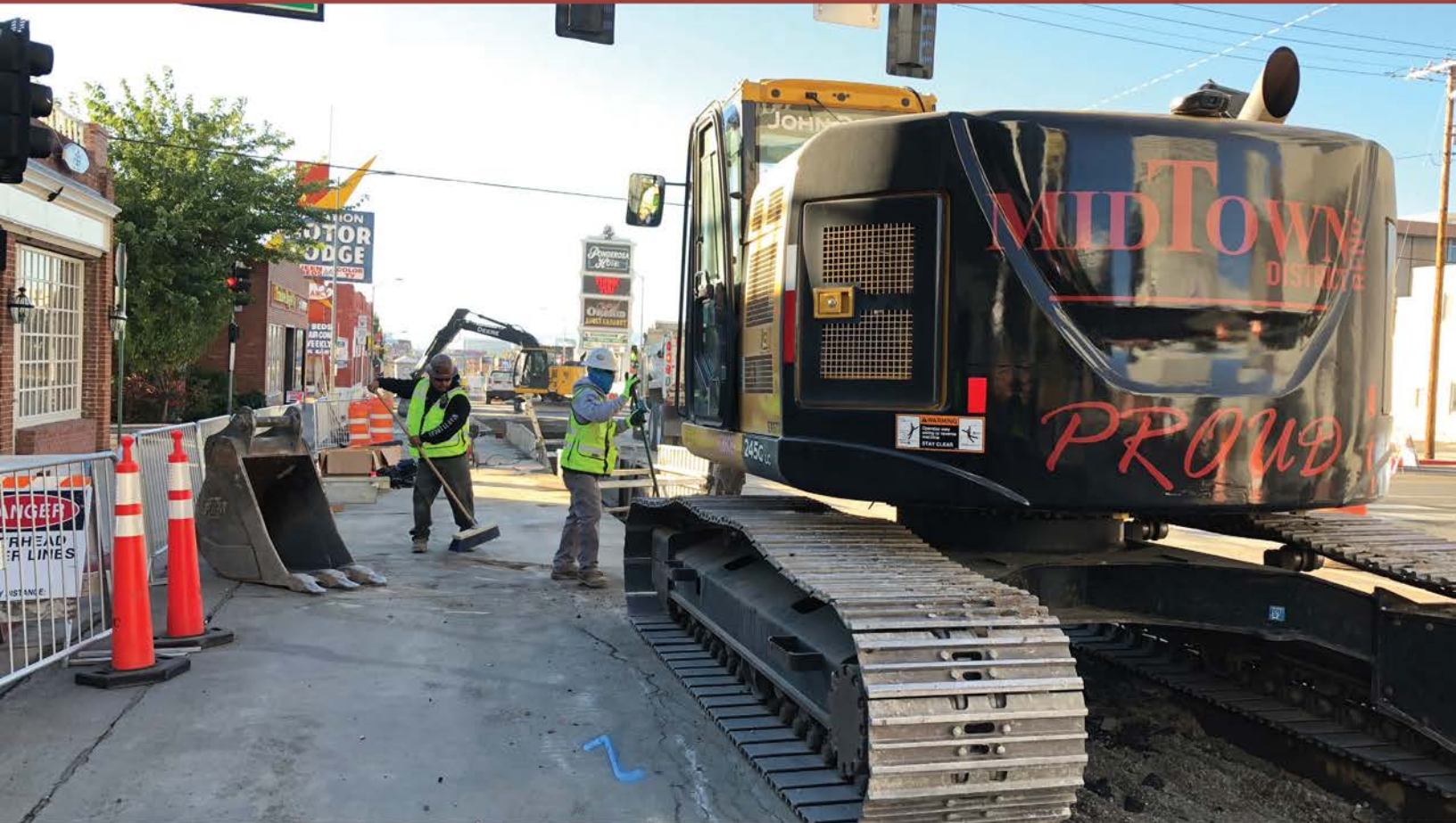
Nonspendable:	
Prepays	25,231
Restricted for:	
Federal grants match	290,829
Assigned:	
Subsequent years actual & budget: appropriation of fund balance	<u>566,328</u>
Total fund balance	<u>882,388</u>
Total liabilities and fund balance	<u>\$ 1,321,657</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND
(Metropolitan Planning Organization Fund)**

Year ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Regional transportation planning operating and capital grants:				
Federal Highway Administration	\$ 2,915,490	\$ 2,915,490	\$ 975,756	\$ (1,939,734)
Investment income	7,500	7,500	15,478	7,978
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	<u>2,923,990</u>	<u>2,923,990</u>	<u>991,234</u>	<u>(1,932,756)</u>
Expenditures				
Current:				
Metropolitan planning	4,386,081	4,386,081	2,653,323	1,732,758
Equipment	-	-	32,875	(32,875)
Total expenditures	<u>4,386,081</u>	<u>4,386,081</u>	<u>2,686,198</u>	<u>1,699,883</u>
Deficiency of revenues under expenditures	<u>(1,462,091)</u>	<u>(1,462,091)</u>	<u>(1,694,964)</u>	<u>(232,873)</u>
Other financing sources				
Transfers in	1,400,000	1,400,000	1,400,000	-
Total other financing sources	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>
Net change in fund balance	(62,091)	(62,091)	(294,964)	(232,873)
Fund balance - beginning	490,644	490,644	1,177,352	686,708
Fund balance - ending	<u>\$ 428,553</u>	<u>\$ 428,553</u>	<u>\$ 882,388</u>	<u>\$ 453,835</u>



**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS**

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCES**

June 30, 2019

Governmental funds capital assets

Land	\$ 2,282,090
Buildings and leasehold improvements	8,476,299
Revenue vehicles	5,494,853
Other equipment	4,224,412
Construction in progress	<u>267,344</u>
 Total governmental funds capital assets	 <u>\$ 20,744,998</u>

**Investments in governmental capital assets
by source**

General fund	\$ 3,662,114
Special revenue funds	<u>17,082,884</u>
 Total governmental funds capital assets	 <u>\$ 20,744,998</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY**

June 30, 2019

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Leasehold Improvements</u>	<u>Revenue Vehicles</u>	<u>Other Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
General government	\$ 1,407,500	\$ 1,351,886	\$ -	\$ 902,728	\$ -	\$ 3,662,114
Metropolitan planning	-	-	-	195,099	-	195,099
Transportation services	874,590	7,124,413	5,494,853	3,126,585	267,344	16,887,785
Total governmental funds capital assets	<u>\$ 2,282,090</u>	<u>\$ 8,476,299</u>	<u>\$ 5,494,853</u>	<u>\$ 4,224,412</u>	<u>\$ 267,344</u>	<u>\$ 20,744,998</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

Year ended June 30, 2019

<u>Function and Activity</u>	<u>Governmental Funds Capital Assets July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Governmental Funds Capital Assets June 30, 2019</u>
General government	\$ 2,150,013	\$ 1,542,148	\$ (30,047)	\$ 3,662,114
Metropolitan planning	169,993	32,875	(7,769)	195,099
Transportation services	17,044,524	281,179	(437,918)	16,887,785
Total governmental funds capital assets	<u>\$ 19,364,530</u>	<u>\$ 1,856,202</u>	<u>\$ (475,734)</u>	<u>\$ 20,744,998</u>



OTHER SUPPLEMENTARY INFORMATION

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CURRENT EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
(Regional Street and Highway Fund)**

**Year ended June 30, 2019
With comparative actual amounts for the year ended June 30, 2018**

	<u>Actual Amounts</u>	<u>Final Budget</u>	<u>Variance to Final Budget</u>	<u>2018 Actual Amounts</u>
Labor	\$ 2,319,090	\$ 2,448,482	\$ 129,392	\$ 2,034,949
Fringe	882,812	1,199,144	316,332	945,545
Services	2,582,744	2,414,412	(168,332)	1,982,872
Materials and supplies	82,455	93,558	11,103	82,462
Utilities	19,405	19,485	80	20,235
Insurance costs	29,949	42,464	12,515	29,489
Miscellaneous expense	420,322	496,989	76,667	329,165
Street and highway projects	42,562,714	95,882,500	53,319,786	114,258,121
Total current expenditures	<u>\$ 48,899,491</u>	<u>\$ 102,597,034</u>	<u>\$ 53,697,543</u>	<u>\$ 119,682,838</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CURRENT EXPENDITURES - BUDGET AND ACTUAL
DEBT SERVICE**

Year ended June 30, 2019

With comparative actual amounts for the year ended June 30, 2018

	Actual Amounts	Final Budget	Variance to Final Budget	2018 Actual Amounts
Principal	\$ 2,303,000	\$ 7,935,000	\$ 5,632,000	\$ 7,603,000
Interest	19,445,659	19,467,166	21,507	19,789,747
Debt service fees and other fiscal charges	43,966	55,000	11,034	45,470
Total current expenditures	<u>\$ 21,792,625</u>	<u>\$ 27,457,166</u>	<u>\$ 5,664,541</u>	<u>\$ 27,438,217</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CURRENT EXPENDITURES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND
(Regional Road Impact Fee Fund)**

Year ended June 30, 2019

With comparative actual amounts for the year ended June 30, 2018

	Actual Amounts	Final Budget	Variance to Final Budget	2018 Actual Amounts
Labor	\$ 326,191	\$ 287,334	\$ (38,857)	\$ 251,576
Fringe	151,387	156,316	4,929	118,699
Services	110,334	100,977	(9,357)	93,869
Materials and supplies	8,043	8,885	842	7,792
Utilities	2,769	2,540	(229)	2,364
Miscellaneous expense	23,049	24,504	1,455	18,189
Capacity improvement projects	2,105,218	5,102,000	2,996,782	3,947,308
Capital contribution projects	-	15,000,000	15,000,000	714,512
Total current expenditures	<u>\$ 2,726,991</u>	<u>\$ 20,682,556</u>	<u>\$ 17,955,565</u>	<u>\$ 5,154,309</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CURRENT EXPENDITURES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND
(Paratransit Services Fund)**

**Year ended June 30, 2019
With comparative actual amounts for the year ended June 30, 2018**

	<u>Actual Amounts</u>	<u>Final Budget</u>	<u>Variance to Final Budget</u>	<u>2018 Actual Amounts</u>
Labor	\$ 489,952	\$ 558,495	\$ 68,543	\$ 505,955
Fringe	227,389	268,692	41,303	238,720
Services	222,203	362,093	139,890	326,114
Materials and supplies	138,348	261,933	123,585	153,186
Utilities	20,203	70,166	49,963	22,841
Casualty/liability insurance	59,898	71,595	11,697	60,649
Miscellaneous expense	400,491	419,030	18,539	377,137
Purchased transportation services	7,100,833	7,729,451	628,618	7,347,865
Total current expenditures	<u>\$ 8,659,317</u>	<u>\$ 9,741,455</u>	<u>\$ 1,082,138</u>	<u>\$ 9,032,467</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CURRENT EXPENDITURES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - NONMAJOR FUND
(Metropolitan Planning Organization Fund)**

**Year ended June 30, 2019
With comparative actual amounts for the year ended June 30, 2018**

	Actual Amounts	Final Budget	Variance to Final Budget	2018 Actual Amounts
Labor	\$ 954,409	\$ 1,166,328	\$ 211,919	\$ 888,143
Fringe	442,946	552,953	110,007	419,044
Services	799,256	2,145,818	1,346,562	544,806
Materials and supplies	37,851	45,489	7,638	41,195
Utilities	8,102	8,985	883	8,347
Casualty/liability insurance	14,975	17,899	2,924	14,745
Miscellaneous expense	395,784	448,609	52,825	309,732
Total current expenditures	<u>\$ 2,653,323</u>	<u>\$ 4,386,081</u>	<u>\$ 1,732,758</u>	<u>\$ 2,226,012</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND**

Year ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 200,000	\$ 200,000	\$ 563,500	\$ 363,500
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>563,500</u>	<u>363,500</u>
Expenditures				
Current:				
Debt service:				
Principal	7,935,000	7,935,000	2,303,000	5,632,000
Interest	19,467,166	19,467,166	19,445,659	21,507
Debt service fees and other fiscal charges	55,050	55,050	43,966	11,084
Total expenditures	<u>27,457,216</u>	<u>27,457,216</u>	<u>21,792,625</u>	<u>5,664,591</u>
Deficiency of revenues under expenditures	<u>(27,257,216)</u>	<u>(27,257,216)</u>	<u>(21,229,125)</u>	<u>6,028,091</u>
Other financing sources				
Transfers in	27,402,165	27,402,165	27,024,148	(378,017)
Payment to refunded bond escrow agent	-	-	(19,632,000)	(19,632,000)
Total other financing sources	<u>27,402,165</u>	<u>27,402,165</u>	<u>7,392,148</u>	<u>(20,010,017)</u>
Net change in fund balance	144,949	144,949	(13,836,977)	(13,981,926)
Fund balance - beginning	<u>45,090,726</u>	<u>45,090,726</u>	<u>45,655,320</u>	<u>564,594</u>
Fund balance - ending	<u>\$ 45,235,675</u>	<u>\$ 45,235,675</u>	<u>\$ 31,818,343</u>	<u>\$ (13,417,332)</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
PROPRIETARY FUND
(Public Transit Fund)**

Year ended June 30, 2019
With comparative actual amounts for the year ended June 30, 2018

	2019			2018
	Final Budget	Actual Amounts	Variance to Final Budget	Actual Amounts
Operating revenues				
Passenger fares	\$ 5,979,226	\$ 5,108,047	\$ (871,179)	\$ 5,614,832
Bus advertising	250,000	261,659	11,659	264,091
Rental income	350,779	356,704	5,925	435,459
Miscellaneous	4,200	133,547	129,347	30,121
Total operating revenues	<u>6,584,205</u>	<u>5,859,957</u>	<u>(724,248)</u>	<u>6,344,503</u>
Operating expenses				
General administration	31,018,516	32,037,960	(1,019,444)	25,769,143
Depreciation	7,500,000	7,243,837	256,163	5,695,881
Total operating expenses	<u>38,518,516</u>	<u>39,281,797</u>	<u>(763,281)</u>	<u>31,465,024</u>
Operating loss	<u>(31,934,311)</u>	<u>(33,421,840)</u>	<u>(1,487,529)</u>	<u>(25,120,521)</u>
Nonoperating revenues				
Operating subsidies:				
Federal government grants	4,469,652	4,320,161	(149,491)	4,088,110
Other revenue:				
Public transportation tax	7,815,397	9,823,919	2,008,522	21,278,436
Public transportation taxes pledged	10,043,598	10,450,532	406,934	-
Investment income	200,000	544,930	344,930	65,488
Gain on sale of capital assets	20,000	18,240	(1,760)	218
Total nonoperating revenues	<u>22,548,647</u>	<u>25,157,782</u>	<u>2,609,135</u>	<u>25,432,252</u>
Income (loss) before capital contributions and transfers	(9,385,664)	(8,264,058)	1,121,606	311,731
Capital contributions				
Federal grants	14,939,376	12,935,472	(2,003,904)	7,710,653
State grants	-	-	-	137,256
Total capital contributions	<u>14,939,376</u>	<u>12,935,472</u>	<u>(2,003,904)</u>	<u>7,847,909</u>
Transfers out	<u>(210,000)</u>	<u>(210,000)</u>	<u>-</u>	<u>(300,000)</u>
CHANGE IN NET POSITION	<u>\$ 5,343,712</u>	<u>\$ 4,461,414</u>	<u>\$ (882,298)</u>	<u>\$ 7,859,640</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF EXPENSES BY OBJECT CLASSES - BUDGET AND ACTUAL
PROPRIETARY FUND
(Public Transit Fund)**

**Year ended June 30, 2019
With comparative actual amounts for the year ended June 30, 2018**

	<u>Actual Amounts</u>	<u>Final Budget</u>	<u>Variance to Final Budget</u>	<u>2018 Actual Amounts</u>
Labor	\$ 2,353,239	\$ 2,454,665	\$ 101,426	\$ 2,094,199
Fringe	4,949,468	1,406,078	(3,543,390)	1,204,363
Services	3,287,937	3,863,197	575,260	2,849,487
Materials and supplies	2,088,890	2,505,538	416,648	1,867,489
Utilities	324,024	555,624	231,600	220,865
Casualty/liability insurance	205,601	284,592	78,991	211,649
Miscellaneous expenses	430,479	543,601	113,122	368,322
Purchased transportation services	18,398,322	19,405,221	1,006,899	16,952,769
Operating expenses before depreciation and amortization	32,037,960	31,018,516	(1,019,444)	25,769,143
Depreciation and amortization	7,243,837	7,500,000	256,163	5,695,881
Total operating expenses	<u>\$ 39,281,797</u>	<u>\$ 38,518,516</u>	<u>\$ (763,281)</u>	<u>\$ 31,465,024</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF SPECIAL AND REGULAR MOTOR
VEHICLE FUEL TAX COLLECTIONS BY MONTH**

Year ended June 30, 2019

Date Collected by State of Nevada	RTC Special Motor Vehicle Fuel Tax - 4¢	RTC Special Motor Vehicle Fuel Tax - 5¢	RTC Special Motor Vehicle Fuel Tax - CPI Index ¹	RTC Special Motor Vehicle Fuel Tax - PPI Index ²	Local Regular Motor Vehicle Fuel Tax - 5.35¢	Local Regular Motor Vehicle Fuel Tax - 1¢	Local Regular Motor Vehicle Fuel Tax -Index	Total
July 2018	\$ 628,803	\$ 800,294	\$ 1,228,989	\$ 5,038,118	\$ 747,346	\$ 158,789	\$ 867,117	\$ 9,469,455
August 2018	652,659	830,657	1,272,513	5,290,757	775,012	164,813	897,826	9,884,236
September 2018	603,421	767,991	1,179,509	4,843,621	712,526	152,379	832,207	9,091,654
October 2018	599,287	762,729	1,171,352	4,873,843	714,402	151,335	826,451	9,099,399
November 2018	570,708	726,356	1,115,438	4,552,046	671,511	144,118	787,001	8,567,178
December 2018	579,311	737,305	1,140,483	4,464,137	692,600	150,263	804,671	8,568,771
January 2019	565,588	719,840	1,105,375	4,414,932	669,349	142,825	779,901	8,397,810
February 2019	502,636	639,718	982,489	3,897,626	599,401	126,928	693,198	7,441,997
March 2019	590,790	751,915	1,154,629	4,668,355	705,254	149,189	814,652	8,834,786
April 2019	587,308	747,482	1,148,190	4,718,557	698,676	148,310	810,109	8,858,634
May 2019	613,800	781,200	1,199,599	4,984,854	731,572	155,000	846,381	9,312,406
June 2019	613,408	780,701	1,195,656	4,943,336	715,802	154,901	843,599	9,247,402
	<u>\$ 7,107,719</u>	<u>\$ 9,046,187</u>	<u>\$ 13,894,222</u>	<u>\$ 56,690,183</u>	<u>\$ 8,433,451</u>	<u>\$ 1,798,853</u>	<u>\$ 9,803,113</u>	<u>\$ 106,773,728</u>

Allocation

Regional Transportation Commission, Washoe County, Nevada

General Fund	\$ 84,935,861
Regional Road Impact Fee Fund	562,450
Other governmental funds	1,240,000
	<u>86,738,311</u>

Distributed to the City of Reno, City of Sparks
and Washoe County, Nevada

	<u>20,035,417</u>
	<u>\$ 106,773,728</u>

Notes:

¹ From October 2003 through December 2009, the Washoe County Tax Ordinance provided that the rate of levy of the 9 cent motor vehicle fuel tax would be increased on the first day of each fiscal year by the lesser of (i) 4.5 percent or (ii) the average percentage of the increase in the Consumer Price Index for West Urban Consumers for the preceding 5 years.

² On November 4, 2008, the voters of Washoe County approved Washoe County Ballot Question RTC-5 which imposed additional county taxes on motor vehicle fuel and various special fuels used in motor vehicles. These taxes cause annual increases in the current amount of taxes imposed on such fuels based upon the lesser of the average increase in the Producer Price Index for construction materials for the preceding 10 years or 7.8%. SB201 carried for construction materials for the preceding 10 years or 7.8%. SB201 carried out the ballot question and it became effective January 1, 2010. The new basis for calculation was the 9 cent per gallon rate indexed by the CPI through December 31, 2009 for a base rate of 10.5621 cents per gallon.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CONSTRUCTION PROJECT EXPENDITURES
GENERAL FUND
(Regional Streets and Highways Fund)**

Year ended June 30, 2019

	<u>Right- of-way Acquisition</u>	<u>Engineering and Inspection</u>	<u>Construction</u>	<u>Total</u>
All Jurisdictions				
2017 Preventive Maintenance	\$ -	\$ 23,225	\$ 732,819	\$ 756,044
2018 Preventive Maintenance	-	382,205	5,377,928	5,760,133
2019 Preventive Maintenance	-	363,616	1,096,267	1,459,883
Bus Stop 19-01	-	80,363	-	80,363
Green Bicycle/Stamps	-	-	171,905	171,905
Traffic Management 1/2A/2B	-	198,009	631,941	829,950
	<u>-</u>	<u>1,047,418</u>	<u>8,010,860</u>	<u>9,058,278</u>
City of Reno				
4th and Prater corridor improvement - Evans/Galetti	23,121	364,618	2,945,769	3,333,508
Arlington Bridges	-	89,971	-	89,971
Bicycle and Pedestrian Improvement(2018) - Keystone/California	30,020	25,231	808,467	863,718
Bicycle and Pedestrian Improvement(2018) - Mill/I580/McCarran	-	152,327	-	152,327
Oddie/Wells Corridor Multi-Modal	-	342,730	-	342,730
Reno Consolidated 19-01 - Sutro/1st/Lake/State St.	-	291,379	-	291,379
Reno Consolidated 19-02 - North Hills/ Hunter Lake/Sky Vista Dr.	-	201,324	-	201,324
Reno Consolidated 19-03 - Sierra Highlands/Colberet	-	151,048	-	151,048
Reno Sparks Indian Colony Riverside Pathway	-	113,314	-	113,314
Southeast Connector phase 2 - Clean Water/S. Meadows	(1,015,312) ¹	1,209,369	2,609,532	2,803,589
Sun Valley Corridor Multi-Modal	-	657,444	-	657,444
Virginia St/ Midtown/ UNR	1,894,883	2,674,957	13,576,174	18,146,014
	<u>932,712</u>	<u>6,273,712</u>	<u>19,939,942</u>	<u>27,146,366</u>
City of Sparks				
4th/Prater corridor improvement - Galetti/Pyramid	23,120	364,619	2,945,770	3,333,509
Clean Water Way - McCarran/Treatment Plant	-	99,423	1,520,287	1,619,710
Oddie/Wells Corridor Multi-Modal	-	342,730	-	342,730
Sparks Consolidated 19-01 - 15th St.	-	211,477	-	211,477
	<u>23,120</u>	<u>1,018,249</u>	<u>4,466,057</u>	<u>5,507,426</u>
Washoe County				
Southeast Connector phase 2 - Clean Water/S. Meadows	(253,828) ¹	302,342	652,383	700,897
	<u>(253,828)</u>	<u>302,342</u>	<u>652,383</u>	<u>700,897</u>
NV Department of Transportation				
Pyramid/McCarran intersection improvements	-	36,645	61,954	98,599
Pyramid Hwy./US 395 connector	-	51,148	-	51,148
	<u>-</u>	<u>87,793</u>	<u>61,954</u>	<u>149,747</u>
 Total All Projects	 <u>\$ 702,004</u> ¹	 <u>\$ 8,729,514</u>	 <u>\$ 33,131,196</u>	 <u>\$ 42,562,714</u>

¹ Note: the negative balance was due to the water right paid and reclassified to fixed assets in FY 2019.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CONSTRUCTION PROJECT EXPENDITURES
SPECIAL REVENUE FUND
(Regional Road Impact Fee Fund)**

Year ended June 30, 2019

	Right- of-way Acquisition	Engineering and Inspection	Construction	Impact Fee Credits/Waivers	Total
North Service Area					
Bike/Ped improvements 3,4,5 - Evans Ave	\$ -	\$ 6,547	\$ -	\$ -	\$ 6,547
North valleys safety improvements 2 & 3	-	60,595	-	-	60,595
T/E spot intersection improvements 7	-	108,474	1,481,517	-	1,589,991
T/E spot intersection improvements 8 - 1 & 2	-	239,410	-	-	239,410
South Service Area					
T/E spot intersection improvements 7	-	8,705	199,970	-	208,675
 Total All Projects	 \$ -	 \$ 423,731	 \$ 1,681,487	 \$ -	 \$ 2,105,218

Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada

SCHEDULE OF CHANGES IN RESERVE
FOR PROJECT APPROPRIATIONS
GENERAL FUND
(Regional Streets and Highways Fund)

Year ended June 30, 2019

	Reserve for Project Appropriations July 1, 2018	New Project Appropriations	Expenditures	Net Project Adjustments	Reserve for Project Appropriations June 30, 2019
All Jurisdictions					
2017 Preventive Maintenance					
Engineering and inspection	\$ 127,950	\$ -	\$ 23,225	\$ 19,615	\$ 124,340
Construction	360,563	-	732,819	602,238	229,982
2018 Preventive Maintenance					
Engineering and inspection	(205,313)	-	382,205	775,037	187,519
Construction	7,402,100	2,806,537	5,377,928	(2,514,630)	2,316,079
2019 Preventive Maintenance					
Engineering and inspection	-	-	363,616	748,520	384,904
Construction	-	6,501,648	1,096,267	1,480	5,406,861
2020 Preventive Maintenance					
Construction	-	7,500,000	-	-	7,500,000
2020 Roadway reconstruction projects - Regional roads, collectors, industrials					
Construction	-	8,500,000	-	-	8,500,000
ADA Access Transit/Pedestrian Connectivity					
Construction	-	2,000,000	-	-	2,000,000
Bus Stop 19-01					
Engineering and inspection	-	441,705	80,363	-	361,342
Construction	-	1,126,729	-	-	1,126,729
Green Bicycle/Stamps					
Construction	-	196,566	171,905	-	24,661
Traffic Management 1/2A/2B					
Engineering and inspection	201,549	809,238	198,009	(797,062)	15,716
Construction	631,943	-	631,941	1,063,565	1,063,567
Traffic Management/LIDAR					
Engineering and inspection	-	250,000	-	-	250,000
Construction	-	1,200,000	-	-	1,200,000
Total All Jurisdictions	8,518,792	31,332,423	9,058,278	(101,237)	30,691,700
City of Reno					
4th St. - Prater Way corridor improvement - Evans/Galetti					
Right-of-way acquisition	-	-	23,121	171,942	148,821
Engineering and inspection	-	-	364,618	441,033	76,415
Construction	13,162,326	-	2,945,769	(6,735,573)	3,480,984
Arlington bridges					
Engineering and inspection	-	1,000,000	89,971	-	910,029
Bicycle and pedestrian improvement (2018) - Keystone, California					
Right-of-way acquisition	-	-	30,020	30,020	-
Engineering and inspection	2,155,440	-	25,231	(1,937,699)	192,510
Construction	-	1,000,000	808,467	1,907,680	2,099,213
Bicycle and pedestrian improvement (2018) - Mill-I580/McCarran					
Engineering and inspection	3,021,625	-	152,327	(2,659,199)	210,099
Construction	-	-	-	1,633,343	1,633,343
Center Street multi-modal improvements					
Engineering and inspection	-	200,000	-	-	200,000
Construction	-	880,000	-	-	880,000
Forest St. bike lanes					
Engineering and inspection	-	400,000	-	-	400,000
Lemmon Dr.					
Engineering and inspection	-	1,500,000	-	-	1,500,000
Oddie/Wells corridor multi-modal improvements					
Engineering and inspection	749,624	-	342,730	-	406,894
Construction	-	605,000	-	-	605,000
Reno Consolidated 19-01 - Sutro, 1st, Lake, State St.					
Engineering and inspection	-	529,232	291,379	-	237,853
Construction	-	1,871,000	-	-	1,871,000
Reno Consolidated 19-02 - North Hills, Hunter Lake, Sky Vista Dr.					
Engineering and inspection	-	484,105	201,324	-	282,781
Construction	-	3,016,126	-	-	3,016,126
Reno Consolidated 19-03 - Sierra Highlands, Colberet, Hammill, Ralston, Ohm					
Engineering and inspection	-	330,000	151,048	-	178,952
Construction	-	1,600,000	-	-	1,600,000

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CHANGES IN RESERVE
FOR PROJECT APPROPRIATIONS
GENERAL FUND
(Regional Streets and Highways Fund)**

Year ended June 30, 2019

	Reserve for Project Appropriations July 1, 2018	New Project Appropriations	Expenditures	Net Project Adjustments	Reserve for Project Appropriations June 30, 2019
Reno Sparks Indian Colony riverside pathway					
Right-of-way acquisition	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000
Engineering and inspection	-	-	113,314	241,106	127,792
Construction	212,754	-	-	(212,754)	-
Sierra Street bike lane					
Engineering and inspection	-	400,000	-	-	400,000
Southeast Connector Phase 2 - Clean Water/S.Meadows					
Right-of-way acquisition	-	-	(1,015,312)	(1,015,312)	-
Engineering and inspection	2,061,668	-	1,209,369	(852,299)	-
Construction	9,569,091	-	2,609,532	(6,032,883)	926,676
Sun Valley Corridor multi-modal improvements					
Engineering and inspection	-	2,950,000	657,444	-	2,292,556
Virginia St. Bus Rapid Transit extension					
Right-of-way acquisition	1,761,092	-	1,894,883	547,030	413,239
Engineering and inspection	2,404,477	-	2,674,957	6,167,307	5,896,827
Construction	35,020,588	34,109,520	13,576,174	(4,972,307)	50,581,627
West 4th St.					
Engineering and inspection	-	500,000	-	-	500,000
Total City of Reno	<u>70,118,685</u>	<u>51,624,983</u>	<u>27,146,366</u>	<u>(13,278,565)</u>	<u>81,318,737</u>
City of Sparks					
4th St. - Prater Way corridor improvement - Galetti/Pyramid					
Right-of-way acquisition	-	-	23,120	171,941	148,821
Engineering and inspection	-	-	364,619	441,033	76,414
Construction	13,162,326	-	2,945,770	(6,735,571)	3,480,985
Clean Water Way - McCarran/Treatment Plant					
Engineering and inspection	-	-	99,423	125,700	26,277
Construction	-	-	1,520,287	2,514,630	994,343
Oddie/Wells Corridor multi-modal improvements					
Engineering and inspection	749,625	-	342,730	-	406,895
Construction	-	605,000	-	-	605,000
Sparks Blvd.					
Engineering and inspection	-	3,000,000	-	-	3,000,000
Sparks Consolidated 19-01 - 15th St.					
Engineering and inspection	-	392,981	211,477	-	181,504
Construction	-	997,019	-	-	997,019
Victorian Ave. bike lane					
Construction	-	430,000	-	-	430,000
Total City of Sparks	<u>13,911,951</u>	<u>5,425,000</u>	<u>5,507,426</u>	<u>(3,482,267)</u>	<u>10,347,258</u>
Washoe County					
Lemmon Dr.					
Engineering and inspection	-	1,500,000	-	-	1,500,000
Southeast Connector Phase 2 - Clean Water/S.Meadows					
Right-of-way acquisition	-	-	(253,828)	(253,828)	-
Engineering and inspection	-	-	302,342	302,342	-
Construction	13,447,038	-	652,383	(12,562,986)	231,669
Total Washoe County	<u>13,447,038</u>	<u>1,500,000</u>	<u>700,897</u>	<u>(12,514,472)</u>	<u>1,731,669</u>
NV Department of Transportation					
Pyramid/McCarran intersection improvements					
Engineering and inspection	-	-	36,645	36,645	-
Construction	-	-	61,954	61,954	-
Pyramid Highway/US 395 connector					
Engineering and inspection	5,194,987	-	51,148	(151,900)	4,991,939
Construction	-	-	-	-	-
Spaghetti Bowl					
Construction	-	30,000,000	-	-	30,000,000
Total NV Department of Transportation	<u>5,194,987</u>	<u>30,000,000</u>	<u>149,747</u>	<u>(53,301)</u>	<u>34,991,939</u>
Total All Projects	<u>\$ 111,191,453¹</u>	<u>\$ 119,882,406</u>	<u>\$ 42,562,714</u>	<u>\$ (29,429,842)</u>	<u>\$ 159,081,303</u>

Note:

¹ Difference of \$3 to FY18 CAFR as a result of rounding. Rounding differences have been eliminated in FY19 CAFR.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CHANGES IN RESERVE
FOR PROJECT APPROPRIATIONS
SPECIAL REVENUE FUND
(Regional Road Impact Fee Fund)**

Year ended June 30, 2019

	Reserve for Project Appropriations July 1, 2018	New Project Appropriations	Expenditures	Net Project Adjustments	Reserve for Project Appropriations June 30, 2019
North Service Area					
Bike/Ped improvements 3,4,5 - Evans Ave					
Engineering and inspection	\$ 32,645	\$ -	\$ 6,547	\$ (26,098)	\$ -
Construction	97,115	66,007	-	(163,122)	-
North Valley improvements 2 & 3					
Right of Way	-	15,080	-	(15,050)	30
Engineering and inspection	-	811,000	60,595	(628,978)	121,427
Construction	297,664	-	-	1,572,607	1,870,271
Sun Valley & Lemmon Dr ped improvements					
Engineering and inspection	-	-	-	-	-
Construction	1,814,891	-	-	(1,814,891)	-
T/E spot intersection improvements 7					
Engineering and inspection	-	-	108,474	391,969	283,495
Construction	2,127,817	-	1,481,517	(533,817)	112,483
T/E spot intersection improvements 8 - 1 & 2					
Engineering and inspection	-	80,000	239,410	693,901	534,491
Construction	-	-	-	2,226,100	2,226,100
T/E spot intersection improvements 9					
Engineering and inspection	-	250,000	-	-	250,000
Construction	-	1,925,000	-	-	1,925,000
Total North Service Area	4,370,132	3,147,087	1,896,543	1,702,621	7,323,297
South Service Area					
T/E spot intersection improvements 7					
Engineering and inspection	-	-	8,705	8,705	-
Construction	-	-	199,970	199,970	-
T/E spot intersection improvements 9					
Engineering and inspection	-	250,000	-	-	250,000
Construction	-	2,000,000	-	-	2,000,000
Total South Service Area	-	2,250,000	208,675	208,675	2,250,000
Multi-Service Area					
Sun Valley Corridor multi-modal Improvements					
Engineering and inspection	1,550,000	-	-	(1,550,000)	-
TE spot intersection improvement 8					
Engineering and inspection	500,000	-	-	(500,000)	-
Construction	2,500,000	-	-	(2,500,000)	-
Total Multi-Service Area	4,550,000	-	-	(4,550,000)	-
Total All Projects	\$ 8,920,132	\$ 5,397,087	\$ 2,105,218	\$ (2,638,704)	\$ 9,573,297

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES
GENERAL FUND
(Regional Streets and Highways Fund)**

For the period July 1, 1965 through June 30, 2019

	Expenditures			Unexpended Balance of Project Appropriations
	July 1, 1965 through June 30, 2018	July 1, 2018 through June 30, 2019	Total	
4th St. Prater Way corridor improvement	\$ 39,176,959	\$ 6,667,017	\$ 45,843,976	\$ 7,412,440
2020 Roadway reconstruction	-	-	-	8,500,000
ADA pedestrian transition improvement plan 2012	36,631	-	36,631	-
ADA pedestrian transition improvement plan 2013	648,584	-	648,584	-
ADA pedestrian transition improvement plan 2014	515,862	-	515,862	-
ADA pedestrian transition improvement plan 2015	876,304	-	876,304	-
ADA pedestrian transition improvement plan 2019	-	-	-	2,000,000
Albert-Bravo	90,764	-	90,764	-
Alignment, plan line, technical studies	2,412,214	-	2,412,214	-
Alturas - Keystone/Earl	797,128	-	797,128	-
Arlington/1st/Elm Street	3,325,154	-	3,325,154	-
Arlington Bridges	-	89,971	89,971	910,029
Avenida de Landa - Beaumont/865' N. Valleywood	643,664	-	643,664	-
Baker Lane/Colman Drive	1,563,418	-	1,563,418	-
Baring Blvd./McCarran/Sparks Blvd.	735,979	-	735,979	-
Baring Blvd./Sparks/Vista	1,536,322	-	1,536,322	-
Bicycle/Pedestrian Improvement FY2018	142,541	1,016,045	1,158,586	4,135,165
Board Discretionary Projects -				
Washoe County	19,946	-	19,946	-
Reno	12,625	-	12,625	-
Sparks	54,731	-	54,731	-
Boxington Way - Lincoln/Lillard	771,209	-	771,209	-
Bravo Ave. - Mt. Limbo/Ramsey	866,677	-	866,677	-
Bus Stop 19-01	-	80,363	80,363	1,488,071
California Ave./ Liberty/Ryland	873,386	-	873,386	-
Casazza - Wells /Kietzke	1,595,069	-	1,595,069	-
Cashill/Skyline	2,168,552	-	2,168,552	-
Caughlin Parkway-Sawbuck/Longknife	977,185	-	977,185	-
Caughlin Parkway/Bridge St./Longknife/McCarran/Frin/3rd	1,493,077	-	1,493,077	-
Center Street	2,241,994	-	2,241,994	-
Center Street Multi-model Improv.	-	-	-	1,080,000
Center Street overlay - Plaza/19th	374,460	-	374,460	-
Clean Water Way - McCarran/Treatment Plant ³	59,670	1,619,710	1,679,380	1,020,620
Clearacre/Scottsdale	42,000	-	42,000	-
Coliseum/Yori - Peckham/Gentry	760,552	-	760,552	-
Computer signal system	190,000	-	190,000	-
Corrective maintenance FY12	1,708,346	-	1,708,346	-
Corrective maintenance FY13	1,668,466	-	1,668,466	-
Corrective maintenance FY14	1,843,310	-	1,843,310	-
Corrective maintenance FY15	1,183,656	-	1,183,656	-
County Estates - Huffaker	1,060,740	-	1,060,740	-
County-wide	184,950	-	184,950	-
County bridge - Galena Creek	353,599	-	353,599	-
Country Club Drive	664,059	-	664,059	-
Dandini Blvd.	1,005,190	-	1,005,190	-
Delucchi Lane - Virginia/Tyrone	1,031,031	-	1,031,031	-
Deming Way - Greg/Kleppe	692,449	-	692,449	-
Department of Energy traffic and street light retrofit	988,364	-	988,364	-
Donati Lane/Vista Blvd.	1,216,154	-	1,216,154	-
E. Glendale - McCarran/RR Xng	1,226,316	-	1,226,316	-

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES - CONTINUED
GENERAL FUND
(Regional Streets and Highways Fund)**

For the period July 1, 1965 through June 30, 2019

	Expenditures			Unexpended Balance of Project Appropriations
	July 1, 1965 through June 30, 2018	July 1, 2018 through June 30, 2019	Total	
E. Greg Street	\$ 1,293,369	\$ -	\$ 1,293,369	\$ -
East Lake Blvd.	783,530	-	783,530	-
E. Lincoln Wy. - McCarran/Howard	236,596	-	236,596	-
E. Lincoln Wy. - Sparks/Lillard	337,446	-	337,446	-
E. Lincoln Wy. - Stanford/Howard	690,659	-	690,659	-
E. Moana Lane	54,764	-	54,764	-
E. Ninth Street	148,162	-	148,162	-
E. Nugget Ave. - McCarran/End of pavement	229,123	-	229,123	-
Echo Ave. - Mt. Bismark/Military	982,740	-	982,740	-
El Rancho Drive	1,331,531	-	1,331,531	-
El Rancho Drive - McCarran/Sun Valley Road	871,775	-	871,775	-
El Rancho - Sun Valley/Sullivan	1,408,196	-	1,408,196	-
El Rancho - Sullivan/McCarran	1,341,019	-	1,341,019	-
Emerson Way - Pyramid/N. Truckee	2,101,524	-	2,101,524	-
Evans Avenue	943,829	-	943,829	-
Evans Avenue/Fourth St./Jodi	1,887,228	-	1,887,228	-
Evans St./Highland Ave. - Jodi/Enterprise/Evans/Valley	1,059,969	-	1,059,969	-
First Street - Prater/Richard	912,015	-	912,015	-
Fifth Street - Ralston/RR Xng	1,237,235	-	1,237,235	-
Foothill/Thomas Creek bridge	117,830	-	117,830	-
Forest Street Bike Lanes	-	-	-	400,000
Franklin Way - Greg/Kleppe	371,847	-	371,847	-
Freeport Blvd.	50,000	-	50,000	-
Freeport and Steneri - 21st/Steneri/Gendale	118,873	-	118,873	-
Galetti Way - Kietzke/Fourth	1,018,720	-	1,018,720	-
Geiger Grade/Toll Road	8,188,519	-	8,188,519	-
Gentry Way and Second St. - Brinkby/Virginia/Giroux/Kietzke	1,060,051	-	1,060,051	-
Gentry/Virginia/Kietzke	864,863	-	864,863	-
Glendale Avenue	4,946,368	-	4,946,368	-
Golden Valley	211,382	-	211,382	-
Golden Valley - N. Hills/U.S. 395	631,855	-	631,855	-
Green Bicycle/Stamps	-	171,905	171,905	24,661
Greenbrae - Rock/Fourth	816,660	-	816,660	-
Greenbrae - Rock/Pyramid	21,182	-	21,182	-
Greg Street	4,343,180	-	4,343,180	-
Greg Street - McCarran Intersection/Prater drainage	140,000	-	140,000	-
Greg Street - Mill/Truckee River	749,884	-	749,884	-
Greg St. Phase I - RR Xng/Sparks Blvd.	2,387,066	-	2,387,066	-
Greg St. Phase II - Sparks Blvd./I80	3,666,549	-	3,666,549	-
Greg Street - Reno limit/McCarran	1,550,952	-	1,550,952	-
Greg Street - Spice Island	687,487	-	687,487	-
Greg Street - Truckee River/Rock	599,797	-	599,797	-
Harvard Way - Linden to Vassar	1,717,554	-	1,717,554	-
Howard/Greenbrae/Sparks	441,573	-	441,573	-
Howard Drive/Lincoln/Prater/Vista to east city limits	736,655	-	736,655	-
Hunter Lake - Plumb/Mayberry	768,273	-	768,273	-
Incline traffic signal	5,937	-	5,937	-
Industrial Way/Coney Island/Glendale	793,183	-	793,183	-
International Place/Ice House Road	454,428	-	454,428	-
Intersection corrective maintenance FY10	1,465,920	-	1,465,920	-
Intersection corrective maintenance FY11	1,247,428	-	1,247,428	-
Keystone Avenue/California Avenue/Booth St. intersection	248,679	-	248,679	-
Keystone Avenue rehabilitation	1,036,521	-	1,036,521	-
Kirman - Casazza/Plumb	146,912	-	146,912	-
Kirman/Kuenzli/Apple	412,286	-	412,286	-
Kirman/Locust	3,752,490	-	3,752,490	-

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES - CONTINUED
GENERAL FUND
(Regional Streets and Highways Fund)**

For the period July 1, 1965 through June 30, 2019

	Expenditures			Unexpended Balance of Project Appropriations
	July 1, 1965 through June 30, 2018	July 1, 2018 through June 30, 2019	Total	
Kleppe - Greg/N. Truckee Drain	\$ 2,778,473	\$ -	\$ 2,778,473	\$ -
Kuenzli Street	119,416	-	119,416	-
Kuenzli Street bridge	496,598	-	496,598	-
Kuenzli Street - 2nd	1,487,274	-	1,487,274	-
La Posada/Eagle Canyon at Pyramid Hwy.	1,752,339	-	1,752,339	-
Lakeshore Drive	1,134,078	-	1,134,078	-
Lakeside Drive	1,182,372	-	1,182,372	-
Lakeside Drive - Brinkby/Mt. Rose	1,991,639	-	1,991,639	-
Lakeside - Huffaker/Meadowridge	612,170	-	612,170	-
Larkin Circle/Madison Ave. - Greg/Greg	709,203	-	709,203	-
Las Brisas - McCarran/Brittania	818,312	-	818,312	-
Lear Blvd. - Moya/Zeolite	1,483,799	-	1,483,799	-
Lemmon Drive - Buck/Patricia	1,495,172	-	1,495,172	-
Lemmon Drive	-	-	-	3,000,000
Lemmon Drive - Patricia/Ramsey	1,019,271	-	1,019,271	-
Lemmon Drive - Patricia/Waterash	1,446,833	-	1,446,833	-
Lemmon Drive, Phase I	357,708	-	357,708	-
Lemmon Drive, Phase II and III	394,729	-	394,729	-
Liberty/Ryland - Center/Holcomb/Kirman/Mill	1,042,238	-	1,042,238	-
Lillard - Briery/Prater	1,177,261	-	1,177,261	-
Linda Way/Southern Way - Coney Island/Glendale/Freeport	1,201,905	-	1,201,905	-
Longitudinal joint study	65,470	-	65,470	-
Longley Lane - Houston/Rock	2,045,694	-	2,045,694	-
Longley Lane - Huffaker realignment	227,910	-	227,910	-
Longley Lane - S. Virginia St./Peckham Ln.	2,242,374	-	2,242,374	-
Longley - McCarran/Houston	2,150,102	-	2,150,102	-
Longley - McCarran/S. Virginia	3,760,669	-	3,760,669	-
Loop Road/Salomon Circle -Vista/end of pavement/cul de sac	629,758	-	629,758	-
Los Altos Pkwy. - Canyon Run/Goodwin	441,188	-	441,188	-
Mae Anne/Sierra Highlands - Avenida de Landa/McCarran	2,551,997	-	2,551,997	-
Mae Anne - Avenida de Landa/Ambassador	675,540	-	675,540	-
Mae Anne - Sharlands/Avenida de Landa	1,578,105	-	1,578,105	-
Mayberry Drive	3,025,256	-	3,025,256	-
Mayberry Dr. - Canyon/W. McCarran	1,659,547	-	1,659,547	-
Mayberry Dr. - Hunter Lake/California	1,073,723	-	1,073,723	-
Mayberry Dr. - McCarran/California	2,628,315	-	2,628,315	-
Mayberry Dr. - Truckee River/Canyon	2,346,483	-	2,346,483	-
Mays and Tanager - Lakeshore/Village	754,427	-	754,427	-
McCarran Blvd. - Cashill/Plumb	116,563	-	116,563	-
McCarran Blvd. - forensic study	36,693	-	36,693	-
McCarran Blvd. - Greensboro/Skyline	852,287	-	852,287	-
McCarran Blvd. - Mira Loma/Equity	1,212,775	-	1,212,775	-
McCarran Blvd. - Mira Loma/ S. Virginia Street	2,158,994	-	2,158,994	-
McCarran Blvd. - Plumas/Greensboro	250,000	-	250,000	-
McCarran Blvd. /I-80/Prater	64,396	-	64,396	-
McCarran Blvd. - S. Virginia/4th	11,611,934	-	11,611,934	-
Military Road	542,342	-	542,342	-
Military Road - Lemmon/Echo	2,780,321	-	2,780,321	-
Mill Street	2,453,504	-	2,453,504	-
Mill Street/Kietzke/Rock	3,233,994	-	3,233,994	-
Mill Street - Rock/E. McCarran	1,919,943	-	1,919,943	-
Mill Street - Wells/Virginia	454,051	-	454,051	-
Mira Loma - Longley/McCarran	1,506,925	-	1,506,925	-
Mira Loma - McCarran/1,711' E.	398,356	-	398,356	-
Mira Loma - McCarran/Rosewood	476,022	-	476,022	-
Moana Lane	87,781	-	87,781	-
Moana - Neil/Longley	301,376	-	301,376	-

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES - CONTINUED
GENERAL FUND
(Regional Streets and Highways Fund)**

For the period July 1, 1965 through June 30, 2019

	Expenditures			Unexpended Balance of Project Appropriations
	July 1, 1965 through June 30, 2018	July 1, 2018 through June 30, 2019	Total	
Moana - Neil/Peckham	\$ 991,505	\$ -	\$ 991,505	\$ -
Moana - Neil/Kietzke	946,617	-	946,617	-
Moana - Peckham/McCarran	6,834	-	6,834	-
Moana - Plumas/Kietzke	1,693,570	-	1,693,570	-
Moana - Plumas/Pioneer	29,500	-	29,500	-
Moana Lane widening - S. Virginia/Neil ¹	(629,985)	-	(629,985)	-
Montello Street - 9th/Wedekind	1,159,797	-	1,159,797	-
Mount Rose St. - Arlington/Plumas	472,072	-	472,072	-
Moya Blvd - Redrock/Echo	2,143,452	-	2,143,452	-
Neil Road - Virginia/Delucci	622,975	-	622,975	-
Neil Road/Gentry/Terminal Way - Moana/Plumb	2,050,483	-	2,050,483	-
Nichols Blvd. - E. McCarran/Howard	1,965,071	-	1,965,071	-
Nichols Blvd. - Bike/Pedestrian improvements	1,508,713	-	1,508,713	-
Ninth Street - Virginia/Valley	620,911	-	620,911	-
North Hills Boulevard - Golden Valley/1880' West	484,301	-	484,301	-
N. Virginia - 4th/6th/Maple/8th	2,869,570	-	2,869,570	-
Old 395 N. rehabilitation	1,551,287	-	1,551,287	-
Oddie Wells Corridor Multi-Modal	50,751	685,460	736,211	2,023,789
Pagni Lane	467,304	-	467,304	-
Parr Blvd.	90,219	-	90,219	-
Parr Blvd - N. Virginia/US 395	2,469,681	-	2,469,681	-
Parr Circle/Catron Drive - Parr/Parr	1,266,490	-	1,266,490	-
Peckham Lane, Phases I and II	2,704,066	-	2,704,066	-
Peckham Lane - Kietzke/Longley	1,732,873	-	1,732,873	-
Peckham Lane - S. Virginia/Kietzke	774,381	-	774,381	-
Pembroke - McCarran/Steamboat Pkwy	18,357	-	18,357	-
Pembroke Drive	160,056	-	160,056	-
Pembroke/Steamboat Parkway	815,084	-	815,084	-
Pembroke Dr. - McCarran/Boynton Bridge	1,757,774	-	1,757,774	-
Plumas - Glenda/Plumb	1,419,557	-	1,419,557	-
Plumas - Manzanita/Glenda Way	1,026,092	-	1,026,092	-
Plumas - Moana/Urban	1,159,358	-	1,159,358	-
Plumas St. sidewalks	407,385	-	407,385	-
Plumas - Sierra	993,209	-	993,209	-
Plumas - Moana south to end of pavement	2,467,726	-	2,467,726	-
Plumb Lane - Margot/S. Virginia	1,472,271	-	1,472,271	-
Plumb Lane - McCarran/Ferris	6,745,829	-	6,745,829	-
Prater Way	1,002,507	-	1,002,507	-
Prater Way and El Rancho Dr. - Stanford/ Sparks Blvd./Victorian/Prater	1,723,938	-	1,723,938	-
Prater Way enhancements Ph. 3	856,858	-	856,858	-
Prater Way enhancements Ph. 4	257,713	-	257,713	-
Probasco Way	1,614,766	-	1,614,766	-
Purina Way - Spice Island/E. Greg	448,572	-	448,572	-
Putnam and Wyoming - Kings Row/ Keystone	817,093	-	817,093	-
Pyramid Highway Corridor	402,761	-	402,761	-
Pyramid/McCarran intersection improvements ^{1 2}	73,184,587	98,599	73,283,186	-
Pyramid Way - signal improvement	12,456	-	12,456	-
Pyramid/McCarran Blvd.-north urban limit	1,581,221	-	1,581,221	-
Pyramid Hwy./US 395 connector	1,879,528	51,148	1,930,676	4,991,939
Pyramid Hwy. northbound right turn at Ironwood	140,742	-	140,742	-
Ralston St./5th St. - 2nd/5th/Keystone/Ralston	1,854,752	-	1,854,752	-
Ranger Road - Panther/Newport	883,361	-	883,361	-
Red Rock - Adobe/Argosy	2,062,105	-	2,062,105	-

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES - CONTINUED
GENERAL FUND
(Regional Streets and Highways Fund)**

For the period July 1, 1965 through June 30, 2019

	Expenditures			Unexpended Balance of Project Appropriations
	July 1, 1965 through June 30, 2018	July 1, 2018 through June 30, 2019	Total	
Red Rock - Moya/U.S. 395	\$ 461,643	\$ -	\$ 461,643	\$ -
Red Rock - Osage	1,870,038	-	1,870,038	-
Red Rock - Silver Knolls/Adobe	303,947	-	303,947	-
Regional RMMS	290,439	-	290,439	-
Regional road maintenance - fuel tax ^{3 4}	53,347,976	7,976,060	61,324,036	16,149,685
Regional road maintenance - public transportation tax	19,617,423	-	19,617,423	-
Regional System Photo Study	60,005	-	60,005	-
Reno Consolidated 06-01- Court/Sierra	2,264,572	-	2,264,572	-
Reno Consolidated 06-02-Airmotive/Condor/Bible	1,762,634	-	1,762,634	-
Reno Consolidated 07-01-Corporate/Financial Blvd.	981,297	-	981,297	-
Reno Consolidated 07-02-Ralston/S. Meadows Pkwy	757,306	-	757,306	-
Reno Consolidated 08-01 - Kirman/Sutro/9th	1,888,858	-	1,888,858	-
Reno Consolidated 09-01 - Vassar/Holcomb	3,428,153	-	3,428,153	-
Reno Consolidated 09-02 - Matley/Market/Louise/ Redwood/Automotive	1,920,049	-	1,920,049	-
Reno Consolidated 10-01 - Crummer/Green Acres/Huffaker	785,000	-	785,000	-
Reno Consolidated 10-02 - Bluestone/Offenhausser/ Patriot/Portman	1,866,520	-	1,866,520	-
Reno Consolidated 10-03 - Lakeside/Manzanita	3,169,011	-	3,169,011	-
Reno Consolidated 10-04 - Brookside/Energy/Edison/ Joule/Reactor	4,370,038	-	4,370,038	-
Reno Consolidated 10-05 - Mira Loma/Barron/Louie	863,130	-	863,130	-
Reno Consolidated 11-01 - First/State	1,663,549	-	1,663,549	-
Reno Consolidated 11-02 - Brinkby/Lymberry	2,850,741	-	2,850,741	-
Reno Consolidated 11-03 - Gould/Kuenzli/Sunshine/Prosperity	1,707,328	-	1,707,328	-
Reno Consolidated 19-01 - Sutro/1st/Lake/State St.	-	291,379	291,379	2,108,853
Reno Consolidated 19-02 - North Hills/ Hunter Lake/Sky Vista Dr.	-	201,324	201,324	3,298,907
Reno Consolidated 19-03 - Sierra Highlands/Colberet	-	151,048	151,048	1,778,952
Reno overlays	225,997	-	225,997	-
Reno rehabilitation 97-1	1,065,046	-	1,065,046	-
Reno rehabilitation 98-2	1,273,479	-	1,273,479	-
Reno rehabilitation 98-3	1,676,960	-	1,676,960	-
Reno rehabilitation - Lake/Sierra/Sinclair	1,505,712	-	1,505,712	-
Reno Sparks Indian Colony Riverside Pathway	-	113,314	113,314	377,792
Reno-Sparks signal link	27,000	-	27,000	-
Ring Road - northeast and northwest quadrants	3,317,635	-	3,317,635	-
Ridgeview Dr. - Plumas/Lakeside	358,494	-	358,494	-
Ridgeview Terrace/Plumas	1,442,660	-	1,442,660	-
Robb Drive - Walnut/S. Las Brisas	4,923,830	-	4,923,830	-
Rock Blvd.	3,016,760	-	3,016,760	-
Rock - Glendale/McCarran Blvd.	3,800,574	-	3,800,574	-
Rock - Glendale/Hymer	841,147	-	841,147	-
Rock Blvd. - Oddie/N. McCarran Blvd.	1,489,587	-	1,489,587	-
Rock Blvd. - Victorian/Oddie	1,944,538	-	1,944,538	-
Second Street bridge	308,140	-	308,140	-
Security Circle - N. Virginia/N. Virginia	835,227	-	835,227	-
Seventh Street - Akard/Keystone	3,573,805	-	3,573,805	-
Seventh Avenue - Sun Valley/Klondike	534,358	-	534,358	-
Sierra - 9th/N. Virginia Street	1,936,791	-	1,936,791	-
Sierra Street Bike Lane	-	-	-	400,000
Silver Lake Blvd. - Silver Shores/1,000'E. of Stead	1,790,071	-	1,790,071	-
Silver Lake Blvd. - 1000' E. of Stead/Sky Vista	764,518	-	764,518	-
S. Stanford Way	699,429	-	699,429	-
S. Virginia Street - Gentry/Brinkby	396,492	-	396,492	-
S. Virginia Street - Wells intersection relocation	2,556,207	-	2,556,207	-
Southeast Connector phase 1 - Greg/Clean Water Wy. ¹	54,617,002	-	54,617,002	-

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES - CONTINUED
GENERAL FUND
(Regional Streets and Highways Fund)**

For the period July 1, 1965 through June 30, 2019

	Expenditures			Unexpended Balance of Project Appropriations
	July 1, 1965 through June 30, 2018	July 1, 2018 through June 30, 2019	Total	
Traffic signals	\$ 716,583	\$ -	\$ 716,583	\$ -
21st - Glendale/Greg	256,987	-	256,987	-
U.S. 395/S. McCarran Blvd./S. Virginia	394,390	-	394,390	-
University Terrace	829,055	-	829,055	-
Victorian Ave Bike Lane	-	-	-	430,000
Victorian Avenue Ph. I - Rock/16th	545,905	-	545,905	-
Victorian Avenue Ph. II - Pyramid/McCarran	3,383,103	-	3,383,103	-
Village - Tahoe to Country Club Dr.	1,290,321	-	1,290,321	-
Villanova - Harvard/Terminal	1,150,059	-	1,150,059	-
Virginia Street Bus Rapid Extension- Plumb/Liberty	-	-	-	-
Virginia Street - Arroyo/Liberty	-	-	-	-
Virginia Street - Truckee/I-80	24,418	-	24,418	-
Virginia Street - Truckee River bridge replacement	2,000,000	-	2,000,000	-
Virginia St. Bus Rapid Transit Extension ²	6,411,955	18,146,014	24,557,969	56,891,693
Vista - Prater/Baring	1,801,361	-	1,801,361	-
Vista - Baring/Disc/Los Altos	3,438,894	-	3,438,894	-
Vista - I-80/Prater	1,721,671	-	1,721,671	-
Washington Street - 6th/7th	115,848	-	115,848	-
Washoe County regional preventive maintenance	1,828,193	-	1,828,193	-
Wedekind Road - Sullivan/McCarran	339,811	-	339,811	-
Wedekind Road - N. McCarran/Mapali	597,965	-	597,965	-
Wedge - Despain/Mt. Rose	121,430	-	121,430	-
Wells Avenue overpass	3,163,717	-	3,163,717	-
Wells - Casazza/Second	110,438	-	110,438	-
Wells - 9th/Sutro	889,016	-	889,016	-
Wells - Kuenzli/7th St.	1,273,099	-	1,273,099	-
Wells - Virginia/Kuenzli	5,345,136	-	5,345,136	-
W 4th Street	-	-	-	500,000
W. 7th - Madera/NW McCarran	809,706	-	809,706	-
W. Huffaker - Del Monte/Spring Leaf	909,776	-	909,776	-
W. Moana Lane	188,145	-	188,145	-
West Sun Valley arterial	12,132	-	12,132	-
Whites Creek-Zolezzi/ S. Virginia Street	2,376,551	-	2,376,551	-
White Lake Parkway - Village/Brant	1,048,629	-	1,048,629	-
Woodland Ave./Sugar Pine court	-	-	-	-
York Way	1,998,479	-	1,998,479	-
York Way - 18th/4th	116,049	-	116,049	-
Zolezzi Lane rehabilitation and widening	1,164,468	-	1,164,468	-
	<u>\$ 897,369,169</u> ⁵	<u>\$ 42,562,714</u>	<u>\$ 939,931,881</u>	<u>\$ 159,081,303</u>

Notes:

- ¹ Capacity projects were previously reported in the Regional Road Impact Fee program and were transferred to Streets and Highways in FY14
- ² Combined different phases of the same project expenditures together
- ³ Adjusted beginning balance of cumulative construction project expenditures to tie to life-to-date FY18 expenditures
- ⁴ Consolidated the annual pavement maintenance/preventive maintenance program from current and prior years on this schedule under the Regional road maintenance heading
- ⁵ Difference of \$325,705 was due to adjusting beginning balance of project expenditure to life-to-date FY18 expenditures

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES
SPECIAL REVENUE FUND
(Regional Road Impact Fee Fund)**

For the period July 1, 1965 through June 30, 2019

	Expenditures			Unexpended Balance of Project Appropriations
	July 1, 1965 through June 30, 2018	July 1, 2018 through June 30, 2019	Total	
	\$	\$	\$	
Arrowcreek Parkway	2,981,540	-	2,981,540	-
Bicycle/Pedestrian improvements	2,547,546	6,547	2,554,093	-
Damonte Ranch/Double R intersection	437,940	-	437,940	-
Farnsworth	61	-	61	-
Geiger Grade realignment	932,412	-	932,412	-
Geiger Grade/Toll Road	1,762,624	-	1,762,624	-
Golden Valley Road	1,615,421	-	1,615,421	-
I580 northbound widening	20,000,000	-	20,000,000	-
Intersection improvement - Veterans/Geiger Grade	5,294,747	-	5,294,747	-
Intersection improvements 97 - all districts	434,168	-	434,168	-
Intersection improvements 98 - all districts	965,019	-	965,019	-
Intersection improvements 02 - all districts	277,711	-	277,711	-
Intersection improvements 03 - all districts	2,944,528	-	2,944,528	-
Intersection improvements 04 - all districts	4,595,415	-	4,595,415	-
Intersection improvements 05 - all districts	271,527	-	271,527	-
Intersection improvements 07 - all districts	283,468	-	283,468	-
Lemmon Drive - Military realignment	3,044,517	-	3,044,517	-
Lemmon Drive - US395 /N. Virginia	182,424	-	182,424	-
Lemmon Drive - Memorial / US 395	360,331	-	360,331	-
Lincoln Way - Marina/Sparks Blvd.	13,200	-	13,200	-
Longley - McCarran/Moana	1,386,833	-	1,386,833	-
McCarran - Kietzke/Lakeside	645,172	-	645,172	-
McCarran - Prater/I-80	208,467	-	208,467	-
McCarran Blvd sidewalk improvement - Nichols/Prater	149,881	-	149,881	-
S.E. McCarran Blvd widening - Longley/Greg ¹	14,858,157	-	14,858,157	-
Moana Lane extension - Longley/Neil	22,756,313	-	22,756,313	-
Moana Lane widening - S. Virginia/Neil	35,932,930	-	35,932,930	-
Neil/Kietzke roundabout	1,404,622	-	1,404,622	-
N. McCarran/N. Virginia intersection	2,450,082	-	2,450,082	-
North Valleys Safety Improvement	3,084,177	60,595	3,144,772	1,991,728
Plumb/Terminal ITS	937,133	-	937,133	-
Pyramid Hwy. - La Posada/Eagle Canyon	8,829,283	-	8,829,283	-
Pyramid/McCarran intersection ¹	4,090,380	-	4,090,380	-
Pyramid/McCarran southbound right turn lane	86,413	-	86,413	-
Pyramid Hwy./US 395 connector ¹	7,596,949	-	7,596,949	-
Red Rock - Moya/U.S. 395	710,254	-	710,254	-
Signal coordination project	1,492,556	-	1,492,556	-
Signal - Mt. Rose/Thomas Creek	324,961	-	324,961	-
Southeast connector alignment study	1,182,383	-	1,182,383	-
Southeast connector phase 1 - Greg/Clean Water Way ¹	30,199,524	-	30,199,524	-
Southeast connector phase 2 - Clean Water Way/ Veterans Pkwy. ¹	18,810,426	-	18,810,426	-
Sparks Blvd. - Pyramid/Los Altos	4,402,862	-	4,402,862	-
Sun Valley/Clearacre	363,043	-	363,043	-
Sun Valley/Eagle Canyon	7,604	-	7,604	-
Sun Valley/Lemmon Drive	531,198	-	531,198	-
Sun Valley/W. 7th Avenue	364,407	-	364,407	-
System corridor studies	1,132,593	-	1,132,593	-

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF CUMULATIVE CONSTRUCTION
PROJECT EXPENDITURES - CONTINUED
SPECIAL REVENUE FUND
(Regional Road Impact Fee Fund)**

For the period July 1, 1965 through June 30, 2019

	<u>Expenditures</u>			<u>Unexpended</u>
	<u>July 1, 1965</u>	<u>July 1, 2018</u>	<u>Total</u>	<u>Balance of</u>
	<u>through June 30, 2018</u>	<u>through June 30, 2019</u>		<u>Project Appropriations</u>
Traffic and pedestrian signal safety upgrade	\$ 44,903	\$ -	\$ 44,903	\$ -
T/E spot intersection improvements	6,593,817	2,038,076	8,631,893	7,581,569
Traffic management center	268,948	-	268,948	-
Traffic signals	103,692	-	103,692	-
U.S. 395 NB and SB/Clearacre/Sun Valley	54,632,326	-	54,632,326	-
U.S. 395/Meadowood interchange	15,079,961	-	15,079,961	-
Virginia St. - Peckham/Moana	5,000	-	5,000	-
Virginia Street transit Q-jump	1,069,169	-	1,069,169	-
Virginia Street transit signal priority	1,066,499	-	1,066,499	-
Vista/Baring northbound left turn lane	461,633	-	461,633	-
Vista Blvd. corridor study	136,708	-	136,708	-
Vista/Pah Rah/Disc/Los Altos	2,723,274	-	2,723,274	-
Vista Blvd. widening - Los Altos/Wingfield Springs	9,821,787	-	9,821,787	-
Vista Blvd/Sparks Blvd at Los Altos	763,018	-	763,018	-
White Lake Parkway	46,049	-	46,049	-
Zolezzi Ln./I-580 interchange	62,076	-	62,076	-
Zolezzi Ln. rehabilitation and widening	1,949,394	-	1,949,394	-
Impact fee credits/waivers issued:				
Northwest District	41,127,091	-	41,127,091	-
Northeast District	74,982,099	-	74,982,099	-
South District	88,572,036	-	88,572,036	-
	<u>\$ 512,392,682</u>	<u>\$ 2,105,218</u>	<u>\$ 514,497,900</u>	<u>\$ 9,573,297</u>

Notes: ¹ Projects were transferred to the Schedule of Changes in Reserves for Project Appropriations - General Fund. Due to insufficient impact fee collections, the projects were funded with either bond funds pledged by fuel tax funds, direct fuel tax funds and/or federal funds.



STATISTICAL SECTION - (*Unaudited*)

STATISTICAL SECTION - Unaudited

This part of Regional Transportation Commission's (RTC) comprehensive annual financial report presents historical perspective, context, and detail to assist in using the information in the financial statements, note disclosures, and required supplementary information to understand and assess the RTC's overall financial health.

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<i>These schedules contain trend information to help understand how the RTC's financial performance and well-being have changed over time.</i>	
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NET POSITION BY COMPONENT

**Last ten fiscal years
(Accrual basis of accounting)
(Amounts expressed in thousands)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Invested in capital assets	\$ 6,822	\$ 6,290	\$ 7,367	\$ 7,146	\$ 4,323	\$ 5,028	\$ 5,882	\$ 5,919	\$ 6,737	\$ 6,987
Restricted	133,571	115,138	142,133	170,601	189,812	203,703	259,684	131,269	186,450	27,150
Unrestricted	<u>(391,330)</u>	<u>(424,725)</u>	<u>(422,778)</u>	<u>(433,608)</u>	<u>(438,024)</u>	<u>(433,877)</u>	<u>(439,896)</u>	<u>(262,933)</u>	<u>(267,138)</u>	<u>(54,255)</u>
Total governmental activities ¹	<u>\$ (250,937)</u>	<u>\$ (303,297)</u>	<u>\$ (273,278)</u>	<u>\$ (255,861)</u>	<u>\$ (243,889)</u>	<u>\$ (225,146)</u>	<u>\$ (174,330)</u>	<u>\$ (125,745)</u>	<u>\$ (73,951)</u>	<u>\$ (20,118)</u>
Business-type activities										
Invested in capital assets	\$ 94,094	\$ 89,135	\$ 79,533	\$ 73,696	\$ 74,505	\$ 78,598	\$ 79,595	\$ 78,095	\$ 78,039	\$ 67,062
Unrestricted	<u>13,522</u>	<u>14,020</u>	<u>19,225</u>	<u>17,539</u>	<u>16,178</u>	<u>15,053</u>	<u>15,817</u>	<u>17,703</u>	<u>20,271</u>	<u>14,264</u>
Total business-type activities	<u>\$ 107,616</u>	<u>\$ 103,155</u>	<u>\$ 98,758</u>	<u>\$ 91,235</u>	<u>\$ 90,683</u>	<u>\$ 93,651</u>	<u>\$ 95,412</u>	<u>\$ 95,798</u>	<u>\$ 98,310</u>	<u>\$ 81,326</u>
Primary government										
Invested in capital assets	\$ 100,917	\$ 95,425	\$ 86,900	\$ 80,842	\$ 78,828	\$ 83,626	\$ 85,477	\$ 84,014	\$ 84,776	\$ 74,049
Restricted	133,571	115,138	142,133	170,601	189,812	203,703	259,684	131,269	186,450	27,150
Unrestricted	<u>(377,808)</u>	<u>(410,705)</u>	<u>(403,553)</u>	<u>(416,069)</u>	<u>(421,846)</u>	<u>(418,824)</u>	<u>(424,079)</u>	<u>(245,230)</u>	<u>(246,867)</u>	<u>(39,991)</u>
Total primary government	<u>\$ (143,321)</u>	<u>\$ (200,142)</u>	<u>\$ (174,520)</u>	<u>\$ (164,626)</u>	<u>\$ (153,206)</u>	<u>\$ (131,495)</u>	<u>\$ (78,918)</u>	<u>\$ (29,947)</u>	<u>\$ 24,359</u>	<u>\$ 61,208</u>

¹ See Note O for explanation of negative balances.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

CHANGES IN NET POSITIONS

**Last ten fiscal years
(Accrual basis of accounting)
(Amounts expressed in thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Program revenues										
Governmental activities										
Charges for services										
Streets and highways	\$ 8,443	\$ 3,787	\$ 2,482	\$ 274	\$ 194	\$ 619	\$ 713	\$ 1,792	\$ 13,265	\$ 3,762
Transportation services	423	426	414	639	651	636	693	682	686	680
Regional Road Impact Fees	4,834	5,550	4,492	2,690	3,979	-	-	-	-	-
Operating grants and contributions	9,226	30,324	30,525	18,184	17,826	18,251	8,145	2,848	1,657	1,913
Capital grants and contributions	210	745	228	3,462	25	7	1,563	6,792	5,171	3,495
Total governmental activities	<u>23,136</u>	<u>40,832</u>	<u>38,140</u>	<u>25,249</u>	<u>22,675</u>	<u>19,513</u>	<u>11,114</u>	<u>12,114</u>	<u>20,779</u>	<u>9,850</u>
Business-type activities										
Charges for services										
Passenger fares	5,108	5,615	5,717	5,909	5,978	6,176	5,959	5,917	5,738	6,025
Bus advertising	262	264	190	181	206	216	277	347	422	436
Rental income	357	435	458	455	421	460	460	434	437	463
Miscellaneous	-	-	-	-	-	-	-	-	-	105
Operating grants and contributions	4,320	4,088	4,826	3,618	3,404	3,499	3,989	3,483	9,814	7,476
Capital grants and contributions	12,935	7,848	9,882	3,813	980	4,147	5,463	4,580	15,279	10,809
Total business-type activities	<u>22,982</u>	<u>18,250</u>	<u>21,073</u>	<u>13,976</u>	<u>10,989</u>	<u>14,498</u>	<u>16,148</u>	<u>14,761</u>	<u>31,690</u>	<u>25,314</u>
Total program revenues	<u>\$ 46,118</u>	<u>\$ 59,082</u>	<u>\$ 59,213</u>	<u>\$ 39,225</u>	<u>\$ 33,664</u>	<u>\$ 34,011</u>	<u>\$ 27,262</u>	<u>\$ 26,875</u>	<u>\$ 52,469</u>	<u>\$ 35,164</u>
Expenses										
Governmental activities										
Streets and highways	\$ 39,637	\$ 118,730	\$ 101,901	\$ 83,266	\$ 67,542	\$ 106,986	\$ 91,016	\$ 85,851	\$ 89,240	\$ 64,868
Transportation services	9,949	10,348	9,279	8,136	7,403	7,372	7,387	6,894	7,344	7,998
Regional Road Impact Fees	2,727	5,154	6,515	3,036	2,067	-	-	-	-	-
Metropolitan planning	2,653	2,226	2,519	3,221	2,707	3,759	2,803	3,452	2,122	2,100
Interest and fiscal charges	18,685	19,284	19,586	19,867	20,134	20,351	14,066	12,584	10,493	5,320
Total governmental activities	<u>73,651</u>	<u>155,743</u>	<u>139,802</u>	<u>117,526</u>	<u>99,853</u>	<u>138,468</u>	<u>115,272</u>	<u>108,781</u>	<u>109,199</u>	<u>80,286</u>
Business-type activities										
Public transportation	39,282	31,465	31,251	30,307	30,202	30,411	30,110	29,761	30,639	29,520
Total expenses	<u>\$ 112,933</u>	<u>\$ 187,208</u>	<u>\$ 171,053</u>	<u>\$ 147,833</u>	<u>\$ 130,055</u>	<u>\$ 168,879</u>	<u>\$ 145,382</u>	<u>\$ 138,542</u>	<u>\$ 139,838</u>	<u>\$ 109,806</u>
Net expenses										
Governmental activities	\$ (50,515)	\$ (114,910)	\$ (101,661)	\$ (92,277)	\$ (77,178)	\$ (118,955)	\$ (104,158)	\$ (96,667)	\$ (88,420)	\$ (70,436)
Business-type activities	(16,300)	(13,215)	(10,178)	(16,331)	(19,213)	(15,913)	(13,962)	(15,000)	1,051	(4,206)
Total net expense	<u>\$ (66,814)</u>	<u>\$ (128,125)</u>	<u>\$ (111,839)</u>	<u>\$ (108,608)</u>	<u>\$ (96,391)</u>	<u>\$ (134,868)</u>	<u>\$ (118,120)</u>	<u>\$ (111,667)</u>	<u>\$ (87,369)</u>	<u>\$ (74,642)</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

CHANGES IN NET POSITION - CONTINUED

**Last ten fiscal years
(Accrual basis of accounting)
(Amounts expressed in thousands)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General revenues and other changes in net position										
Governmental activities										
Motor vehicle fuel tax	\$ 86,738	\$ 81,180	\$ 75,058	\$ 68,015	\$ 58,934	\$ 49,575	\$ 41,828	\$ 35,319	\$ 29,385	\$ 21,835
Public transportation tax	11,650	9,806	8,989	9,932	8,414	8,786	8,459	7,726	4,250	1,170
Regional Road Impact fees	-	-	-	-	-	8,165	8,598	-	-	-
Unrestricted investment earnings	3,266	465	235	1,971	779	909	207	1,085	556	631
Miscellaneous revenue	990	162	(260)	193	12	246	3	55	150	59
Gain (loss) on disposal of capital assets	19	8	4	9	-	2	10	-	-	5
Transfers	210	300	218	184	188	308	(561)	338	246	4,193
Total governmental activities	<u>102,874</u>	<u>91,922</u>	<u>84,244</u>	<u>80,304</u>	<u>68,327</u>	<u>67,991</u>	<u>58,544</u>	<u>44,523</u>	<u>34,587</u>	<u>27,893</u>
Business-type activities										
Public transportation tax	20,274	21,278	17,837	16,661	16,270	14,231	12,927	12,472	15,182	17,851
Investment earnings	545	65	34	304	134	172	35	321	71	191
Miscellaneous revenue	134	30	43	114	18	44	15	30	923	-
Gain (loss) on disposal of capital assets	18	-	6	(12)	10	14	38	3	2	462
Transfers	(210)	(300)	(218)	(184)	(188)	(308)	561	(338)	(246)	(4,193)
Total business-type activities	<u>20,761</u>	<u>21,074</u>	<u>17,701</u>	<u>16,883</u>	<u>16,244</u>	<u>14,153</u>	<u>13,576</u>	<u>12,488</u>	<u>15,932</u>	<u>14,311</u>
Total primary government	<u>\$ 123,635</u>	<u>\$ 112,996</u>	<u>\$ 101,945</u>	<u>\$ 97,187</u>	<u>\$ 84,571</u>	<u>\$ 82,144</u>	<u>\$ 72,120</u>	<u>\$ 57,011</u>	<u>\$ 50,519</u>	<u>\$ 42,204</u>
Change in net position										
Governmental activities	\$ 52,359	\$ (22,989)	\$ (17,417)	\$ (11,973)	\$ (8,851)	\$ (50,964)	\$ (45,614)	\$ (52,144)	\$ (53,833)	\$ (42,543)
Business-type activities	4,461	7,859	7,523	552	(2,969)	(1,760)	(386)	(2,512)	16,983	10,106
Total primary government	<u>\$ 56,820</u>	<u>\$ (15,130)</u>	<u>\$ (9,894)</u>	<u>\$ (11,421)</u>	<u>\$ (11,820)</u>	<u>\$ (52,724)</u>	<u>\$ (46,000)</u>	<u>\$ (54,656)</u>	<u>\$ (36,850)</u>	<u>\$ (32,437)</u>

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

FUND BALANCES OF GOVERNMENTAL FUNDS

**Last ten fiscal years
(Modified accrual basis of accounting)
(Amounts expressed in thousands)**

	2019²	2018²	2017²	2016²	2015²	2014²	2013²	2012²	2011²	2010¹
General fund										
Nonspendable	\$ 307	\$ 304	\$ 271	\$ 221	\$ 170	\$ 192	\$ 182	\$ 201	\$ 146	\$ -
Restricted	87,463	58,704	88,510	112,912	136,930	153,058	215,711	93,225	149,515	-
Reserved	-	-	-	-	-	-	-	-	-	126,092
Total general fund	<u>\$ 87,770</u>	<u>\$ 59,008</u>	<u>\$ 88,781</u>	<u>\$ 113,133</u>	<u>\$ 137,100</u>	<u>\$ 153,250</u>	<u>\$ 215,893</u>	<u>\$ 93,426</u>	<u>\$ 149,661</u>	<u>\$ 126,092</u>
All other governmental funds										
Nonspendable	\$ 218	\$ 374	\$ 384	\$ 133	\$ 124	\$ 199	\$ 157	\$ 219	\$ 135	\$ -
Restricted	46,108	56,434	53,622	57,689	52,882	50,645	43,973	38,044	42,680	-
Assigned	2,767	1,543	2,234	381	2,914	2,360	1,074	535	-	-
Unassigned	-	-	-	(541)	-	-	-	(274)	(277)	-
Reserved	-	-	-	-	-	-	-	-	-	6,397
Total all other governmental funds	<u>\$ 49,093</u>	<u>\$ 58,350</u>	<u>\$ 56,240</u>	<u>\$ 57,662</u>	<u>\$ 55,920</u>	<u>\$ 53,204</u>	<u>\$ 45,204</u>	<u>\$ 38,524</u>	<u>\$ 42,538</u>	<u>\$ 6,397</u>

¹ The increase in reserved fund balance in the general fund was due to the issuance of the Series 2009, Series 2010, and Series 2013 Bonds used to finance the costs of constructing and maintaining certain streets and highways in the County. See Note I & J.

² RTC has chosen to present fund balances prospectively in accordance with the implementation of GASB No. 54.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last ten fiscal years
(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Motor vehicle fuel tax	\$ 86,738	\$ 81,180	\$ 75,058	\$ 68,015	\$ 58,934	\$ 49,575	\$ 41,828	\$ 35,319	\$ 29,385	\$ 21,835
Public transportation tax	11,650	9,806	8,989	9,932	8,414	8,786	8,459	7,726	4,250	1,170
Impact fees	4,831	5,550	4,492	2,690	3,979	8,165	8,598	596	11,226	1,076
Passenger fares	423	426	413	639	651	636	693	683	686	680
Investment income	3,266	465	235	1,971	779	909	207	1,085	556	631
Reimbursements	7,628	3,605	2,467	233	161	644	716	1,168	2,162	2,856
Planning, operating and capital grants	9,982	34,534	28,970	19,928	18,711	17,919	12,125	5,866	5,118	5,123
Miscellaneous income	1,005	237	(160)	340	253	531	213	263	380	362
Total revenues	125,524	135,803	120,465	103,748	91,882	87,165	72,839	52,706	53,763	33,733
Expenditures										
Streets and highways	51,626	124,837	107,873	85,286	69,386	106,872	90,760	85,533	89,024	64,521
Transportation services	8,659	9,032	7,817	7,158	6,700	6,526	6,247	5,945	6,358	6,712
Metropolitan planning	2,653	2,226	2,402	3,167	2,649	3,672	2,725	3,357	2,043	2,032
Capital outlay	1,856	242	1,663	3,841	43	9	1,898	124	711	814
Debt service										
Principal	2,303	7,603	6,604	6,309	6,096	5,997	5,788	5,438	-	2,000
Interest	19,446	19,790	20,059	20,362	20,584	19,156	12,497	13,223	7,662	2,458
Debt service fees & fiscal charges	1,022	45	42	42	46	34	36	22	886	2,504
Total expenditures	87,566	163,776	146,459	126,165	105,504	142,266	119,951	113,642	106,684	81,041
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	37,958	(27,973)	(25,994)	(22,417)	(13,622)	(55,101)	(47,112)	(60,936)	(52,921)	(47,308)
Other financing sources (uses)										
Transfers in (out)	210	300	217	184	188	308	225	338	246	4,193
Debt issuance ¹	183,235	-	-	-	-	-	165,000	-	90,000	179,567
Bond premium	22,507	-	-	-	-	-	11,023	-	340	162
Bond discount	-	-	-	-	-	-	-	-	-	(155)
Payment to refunded bond escrow agent	(224,426)	-	-	-	-	-	-	-	-	-
Sale of capital assets	19	8	4	9	-	2	10	-	-	5
Total other financing sources (uses)	(18,454)	308	221	193	188	310	176,258	338	90,586	183,772
NET CHANGE IN FUND BALANCES	\$ 19,504	\$ (27,664)	\$ (25,773)	\$ (22,224)	\$ (13,434)	\$ (54,791)	\$ 129,146	\$ (60,598)	\$ 37,665	\$ 136,464
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	26.6%	16.8%	18.4%	21.8%	25.3%	17.7%	15.5%	16.5%	8.1%	8.7%

¹ Proceeds from the issuance of debt are detailed in Note I & J.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

REVENUES BY SOURCE, GOVERNMENTAL FUNDS

Last ten fiscal years
(Modified accrual basis of accounting)

Fiscal Year	Motor Vehicle Fuel Tax	Regional Road Impact Fee Credits ¹	Regional Road Impact Fees	Public Transportation Tax	Total
2019	\$ 86,738,311	\$ -	\$ 4,830,616	\$ 11,650,266	\$ 103,219,193
2018	81,179,894	714,512	4,835,052	9,805,973	96,535,431
2017	75,058,070	452,098	4,039,431	8,989,017	88,538,616
2016	68,015,031	-	2,690,468	9,932,269	80,637,768
2015	58,934,179	953,787	3,025,633	8,414,074	71,327,673
2014	49,574,968	6,790,650	1,374,381	8,786,166	66,526,165
2013	41,827,886	7,470,788	1,126,781	8,459,319	58,884,774
2012	35,318,650	346,025	249,938	7,726,463	43,641,076
2011	29,385,293	10,730,150	496,279	4,250,000	44,861,722
2010	21,834,666	625,828	450,167	1,170,088	24,080,749
<u>Change</u>					
2010-2019	297.3%	-100.0%	973.1%	895.7%	328.6%

¹ Regional Road Impact Fee Credits are non-cash revenue

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

REVENUES BY SOURCE, PROPRIETARY FUNDS

Last ten fiscal years
(Accrual basis of accounting)

Fiscal Year	Public Transportation Tax	Passenger Fares ¹	Federal Operating Government Grant	Bus Advertising	Investment Income	Miscellaneous ⁴	Total
2019	\$ 20,274,451	\$ 5,108,047	\$ 4,320,161	\$ 261,659	\$ 544,930	\$ 508,491	\$ 31,017,739
2018	21,278,436	5,614,832	4,088,110	264,091	65,488	465,798	31,776,755
2017	17,836,832	5,716,864	4,825,788	190,455	33,843	505,727	29,109,509
2016	16,661,346	5,908,612	3,618,038	181,404	303,719	556,570	27,229,689
2015	16,270,368	5,977,902	3,403,457	206,391	134,063	448,611	26,440,792
2014	14,230,831	6,175,971	3,498,641	216,345	172,261	517,092	24,811,141
2013	12,926,595	5,959,133	3,989,322	277,131	35,051	512,661	23,699,893
2012	12,472,313	5,916,656	3,482,964	347,714	320,859	466,834	23,007,340
2011	15,182,174	5,738,460	9,814,365	422,428	70,699	1,361,740 ³	32,589,866
2010	17,851,440	6,024,823	7,476,152	435,904	191,250	1,030,407 ²	33,009,976
Change 2010-2019	13.6%	-15.2%	-42.2%	-40.0%	184.9%	-50.7%	-6.0%

¹ October 6, 2018 Passenger Fare Changes:

* All U.S. Veteran riders qualify for reduced fare; Single ride disabled decreased from \$1.00 to \$0.75; 7-Day full fare pass decreased from \$19.50 to \$14.50; 7-Day regular fare pass decreased from \$9.75 to \$6.00; Single ride RTC ACCESS ID increased from \$0.50 to \$0.75; Transfers were eliminated; 31-Day Disabled pass increased from \$26.00 to \$32.50; 24-Hour pass discontinued; One Day pass expires at midnight.

* Effective 7/1/2014, RTC RIDE and RTC RAPID prepaid passes were reduced by 7%. RTC INTERCITY fare was increased by 25%.

RTC Sierra Spirit implemented a 25-cent regular fare and 10-cent reduced fare. RTC ACCESS on RTC RIDE 10-ride pass was reduced from \$5 to \$4.

² Includes FTA residual value of \$426,604 on the Citicenter property sold to the City of Reno. The residual value was applied towards the 4th Street Station construction.

³ Includes NV Energy Incentive Program & Sure Bet Program rebate of \$815,340 for Solar, Lighting, and HVAC ARRA grant projects.

⁴ Includes rental income and gain on sale of assets.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**PRINCIPAL REGIONAL ROAD IMPACT FEE CREDIT RECIPIENTS¹
YEARS 2019 AND 2010**

Last ten fiscal years

Certificate Holders	2019			2010		
	Value of Waivers Issued³	Rank	% of Total Value	Value of Credits Issued²	Rank	% of Total Value
Nevada Tri-Partners, LLC	\$ -	-	0.0%	\$ 392,338	1	62.7%
Pyramid Hwy. & Robert Banks Blvd.	-	-	0.0%	133,490	2	21.3%
Spanish Springs Associates	-	-	0.0%	100,000	3	16.0%
Total Ten Largest Credit Recipients	\$ -		0.0%	\$ 625,828		100.0%
Total Impact Fee Credits Issued	\$ -		0.0%	\$ 625,828		100.0%

- ¹ Any person, except a unit of government, who constructs all or part of a capital improvement included in the Regional CIP or offers a dedication of land may apply for a Regional Road Impact Fee Credit/Waiver. RRIF Credits measured in Vehicle Miles Traveled (VMT) were issued prior to 3/2/2015. RRIF Waivers, replaced the RRIF Credit program in 2015, and are measured in dollars. The RTC RRIF Administrator determines which capital improvements and/or right-of-way dedications are eligible for Credits/Waivers. RRIF Credits and Waivers are managed in an online RRIF Automation account.
- ² RRIF Credits may be used by the original Developer of Record to pay up to 100% of the impact fees owed within the Benefit District where they were earned. RRIF Credits transferred to a 3rd Party can be used to pay up to 100% of impact fees owed within the Development of Record where they were earned and up to 50% of the impact fees owed outside the Development of Record, but within the Benefit District. RRIF Credits may not be used outside the Benefit District where the RRIF Credits were earned. Unused RRIF Credits expire twenty years from the date of approval of the Capital Contribution Front Ending Agreement (CCFEA). In 2017, a one-time offer to extend the expiration date for an additional 10 years was given to existing credit holders.
- ³ RRIF Waivers may be used by the original Developer of Record to pay up to 100% of the impact fees owed within the Development of Record and do not expire. RRIF Waivers transferred to a 3rd Party can be used to pay up to 100% of the impact fees owed within the Development of Record where they were earned. RRIF Waivers may not be used outside the Development of Record. The impact fees owed using RRIF Waivers are based on the fee schedule in effect at the time of the RRIF Offset Agreement for the land uses identified in the agreement. Impact fees owed for any changes to the original land use will be assessed at the current impact fee rate.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

VEHICLE MILES TRAVELED (VMT) UNITS¹

Last ten fiscal years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016³</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total VMT units issued in Reno ²	-	2,135	1,546	-	6,885	21,440	27,454	500	42,931	-
Total VMT units issued outside Reno	-	-	-	-	-	17,984	27,018	1,047	34,808	4,875
Total VMT units	<u>-</u>	<u>2,135</u>	<u>1,546</u>	<u>-</u>	<u>6,885</u>	<u>39,424</u>	<u>54,472</u>	<u>1,547</u>	<u>77,739</u>	<u>4,875</u>

¹ Any person, except a unit of government, who constructs all or part of a capital improvement included in the Regional CIP or offers a dedication of land may apply for a Regional Road Impact Fee Credit/Waiver. RRIF Credits measured in Vehicle Miles Traveled (VMT) were issued prior to 3/2/2015. RRIF Waivers, replaced the RRIF Credit program in 2015, and are measured in dollars. The RTC RRIF Administrator determines which capital improvements and/or right-of-way dedications are eligible for Credits/Waivers. RRIF Credits and Waivers are managed in an online RRIF Automation account.

² Prior to 2014, impact fees were slightly lower in the City of Reno. Impact Fees were discounted to account for additional payments made by new development within the City of Reno to pay for outstanding debt on Reno's 1985 and 1989 bond issues which were used for road capital improvements and improvements on existing roadways. The City of Sparks and Washoe County had no outstanding debt for road improvements. Beginning 2014, the bonds were paid off.

³ Beginning 2016, VMTs shown represent the RRIF Waivers issued. RRIF Waivers are issued in dollars and are converted to Vehicle Miles Traveled (VMTs) based on the impact fee rate in effect as of the date of the RRIF Offset Agreement.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

DIRECT AND OVERLAPPING TAX RATES

Last ten fiscal years

Fiscal Year	RTC Direct Sales Tax Rate ¹	Washoe County Sales Tax Rate	RTC Direct Vehicle Fuel Tax Rate ²	Annual RTC Direct Vehicle Fuel Tax Index Incr. ³	Washoe County Vehicle Fuel Tax Rate	Annual Washoe County Vehicle Fuel Tax Index Incr. ³	RTC Direct Impact Fee in Reno Rate ⁴	RTC Direct Impact Fee Outside Reno Rate	RTC Direct Impact Fee in North Area Rate ⁵	RTC Direct Impact Fee in South Area Rate ⁵
2019	0.375%	8.265%	\$ 0.3829	\$ 0.0145	\$ 0.5010	\$ 0.0168	N/A	N/A	\$267.58/VMT	\$303.11/VMT
2018	0.375%	8.265%	0.3684	0.0155	0.4842	0.0179	N/A	N/A	262.69/VMT	297.58/VMT
2017	0.375%	7.725%	0.3529	0.0239	0.4663	0.0403	N/A	N/A	262.69/VMT	297.58/VMT
2016	0.375%	7.725%	0.3289	0.0348	0.4386	0.0403	N/A	N/A	258.20/VMT	292.50/VMT
2015	0.375%	7.725%	0.2942	0.0378	0.3983	0.0438	N/A	N/A	253.39/VMT	287.05/VMT
2014	0.375%	7.725%	0.2564	0.0366	0.3546	0.0423	\$216/VMT	\$227/VMT		
2013	0.375%	7.725%	0.2198	0.0323	0.3123	0.0374	216/VMT	227/VMT		
2012	0.375%	7.725%	0.1875	0.0264	0.2749	0.0305	216/VMT	227/VMT		
2011	0.375%	7.725%	0.1611	0.0261	0.2443	0.0302	216/VMT	227/VMT		
2010	0.375%	7.725%	0.1350	0.0294	0.2141	0.0339	216/VMT	227/VMT		

¹ The RTC's sales tax rate may only be changed with the approval of the Board of County Commissioners and enacted State legislation. Effective November 1, 1982, the Board of County Commissioners imposed a sales tax of 1/4 cent for mass transit or the construction of public roads. Effective July 1, 2003, the Board of County Commissioners imposed an additional 1/8 cent sales tax.

² The RTC's motor vehicle fuel tax rate may only be changed with the approval of the Board of County Commissioners and enacted State legislation. In 1965, a \$0.01 per gallon fuel tax was levied for the purpose of constructing and improving the street and highway transportation facilities within Washoe County. In 1971, it was increased to \$0.02 per gallon and in 1982 to \$0.04 per gallon. In April of 1994, a temporary additional \$0.05 per gallon was approved then made permanent in September of 1995. Reference note 3 below. Annual rates reflect year-to-year cumulative indexing.

³ Effective October 1, 2003, the Board of County Commissioners approved fuel tax indexing which imposed additional new taxes on motor vehicle fuel. On the first day of each fiscal year, motor vehicle fuel tax was increased by (i) the lesser of 4.5 percent or (ii) the average percentage of the increase in the Consumer Price Index for West Urban Consumers for the preceding 5 years. At the November 2008 election, County voters approved RTC5 and the State Legislature enacted the bill which revised the indexing provisions for the 9-cent motor vehicle fuel tax. The county was thereby authorized to impose additional taxes on motor vehicle fuel and special fuels for the benefit of the Commission, and provided for annual increases in such taxes to be calculated using a formula based on (i) the lesser of 7.8% or (ii) a rolling 10-year average of the changes in the Producer Price Index for Street and Highway Construction. The PPI adjustments were imposed on the CPI adjusted rate of 10.5621 cents per gallon. The PPI adjusted rate went into effect with April 2010 fuel tax collections. Rates shown reflect the annual change in the index.

⁴ The imposition of an impact fees for the construction of new roads and to make capacity improvements is established by State legislation. RTC impact fee rates may only be changed with the approval of ordinances adopted by all participating local governments. The 2003 passage of WC-2 allowed for the indexing of impact fee and NRS 278B.225 was established to allow automatic inflationary adjustments to the fees. Rates shown are based on a single-family detached home.

⁵ Effective March 2, 2015 the 5th edition of the Regional Road Impact Fee System General Administrative Manual (GAM) was adopted. Service areas were modified to North and South as shown in Exhibit B of the GAM. Impact fee rates shown are based on Exhibit H of the GAM.

Source: Nevada Department of Taxation and Regional Transportation Commission

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last ten fiscal years
(Amounts expressed in thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental activities										
Revenue bonds	\$ 346,612	\$ 390,732	\$ 398,335	\$ 404,939	\$ 411,248	\$ 417,344	\$ 423,341	\$ 264,129	\$ 269,567	\$ 179,567
Line of credit	-	-	-	-	-	-	-	-	-	-
Less Deferred amounts										
Bond Premium	22,016	9,180	9,558	9,937	10,316	10,694	11,137	308	425	153
Bond Discount	(9)	(25)	(41)	(56)	(72)	(88)	(103)	(119)	(135)	(151)
Total primary government	<u>\$ 368,619</u>	<u>\$ 399,887</u>	<u>\$ 407,852</u>	<u>\$ 414,820</u>	<u>\$ 421,492</u>	<u>\$ 427,950</u>	<u>\$ 434,375</u>	<u>\$ 264,318</u>	<u>\$ 269,857</u>	<u>\$ 179,569</u>
Percentage of personal income	<u>1.4424%</u>	<u>1.7733%</u>	<u>1.9179%</u>	<u>2.0571%</u>	<u>2.2094%</u>	<u>2.2724%</u>	<u>2.2131%</u>	<u>1.4157%</u>	<u>1.4876%</u>	<u>1.0314%</u>
Per capita	<u>\$ 0.79</u>	<u>\$ 0.86</u>	<u>\$ 0.89</u>	<u>\$ 0.92</u>	<u>\$ 0.95</u>	<u>\$ 0.98</u>	<u>\$ 1.00</u>	<u>\$ 0.61</u>	<u>\$ 0.63</u>	<u>\$ 0.43</u>

Details regarding the RTC's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics on page 113 for personal income and population data.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**COMPUTATION OF GENERAL OBLIGATION
DIRECT AND OVERLAPPING DEBT**

**As of June 30, 2019
(amounts expressed in thousands)**

Name of Governmental Unit	Debt Outstanding	Presently Self-Supporting Debt	Percent Applicable to Washoe County ¹	Applicable Net Debt
Direct ²				
Regional Transportation Commission				
Revenue bonds ³	\$ 346,612	\$ 346,612	0%	\$ 346,612
Total Direct Debt	<u>346,612</u>	<u>346,612</u>		<u>346,612</u>
Overlapping				
Washoe County School District	709,722	-	100%	709,722
Reno-Sparks Convention & Visitors Authority	103,587	103,587	100%	-
City of Reno	41,780	-	100%	41,780
City of Reno supported by specific revenue	357,096	357,096	100%	-
City of Reno - Special Assessment bonds ⁴	10,916	10,916	100%	-
City of Sparks - Sewer and Utility bonds	37,567	37,567	100%	-
Incline Village General Improvement District	6,967	6,967	100%	-
State of Nevada	1,358,070	296,840	14.09%	154,833
Total Overlapping Debt	<u>2,625,705</u>	<u>812,973</u>		<u>906,335</u>
 Total Direct and Overlapping debt	 <u>\$ 2,972,317</u>	 <u>\$ 1,159,585</u>		 <u>\$ 1,252,947</u>

¹ Based on FY 2017-18 assessed valuation in the respective jurisdiction.

² Includes all governmental debt activities and amounts are net of related discounts, premiums and deferred refunding charges.

³ Revenue bonds are not general obligation, but are special limited obligation of the County payable solely from the pledged revenue.

⁴ Special assessment bonds are not general obligations of Washoe County, or of the Cities of Reno and Sparks. If however, the special assessments collected, with all other available resources were insufficient to meet debt service requirements on these bonds, the respective bond ordinances require that the deficiency be made up with the governments' general funds.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

PLEGGED REVENUE BOND COVERAGE AND LIMITATIONS

Last ten fiscal years

Debt Service			Motor Vehicle Fuel Tax ¹			Public Transportation Tax ³	Limitations ⁴	Bond Coverage ⁵			
Fiscal Year	Principal	Interest	Total Debt Service	RTC 9¢ + Index ²	Washoe County 5.35¢ + 1¢	Total Net Pledged Fuel Tax Revenues	Total Net Pledged Public Transportation Tax Revenues	Revenues in Excess of Debt Service	Bond Coverage Actual	Bond Coverage Required	Excess Coverage
2019	\$ 2,303,000	\$ 19,445,659	\$ 21,748,659	\$ 86,738,311	N/A	\$ 86,738,311	\$ 10,450,532	\$ 75,440,184	399%	200%	199%
2018	7,603,000	19,789,748	27,392,748	81,179,894	N/A	81,179,894	10,211,947	63,999,093	296%	125%	171%
2017	6,604,000	20,058,757	26,662,757	75,058,070	N/A	75,058,070	9,378,033	57,773,346	282%	125%	157%
2016	6,309,000	20,362,279	26,671,279	68,015,031	N/A	68,015,031	8,864,538	50,208,290	255%	125%	130%
2015	6,096,000	20,584,244	26,680,244	58,934,179	N/A	58,934,179	8,228,147	40,482,082	221%	125%	96%
2014	5,997,000	19,156,381	25,153,381	49,574,968	N/A	49,574,968	7,672,332	32,093,919	197%	125%	72%
2013	5,788,000	12,496,721	18,284,721	41,827,886	N/A	41,827,886	7,128,638	30,671,803	229%	125%	104%
2012	5,438,000	13,222,764	18,660,764	35,318,650	N/A	35,318,650	6,732,925	23,390,811	189%	125%	64%
2011	-	7,661,705	7,661,705	29,385,293	N/A	29,385,293	6,477,392	28,200,980	368%	125%	243%
2010	-	2,415,291	2,415,291	20,775,496	N/A	20,775,496	N/A	18,360,205	860%	125%	735%

- ¹ The amounts of these taxes have increased over the years. In 1977, the rates were 2¢ and 1½¢. In 1982, these were raised to 4¢ and 1½¢. In 1983, they were increased again to the level of 4¢ and 3¢. In 1986 the 3¢ motor vehicle fuel tax previously distributed to the RTC for bond covenant provisions was distributed by the State of Nevada directly to Washoe County and the Cities of Reno and Sparks, as provided for in Chapter 365 of the Nevada Revised Statutes. The 3¢ rate was increased to 4.28¢ in 1988 and 5.35¢ in 1989. In April 1994, the 4¢ was raised to 9¢. In 1983, the 1¢ rate was implemented for Washoe County roads.
- ² The bond covenant provisions of the 2018 and 2010 Series A,B,C,D,E and F revenue bonds identify as net pledged revenues motor vehicle fuel taxes consisting of the 9¢ per gallon motor vehicle fuel tax together with prior annual increases to that base rate calculated as the lesser of: (i) 4.5% increase or (ii) the average percentage of the increase in the Consumer Price Index for West Urban Consumers for the preceding 5 years. Pursuant to a ballot measure in November 2008 and subsequent enactment of Chapter 501 at the State Legislature, additional taxes were imposed on motor vehicle fuel and special fuels for the benefit of the RTC which provided for annual increases using a formula based on the lesser of (i) 7.8% or (ii) a rolling 10-year average of changes in the Producer Price Index (PPI) for Street and Highway Construction. The PPI rate went into effect January 1, 2010 and is adjusted on July 1, annually.
- ³ The bond covenant provisions of the 2010 Series H revenue bonds identify as net pledged revenues sales taxes imposed at a rate of one-eighth of one percent (.0125%) and income derived from any additional Sales Tax imposed by the County should the RTC Board choose to include the additional tax in pledged revenues. The RTC Board may elect to include additional taxes in pledged revenues for the remaining term of the 2010H bonds by adoption of a resolution or ordinance to include such tax.
- ⁴ The following limitations on bond coverage are calculated in these columns:
a. Nevada Revised Statutes 373.130 states that revenues from vehicle fuel tax must be adequate to meet the payment of outstanding debt as it becomes due.
b. Washoe County Bond Ordinance requires that the net pledged revenues derived in any twelve consecutive months of the last eighteen months of fiscal year immediately preceding the date of the issuance of such additional parity securities shall have been at least sufficient to pay an amount equal to 200% of the combined maximum annual principal and interest requirements of the outstanding bonds and any other outstanding parity securities of the County and the parity securities proposed to be issued (excluding any reserves therefore).
- ⁵ The Actual Bond Coverage and Excess Coverage are calculated as follows:
a. Bond Coverage – Actual is equal to the Total Net Pledged Fuel Tax Revenues divided by Total Debt Service.
b. Excess Coverage is equal to the difference between Bond Coverage – Actual and Bond Coverage – Required.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last ten fiscal years
(Dollars Expressed in Thousands)

Fiscal Year	Population¹	Personal Income²	Per Capita Personal Income²	Median Age³	Total Labor Force⁴	Unemployment Rate (Percent)⁴	Construction Activity - Total Value⁵	Number of New Family Units⁵
2019	475,596	\$ 25,556,498	55	38.0	250,005	3.6%	\$ 458,823	572
2018	467,417	22,549,907	48	37.9	239,119	4.2%	345,710	481
2017	459,142	21,265,239	48	37.5	223,409	4.0%	301,127	378
2016	451,248	20,164,911	51	37.5	213,923	6.4%	231,742	320
2015	444,008	19,077,494	48	37.4	213,773	6.4%	246,628	255
2014	436,647	18,832,669	48	37.6	206,624	7.2%	203,086	120
2013	433,731 ⁶	19,627,834 ⁶	45 ⁶	37.6	219,550	9.8%	126,468	74
2012	429,908 ⁶	18,656,484	45 ⁶	37.0	222,532	12.3%	95,876	83
2011	424,912 ⁶	18,121,519	43	37.2	225,481	13.2%	67,721	55
2010	422,029 ⁶	17,409,987	41	37.0	221,954	13.6%	55,952	36

Sources:

- ¹ FY 2010 through FY 2013 Annual population, Data Analysis 2010 US Census-Nevada
Per Governor Certified Population of Nevada's Counties, Cities and Towns 2000 to 2013
FY 2014: Washoe County Community Development, with projected growth rate applied to the 2010 US Census
FY 2015 - FY 2019 data source: Nevada State Demographer's Office-NV Small Business Development Center
- ² FY 2012 and prior: U.S. Department of Commerce, Bureau of Economic Analysis (BEA)
FY 2013 - FY 2014: Washoe County Community Development Demographic Information
FY 2014 - FY 2019: BEA 2012 Estimate with Compound Annual Growth Rate applied
- ³ FY 2010 - FY 2013: Center for Regional Studies, University of Nevada, Reno
FY 2014 - FY 2019: Trend applied to U.S. Census Bureau 2008-2012 American Community Survey 5-Year Estimates
- ⁴ Total represents the average labor force during the fiscal year. Nevada State Department of Employment, Training and Rehabilitation (DETR)
- ⁵ Washoe County Building and Safety Department
- ⁶ Prior fiscal year information has been restated to reflect actual amounts rather than estimates

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

PRINCIPAL EMPLOYERS

Current year and ten years ago

Employer	December, 2018			December, 2009		
	Employees¹	Rank	Percentage of Total County Employment	Employees¹	Rank	Percentage of Total County Employment
Washoe County School District	8,750	1	3.50%	8,750	1	4.64%
Renown Medical Center ²	5,000	2	2.00%	2,250	4	1.19%
University of Nevada - Reno	4,750	3	1.90%	3,750	2	1.99%
Washoe County	3,000	4	1.20%	2,750	3	1.46%
Peppermill Hotel Casino-Reno	2,250	5	0.90%	2,250	6	1.19%
Grand Sierra Resort & Casino ³	2,250	6	0.90%	-	-	-
Silver Legacy Resort Casino	2,250	7	0.90%	2,250	7	1.19%
Atlantis Casino Resort	1,750	8	0.70%	1,750	9	0.93%
International Game Technology PLC	1,750	9	0.70%	2,250	5	1.19%
St. Marys	1,750	10	0.70%	-	-	-
City of Reno	-	-	-	1,750	8	0.93%
Eldorado Hotel & Casino	-	-	-	1,750	10	0.93%
Total Washoe County Covered Employment	249,828			188,791		

¹ Nevada Revised Statutes Chapter 612 stipulates that actual employment for individual employers may not be published. The Nevada Department of Employment Training and Rehabilitation publishes employee counts in ranges of 5000. The number of employees are estimated using the midpoint.

² In 2007, Washoe Medical Center became Renown Medical Center.

³ Reno Hilton is now the Grand Sierra Resort & Casino

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

FULL TIME EQUIVALENT GOVERNMENT EMPLOYEES BY DEPARTMENT

Last ten fiscal years

Department	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Executive	4.00	4.00	4.00	4.00	2.00	2.00	2.00	6.50	7.50	8.50
Administrative services	6.75	6.75	6.75	6.75	7.25	6.50	7.50	10.50	12.00	14.50
Marketing/Communications ³	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	6.00	8.00
Finance	13.50	13.00	13.00	13.00	13.00	14.00	12.00	16.00	15.00	16.00
Engineering/Facilities maintenance ²	17.50	17.00	17.00	17.00	17.00	17.00	17.00	20.00	28.00	31.25
Metropolitan Planning Organization	12.50	12.50	12.50	12.50	12.50	15.00	12.00	9.00	9.00	10.50
Public transportation and Operations ¹	24.50	24.50	24.38	24.88	21.88	15.50	20.50	24.50	15.50	15.50
Total Budgeted Employees ⁴	<u>78.75</u>	<u>77.75</u>	<u>77.63</u>	<u>78.13</u>	<u>73.63</u>	<u>70.00</u>	<u>71.00</u>	<u>92.50</u>	<u>93.00</u>	<u>104.25</u>
Total Actual Employees ⁵	<u>70.60</u>	<u>65.60</u>	<u>64.48</u>	<u>65.00</u>	<u>65.75</u>	<u>59.25</u>	<u>64.00</u>	<u>66.50</u>	<u>73.75</u>	<u>84.25</u>

¹ In FY2012, Public Transportation department became known as Public Transportation and Operations department.

² In FY 2012, Facilities Maintenance moved from Engineering to Public Transportation and Operations department.

³ In FY 2012, Marketing department was dissolved. Staff moved to Planning and Public Transportation and Operations department.

⁴ Source: RTC Finance Department Budget documents.

⁵ Source: Payroll FTE count as of June 30th.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

RIDE OPERATING STATISTICS

Last ten fiscal years

Fiscal Year	Fleet Size ¹	Revenue Miles	Revenue Hours	Passengers	Full Time Equivalent Employees (FTE)			Total FTE's
					Bus Operators	Maintenance Personnel	Other	
2019	77	2,837,771	256,326	7,197,386	134.1	28.9	15.6	178.6
2018	75	2,825,116	247,779	7,396,590	136.6	28.0	19.0	183.6
2017	69	2,875,232	253,097	7,416,158	141.0	27.0	19.0	187.0
2016	72	2,887,039	252,943	7,715,419	164.0	38.0	20.0	222.0
2015	81	2,888,968	252,515	8,140,908	160.0	29.0	19.0	208.0
2014	82	2,871,913	251,899	8,165,335	160.0	31.0	18.5	209.5
2013	82	2,817,697	249,569	8,050,950	168.0	29.0	18.5	215.5
2012	82	2,851,407	252,827	7,973,480	153.5	25.0	19.0	197.5
2011	92	2,878,008	251,861	7,688,345	160.0	35.0	20.5	215.5
2010	79	2,931,074	246,285	7,474,905	170.0	35.0	21.5	226.5

¹ Includes Peak, Spares, and Contingency.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

ACCESS OPERATING STATISTICS

Last ten fiscal years

<u>Fiscal Year</u>	<u>Fleet Size¹</u>	<u>Revenue Miles</u>	<u>Revenue Hours</u>	<u>Passengers</u>	<u>Van Operators</u>	<u>Full Time Equivalent Employees (FTE)</u>		<u>Total FTE's</u>
						<u>Maintenance Personnel</u>	<u>Operations Personnel</u>	
2019	45	1,697,800	104,718	226,913	54.4	5.0	19.3	78.7
2018	45	1,593,665	101,872	251,461	57.5	5.0	19.0	81.5
2017	54	1,376,682	85,025	231,438	40.5	4.0	14.5	59.0
2016	63	1,383,323	83,112	224,812	47.5	3.0	17.0	67.5
2015	50	1,362,329	82,869	227,060	50.0	3.0	13.0	66.0
2014	50	1,378,237	84,165	239,457	43.0	5.0	12.0	60.0
2013	50	1,341,109	82,637	232,776	42.0	5.0	12.0	59.0
2012	45	1,281,359	81,119	222,593	42.0	5.0	12.0	59.0
2011	45	1,220,072	80,185	213,804	45.5	5.0	14.0	64.5
2010	45	1,262,611	79,611	221,609	42.0	4.0	13.0	59.0

¹ Includes Peak and Spares.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

CAPITAL ASSET INFORMATION ¹

As of June 30, 2019

<u>Facilities</u>	Year ²	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
2050 Villanova Drive, Reno NV 89502	1984	1	1	1	1	1	1	1	1	1	1
600 Sutro Street, Reno NV 89512	1993	1	1	1	1	1	1	1	1	1	1
1105 Terminal Way, Reno NV 89502	2000	1	1	1	1	1	1	1	1	1	1
1421 Victorian Avenue, Sparks NV 89432	2009	1	1	1	1	1	1	1	1	1	1
200 East 4th Street, Reno NV 89501	2011	1	1	1	1	1	1	1	1	1	-
<u>Other assets</u>											
Number of RIDE Passenger Shelters ³		132	121	117	116	115	113	111	111	105	106
Number of RIDE revenue vehicles (fleet) ⁴		77	75	69	72	81	82	82	81	82	75
Number of ACCESS revenue vehicles (fleet) ⁴		45	45	54	63	50	50	50	45	45	45
Number of Maintenance & Operation staff vehicles ⁵		20	24	24	25	27	27	29	31	32	33

¹ More information about capital assets can be found in the notes to the financial statements.

² Fiscal year facility was acquired or construction completed.

³ Shelter information includes only installed shelters and RAPID stations.

⁴ Revenue vehicles include active fleet only. Active fleet consists of Peak, Spares, and Contingency vehicles.

⁵ Staff vehicles include RIDE, ACCESS, and RTC support vehicles.



COMPLIANCE SECTION

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

To the Commissioners
Regional Transportation Commission
Reno, Sparks and Washoe County, 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 the Regional Transportation Commission, Reno, Sparks, and Washoe County, Nevada (RTC) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise RTC's basic financial statements, and have issued our report thereon dated November 26, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered RTC's internal control over financial reporting (internal control) to determine the 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 RTC's internal control. Accordingly, we do not express an opinion on the effectiveness of RTC's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether RTC'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Crowe LLP
Crowe LLP

Sacramento, California
November 26, 2019

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

To the Commissioners
Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Regional Transportation Commission's, Reno, Sparks and Washoe County, Nevada (RTC's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of RTC's major federal programs for the year ended June 30, 2019. RTC's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance on RTC's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about RTC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance on the major federal program. However, our audit does not provide a legal determination of RTC's compliance.

Opinion on Each Major Federal Program

In our opinion, RTC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of RTC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered RTC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of RTC's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.


Crowe LLP

Sacramento, California
November 26, 2019

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2019**

Federal Grantor/Pass-Through Grantor Program Title	Federal C.F.D.A. Number	Grant / Agreement Number	Grant Award Amount	Federal Expenditures 2019	Amounts Passed through to Subrecipients
<u>U. S. Department of Transportation</u>					
<u>Federal Transit Administration</u>					
Direct Award					
Federal Transit Cluster					
Federal Transit - Capital Investment Grants	20.500	#NV-04-0020	\$ 917,800	\$ 380,589	\$ -
Federal Transit - Capital Investment Grants	20.500	#NV-2016-015	6,470,000	1,882,792	-
		Total Capital Investment	7,387,800	2,263,381	-
Direct Award					
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-90-0074	5,782,863	57,100	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-90-0078	5,775,854	40,545	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-95-0013	3,800,000	1,035,178	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-2016-006	6,120,979	77,460	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-2017-010	12,248,635	7,698,416	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-2017-012	9,750,000	4,653,677	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-2017-013	6,375,105	614,745	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-2018-012	6,691,530	3,702,750	-
Federal Transit - Urbanized Area Formula Grant	20.507	#NV-2019-018	7,117,512	381,726	-
		Total Urbanized Area Formula	63,662,478	18,261,597	-
Direct Award					
Federal Transit - Bus & Bus Facilities Formula Grant	20.526	#NV-2016-011	616,642	103,233	-
		Total Bus & Bus Facilities Formula	616,642	103,233	-
		Total Federal Transit Cluster	71,666,920	20,628,211	-
Direct Award					
Transit Services Programs Cluster					
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	#NV-2016-010	748,280	145,084	145,084
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	#NV-2018-013	688,863	157,107	157,107
		Total Transit Services Programs Cluster	1,437,143	302,191	302,191

(continued)

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2019**

Federal Grantor/Pass-Through Grantor Program Title	Federal C.F.D.A. Number	Grant / Agreement Number	Grant Award Amount	Federal Expenditures 2019	Amounts Passed through to Subrecipients
Direct Award					
National Infrastructure Investments					
Surface Transportation Infrastructure - Discretionary Grants for Capital Investments II	20.933	#NV-79-0003	16,000,000	586,079	-
Total National Infrastructure Investments			16,000,000	586,079	-
Total Federal Transit Administration			89,104,063	21,516,481	302,191
 <u>Federal Highway Administration</u>					
Passed through State of Nevada Department of Transportation					
Highway Planning and Construction Cluster					
Highway Planning and Construction Grant	20.205	#PR285-17-063	2,660,000	884,530	-
Highway Planning and Construction Grant	20.205	#P461-07-063	9,568,569	33,342	-
Highway Planning and Construction Grant	20.205	#PR351-12-063	27,354,132	485,232	-
Highway Planning and Construction Grant	20.205	#PR332-16-063	950,000	299,997	-
Highway Planning and Construction Grant	20.205	#PR314-14-063	1,282,500	183,969	-
Highway Planning and Construction Grant	20.205	#PR126-18-804	2,699,650	975,756	-
Highway Planning and Construction Grant	20.205	#P448-15-063	940,367	25,993	-
Highway Planning and Construction Grant	20.205	#PR132-18-063	148,738	148,738	-
Highway Planning and Construction Grant	20.205	#P356-16-063	110,277	109,066	-
Highway Planning and Construction Grant	20.205	#P454-17-063	332,500	126,160	-
Highway Planning and Construction Grant	20.205	#P455-17-063	110,277	110,277	-
Total Highway Planning and Construction Cluster			46,157,010	3,383,060	-
Total Federal Highway Administration			46,157,010	3,383,060	-
TOTAL EXPENDITURES OF FEDERAL AWARDS:			\$ 135,261,073	\$ 24,899,541	\$ 302,191

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**Regional Transportation Commission
Reno, Sparks and Washoe County, Nevada**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2019

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Regional Transportation Commission (RTC) under programs of the federal government for the year ended June 30, 2019. The information in this 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 (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the RTC, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the RTC.

RTC received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

NOTE B – SIGNIFICANT ACCOUNTING POLICIES

Governmental fund types account for the RTC's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the accrual basis of accounting. The RTC's summary of significant accounting policies is presented in Note A in the RTC's basic financial statements.

The RTC has not elected to use the 10% de minimis cost rate.

Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be Reported in accordance with 2 CFR 200.516(a)?

_____ Yes X No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

20.500 / 20.507 / 20.526

Federal Transit Cluster

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

None noted.



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