



## **NEVADA COMMISSION ON TOURISM**

**Monday, December 17, 2018  
1:00 P.M.**

### **MEETING LOCATION:**

**Laxalt Building**  
401 N. Carson Street, 2<sup>nd</sup> Floor  
Carson City, NV 89701

**Las Vegas Video Location**  
Division of Tourism – Conference Room  
4000 S. Eastern Ave. Suite 240  
Las Vegas, NV 89119

**Phone Conference Call Number:**

**888-363-4735**

**Access Code 4878739**





## NEVADA COMMISSION ON TOURISM NOTICE OF PUBLIC MEETING

Regular Meeting of the Commission on Tourism  
Monday, December 17, 2018 – 1:00 P.M.

**MEETING LOCATION:**  
NCOT – Laxalt Building  
401 N. Carson St. 2<sup>nd</sup> Floor  
Carson City, NV 89701

**VIDEO CONFERENCE LOCATION:**  
Tourism Office – Las Vegas  
4000 S. Eastern Ave. #240  
Las Vegas, NV 89119

**TELECONFERENCE NUMBER:**  
**888-363-4735; Access Code 4878739**

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### COMMISSIONERS

Lt. Governor Mark Hutchison, Chair\*

Cindy Carano, Vice Chair\*  
Herb Santos, Jr.\*  
Denice Miller\*  
Bob Cashell\*

Don Newman\*  
Mike Vaswani\*  
Brian Krolicki\*  
Bob Stoldal  
Vacancy\*

Steve Hill\*  
Phil DeLone\*  
Richard Arnold  
Joe O'Neil

\*Voting members

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THIS MEETING IS IN COMPLIANCE WITH THE "NEVADA OPEN MEETING LAW" AND HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

Nevada Commission on Tourism, Carson City, Nevada  
Legislative Counsel Bureau, Carson City and Las Vegas, Nevada  
Nevada State Museum, Las Vegas, Nevada  
Nevada State Library, Carson City, Nevada  
Las Vegas-Clark County Library, Windmill Branch, Las Vegas, Nevada  
Reno Sparks Convention and Visitors Authority, Reno, Nevada  
Websites: [www.TravelNevada.biz](http://www.TravelNevada.biz) and [www.notice.nv.gov](http://www.notice.nv.gov)

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### STATEMENT OF THE COMMISSION

- Action may be taken on those items denoted "For Possible Action".
- Items on this agenda may be taken in a different order than listed.

## STATEMENT OF THE COMMISSION – Continued

- Two or more agenda items may be combined for consideration.
- An item may be removed from this agenda or discussion relating to an item on this agenda may be delayed at any time.
- Public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to 3 minutes at the discretion of the chair, and speakers are urged to avoid repetition of comments made by previous speakers.
- No action may be taken on any matter brought up under public comment until that matter has been specifically included on an agenda as an item upon which action may be taken (NRS 241.020).
- Meetings are audio-recorded as part of the public record. Speakers are requested to identify themselves before speaking.
- Note: Please provide NCOT with electronic or written copies of testimony and visual presentations if you wish to have complete versions included as exhibits with the minutes.

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# AGENDA

## A. Opening

Call to Order and Confirmation of Proper Posting – Lt. Governor Hutchison  
Roll Call and Determination of Quorum – Lt. Governor Hutchison

## B. Public Comment

Public comment is welcomed by the Commission. A period of public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to three (3) minutes at the discretion of the Chair, and speakers are urged to avoid repetition of comments made by previous speakers.

## C. For Possible Action – Approval of Minutes

Approval of the September 19, 2018 NCOT Meeting Minutes

## D. For Possible Action - FY19 2<sup>nd</sup> Cycle Rural Marketing Grants Recommended Allocation

Discussion and approval of grant allocation as recommended by the Territory Advisory Committee. We received 94 applications associated with the FY2019 2<sup>nd</sup> Cycle Rural Marketing Grant Program from 42 organizations requesting \$839,609.00. We are recommending awarding the balance of FY19 funding of \$643,797.00 .

**D – FY 19 2<sup>nd</sup> Cycle Rural Marketing Grants - Continued**

*Grant funds are intended exclusively to develop, promote and improve tourism to and within the State of Nevada. They may be used for no other purpose, and must be obligated and/or expended for invoices due in the same fiscal year as awarded. Grant funds will be used by the Division of Tourism on behalf of a grantee or distributed to political subdivisions of the state, to fair and recreation boards, and to local or regional organizations, which promote travel and tourism. For the complete grant guidelines, please visit [TravelNevada.biz](http://TravelNevada.biz).*

**Proposed motion:** The Nevada Commission on Tourism approves the expenditure of \$643,797.00 for the FY19 2<sup>nd</sup> Cycle Rural Marketing Grants to the recipients as outlined in the staff recommendation (or as revised per Commission discussion).

**E. Adam Sacks, Tourism Economics**

Adam Sacks will present the latest research on the economic value of tourism to the state of Nevada. He will review recent trends and the importance of visitors to the Nevada job market, government revenue, and businesses.

**F. Noble Studios – Update on TravelNevada.com**

Present TravelNevada.com website and digital discovery findings and updates to the TravelNevada.com website implementation timeline.

**G. TravelNevada Logo Update**

Presentation of the final TravelNevada logo to be used in all consumer-facing material beginning January of 2019.

**H. For Discussion Only – International Markets Advisory Committee**

Discussion of the creation of a committee to advise TravelNevada Sales and Industry Partners and Public Relations teams on international markets.

**I. Agency Reports**

- I1. Chair Report
- I2. Division of Tourism Update
  - I2.1 Quarterly Staff Update (July - September 2018)
  - I2.2 FY19-21 Agency Request Budget Update
  - I2.3 FY19 Budget Update
  - I2.4 Tourism Ecosystem Report – Kyle Shulz, Research Manager
  - I2.5 FY18 Annual Report

**J. Upcoming Meetings**

2019 Proposed Schedule of Meetings

**K. Commissioner Comments** \_\_\_\_\_

**L. Public Comment** \_\_\_\_\_

Public comment is welcomed by the Commission. A period of public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to 3 minutes at the discretion of the Chair, and speakers are urged to avoid repetition of comments made by previous speakers.

**M. For Possible Action - Adjournment** \_\_\_\_\_

The public may acquire this agenda and supporting materials, pursuant to NRS 241.020(2) by contacting **Dee Chekowitz-Dykes**, Executive Assistant, Nevada Commission on Tourism, (775) 687-0621 or by email to [ddykes@travelnevada.com](mailto:ddykes@travelnevada.com). Materials are available from the Nevada Commission on Tourism office, 401 N. Carson Street, Carson City, Nevada and online at [www.travelnevada.biz](http://www.travelnevada.biz)

Persons with disabilities who require special accommodations or assistance at the meeting should notify **Dee Chekowitz-Dykes** at the Nevada Commission on Tourism at (775) 687-0621 or [ddykes@travelnevada.com](mailto:ddykes@travelnevada.com).

# September 19, 2018 NCOT Meeting

## Draft Minutes For Approval



**NEVADA**  
TravelNevada.com





**MINUTES of the NEVADA COMMISSION ON TOURISM**  
**September 19, 2018**

The Nevada Commission on Tourism held a Commission meeting at 1:00 p.m. on September 19, 2018 at 401 N. Carson Street, Carson City, NV 89701 and by video conference to 4000 S. Eastern Ave. #240, Las Vegas, NV 89119

**Call to Order**

Lt. Governor Mark Hutchison, Chair, called the meeting to order at 1:02 p.m.

**Commissioners Present:**

Lieutenant Governor Mark A. Hutchison, Chair  
Cindy Carano, Vice Chair  
Don Newman  
Herb Santos, Jr.  
Bob Cashell  
Brian Krolicki  
Bob Stoldal  
Denise Miller  
Phil DeLone  
Mike Vaswani  
Kris Sanchez

**Commissioners who are absent/excused:**

Steve Hill  
Richard Arnold

**Staff present:**

David Peterson, Interim Director  
Sarah Bradley, DAG  
Brenda Nebesky, Interim Deputy Director

**Guests present:**

Valarie Segarra, LVCVA

**Roll Call and Determination of Quorum**

**HUTCHINSON:** All right. Let's go ahead and get seated and we'll call our meeting to order here.  
Mr. Peterson, are you able to hear us loud and clear?

**PETERSON:** Yes, Lieutenant Governor, we can.

HUTCHINSON: Okay, great. Thank you all for being here. It's good to see everybody. We've got a full house in Las Vegas and in Carson City, and we will go ahead and call the Nevada Commission on Tourism Meeting to order. We will begin with a roll call and a confirmation that we've got a quorum. Mr. Peterson, if you'd proceed in that matter.

PETERSON: Thank you, Lieutenant Governor. Lieutenant Governor Hutchinson?

HUTCHINSON: I'm here.

PETERSON: Vice Chair Carano? Commissioner DeLone?

DELONE: Present.

PETERSON: Commissioner Sanchez?

SANCHEZ: Present.

PETERSON: Commissioner Miller?

MILLER: Present.

PETERSON: Commissioner Newman?

NEWMAN: Here in Carson City.

PETERSON: Thank you. Commissioner Hill is not with us today, but I do believe we have somebody filling in for him. Is that correct?

SEGARRA: Yes, Valarie Segarra.

PETERSON: Hi. Thank you for joining. Commissioner Santos, Jr.?

SANTOS: Present.

PETERSON: Great. Commissioner Cashell?

CASHELL: Here.

PETERSON: Thank you. Commissioner Vaswani?

VASWANI: Here.

PETERSON: Thank you. Commissioner Krolicki?

KROLICKI: Present.

PETERSON: Thank you. Commissioner O'Neil?

O'NEIL: Present.

PETERSON: Thank you. Commissioner Arnold, are you on the phone? We'll mark him absent/excused. Commissioner Stoldal?

STOLDAL: Present.

PETERSON: Thank you. All right, we do have a quorum, Lieutenant Governor.

**Public Comment**

HUTCHINSON: Great, Mr. Peterson. Thank you very much. That takes us to Agenda Item B which is Public Comment. Are there any members of the public here in Las Vegas who would like to address the Commission at this point? And I do not see anybody here in Las Vegas. Are there any members of the public in Carson City who would like to address the Commission?

PETERSON: Seeing none, Lieutenant Governor.

**Approval of Minutes**

HUTCHINSON: Okay. That takes us then to—off of Agenda Item B. We'll move to Agenda Item C. Have all the members had an opportunity to review the minutes? We are going to be seeking approval of both the June 20th, 2018 NCOT Meeting Minutes as well as the June 25, 2018 NCOT Special Meeting Minutes, which were the grant approvals. Have all the members all had an opportunity to review those Minutes? And are there any changes or for the consideration of those Minutes?

DELONE: Move to approve.

HUTCHINSON: All right, I'll take that motion as a move to approve. I can't tell who's making the motions yet, but just for the record, if you will state your names when you speak, that will be helpful for the record.

DELONE: Phil DeLone.

HUTCHINSON: Commissioner, thank you very much. I will take that as an approval, a motion to approve the June 20th, 2018 NCOT Meeting Minutes. Is there a second?

CARANO: Carano, second.

HUTCHINSON: Second. Is there any further discussion or comments on the motion? Hearing none, those in favor signify by saying aye.

GROUP: Aye.

HUTCHINSON: Any approve nay? Motion carries unanimously. Chair will accept another motion to approve the Minutes of June 25, 2018 NCOT Special Meeting Minutes.

SANTOS: Herb Santos. I'd move to adopt those.

HUTCHINSON: Thank you. Commissioner, is there a second?

CARANO: Carano, second.

HUTCHINSON: Thank you. We've got a second. Any further discussion on this motion? Hearing none, those in favor signify by saying aye.

GROUP: Aye.

HUTCHINSON: That motion passes unanimously. Thank you very much.

#### **Introduction of New Commissioners**

HUTCHISON: That moves us on now to Agenda Item D, which I'm very excited to move to because we have such wonderful additions and opportunities now to learn of the power that is coming to the Commission and the great Commissioners who will be joining us.

We've got a very special group of people who are, I think, the best in the business among our members already. And we've got some wonderful additions and I wanted to take a minute to introduce them to the full Commission.

Many of you already know these wonderful individuals who are great Nevadans and I'm going to start off first with Kris Sanchez, who is no stranger to the tourism and economic development field and profession. We've been blessed to have Kris working for the State of Nevada for many years and has done so very, very effectively.

Kris previously served as the Director of International Trade for the great State of Nevada and also served as a Congressional Staffer in the United States House of Representatives. As the Director of International Trade, Kris has successfully facilitated and conducted Governor-led trade missions to 14 different countries and exploratory missions to nine others.

I know, Kris, you are on the road all the time. We've had discussions about this and he really laid the foundation for the Governor to visit those other countries and to have really effective trade missions there to those countries. And Kris, in almost every circumstance, led the way and paved the way for the Governor.

In addition to servicing as the State's Trade Director, Kris serves as a member of the Executive Office of the President, Office of the United States Trade Representative Inter-Governmental Policy Advisory Committee, also a member of the International Trade Administration, U.S. Department of Commerce Trade Promotion Coordinating Committee and a member of the Nevada District Export Council.

Kris holds a Master's Degree in Public Administration and military history from Norwich University. So, in case the Commission needs to invade another country, we are well prepared now and we've got an asset that we have at our disposal.

Kris also received his Bachelor's Degree in Poli Sci from the California State University. Additionally, he's completing course work on terrorism and international relations at the National Defense University's Institute for National Security Studies at Fort McNair in Washington, D.C.

Kris was awarded the Nevada's Governor's Office of Economic Development Mike Skaggs Award for Excellence in Economic Development granted by the Executive Director of the Governor's Office of Economic Development for the State of Nevada.

As is evident from his many, many travels, he's a friend of a lot of different countries and people within the countries, and in particular, Poland. He was a recipient of the Amicus Polonia?

SANCHEZ: Amicus Polonia.

HUTCHINSON: Amicus Polonia Award, that's a Friend of Poland Award granted by Senator Maria Anders, Secretary of State within the Republic of Poland, and also recognized by the Polish Ambassador to the United States as well.

Kris resides in Henderson with his wife Nicole and his two sons Trent and Troy. And we could not be more excited and happy, Kris, to have you join us and to bring your expertise and your competence here to the Commission. So, my fellow Commissioners, if you could welcome Kris.

HUTCHINSON: Next is Joe O'Neil who is, of course, somebody who we know well and a great friend of the Commission, and somebody who has been a wonderful Nevadan as well. Joe was appointed to the Nevada Arts Council Board in 2016 and committed to providing leadership and support, strengthening awareness and accessibility to the arts and cultural treasures of the state and has been a leader in that regard for many, many years.

He wants to provide these opportunities to all Nevadans, and a residence here and has done so for many years. He's worked for the City of Las Vegas since 2006 and currently as Senior Cultural Specialist with the Office of Cultural Affairs serving as the Grants Liaison with the National Endowment for the Arts and other agencies.

Prior to relocating to Las Vegas, Joe worked as a dancer for the Walt Disney Entertainment in Orlando, Florida, so we have a great resource for the Commission if things get a little dry and Commissioner Newman drags on a little too long, perhaps through some of Commissioner Krolicki's long motions. We can have Joe entertain us with some of his talents as a dancer. He also is a former opera singer, so he could bust out a song for us when we need it, and has a Bachelor of Arts in vocal musical performance, a candidate from the University of Alabama, and is a member of the 2017 Cohort of the Association of Performing Arts Professionals, Emerging Leadership Institute.

We're not advocating that working for the arts, Joe enjoys swimming, gardening and sharing his little backyard oasis with his family and friends for barbeques and pool parties. It's a great pleasure and a wonderful opportunity and blessing for us on this Commission to welcome Joe as one of our members.

**HUTCHINSON:** I understand that Steve is not with us, so I think I'll stay the introduction for Steve Hill for next time. As we all know, Steve's a great Nevadan and somebody who we're all very familiar with, and we're blessed again to have a wonderful talented member of this Commission join us in Steve Hill. So, we'll save that for next time.

Again, new Commissioners, thank you for taking the time to serve Nevada and for continuing your long-time service to this great State.

All right. That's going to take us off Agenda Item D and we'll move it to Agenda Item E, Nevada's Governor's Global Tourism Summit Update. Mr. Peterson, I'll turn the time over to you.

#### **Nevada Governor's Global Tourism Summit Update**

**PETERSON:** Thank you, Lieutenant Governor. For the record, David Peterson, Interim Director of Tourism. I hope you are all as excited as I am about this coming November and the Governor's Global Tourism Summit at THE ROW.

I've had the pleasure of working with a wonderful Planning Committee, including Tiffany East and Linda Frederick at East Public Relations, my amazing Executive Assistant Dee Dykes, Art Jimenez and Debbi Engebritson from the Reno-Sparks Convention and Visitors Authority; Sue Barton, the Chair of the Reno-Tahoe Territory, as well as Amanda Berry with THE ROW. I just want to say that Amanda, Kara and Jennifer have been absolutely amazing to work with at THE ROW. They continue to exceed our expectations at every turn.

We have a fantastic agenda and I'm going to ask that our super conference planner, Tiffany East, walk the Commission through that agenda for this coming November.

**EAST:** Thank you for having me here today to share with you the exciting plans that we have for the Governor's Global Tourism Summit. As David mentioned, we have worked diligently to round out a thoughtful and content-rich agenda for the Conference.

We've had some updates since your agenda packet came out, so I'll walk through the agenda and add those revisions. You can add those revisions to your paperwork. In planning this conference, we reviewed the post-event survey from last year. Then, we've incorporated some additional networking

opportunities, best practice sessions in our learning labs and some interesting panel discussions and a fabulous keynote speaker.

As David mentioned, The Row staff has just been amazing. Thank you to Cindy and the team over there. We couldn't ask for a more wonderful staff to work with.

On Monday, we added some pre-conference activities that we thought would keep people busy, show them some parts of our community that are a little bit different and interesting and give them some free time to take in some sights and other things.

So we've got Midtown Foodie and Murals Tour, shopping out at the Legends, because we know everybody likes to shop. And they'll be providing a shuttle service. And then we've got a behind-the-scenes pasta-making and wine-paring event with the Eldorado's Executive Chef, Ivano Centemeri.

While attendees are having fun and incorporating some things and sights, we'll be setting up in the exhibitor area and then we'll all meet at 6:30 for a fun kick-off reception at the Cin Cin.

The first official day of the conference is Tuesday the 13th. We'll start the morning with a Yoga Mindfulness Session for those people who would like to kick off their morning a little bit differently, and then a networking breakfast.

We open the session with remarks from David Peterson, your Interim Director here. Vice Chair Cindy Carano will welcome and make some introductions; Phil DeLone from the—the CEO of the RSCVA, and Hillary Schieve, our great Mayor here in the City of Reno, and then Rick Murdock from the Eldorado Resorts.

Our keynote speaker is Jay Baer, who's the President of Convince and Convert. You may have heard of Jay. He's written a couple of really interesting book on marketing. His session is entitled *Talk Triggers, Turn Your Customers into Volunteer Marketers*. Jay will also do a book signing.

We'll have some networking and then we're going to fly off to Canada, France, Germany and the U.K. for lunch. Our sales reps will be providing some presentations during lunch. We thought it would be really neat and fun to incorporate them into our lunch hour that way they can share some of the great things going on in their countries.



Our learning labs are about a half hour each, and we've designed this first learning lab on Tuesday afternoon to be somewhat of innovations effecting tourism. We've invited Juston Berg from Blockchain to join us.

Dan Ferguson who's done some work for TravelNevada, from Groove Jones, will talk about augmented and virtual reality. And then we're having a GDPR session, General Data Protection Regulation, from the great folks over at Nobel Studios. Either Mike Thomas or Chad Hallert will lead that discussion.

Shortly after that, Adam Sacks, who's the President and Founder of Tourism Economics, will share some economic—global and U.S. economics and how those are affecting Nevada. We'll break for a short refreshment break and then we'll jump into Nevada's Arts, Culture and Heritage with Tony Manfredi from the Nevada Arts Council, Peter Barton from Nevada Museum and History, and Sherry Rupert, Nevada Indian Commission.

Then a fun late afternoon session with the RSCVA and the Reno-Tahoe International Airport about what's kind of going on here in Northern Nevada and how they're collaborating on various initiatives.

KROLICKI:

Phil, you're conflicted in that opinion.

EAST:

It will be the most popular. THE ROW is hosting us over at the Reno Ballroom for a cocktail reception, and then our Salute to the Industry Tribute to Governor Sandoval will follow that. It's an elegant Western theme celebrating Nevada's rich and diverse culture. Cowboy boots, yes, you can wear your cowboy boots, clean cowboy boots.

After everyone's had fun, we'll gather the next morning for an optional yoga session, breakfast and networking again. Next, we have the Tourism Professionals Roundtable. This is moderated by Virginia Valentine from the Nevada Resort Association. She was really excited to be invited and we're thrilled to have her. This is a conversation among professionals in our communities about things on the forefront of tourism.

We've got Stephen Ascuaga from the Peppermill, Lee Ann Benavidez from the MGM, someone from the LVCVA, we haven't filled that slot yet; Phil from the RSCVA, Kelly Campbell from Heavenly Resorts. We're still in talks with someone at the Vegas Golden Knights. I think it'll be a really nice session that we'll share some great insights and emerging topics.

Shortly after, we'll have the Reaching Global Audiences Through Digital Content Platforms. This great session was up against the sales marketplace last year on the last day, very late in the afternoon and we lost some of the audience on this.

Because we really felt that the content was really rich and really good to share with our folks, we brought it back this year. The moderator will be Cathy Tull from the LVCVA. We've got representatives from Mafengwo, Matador Network, Meredith Travel Marketing and Trip Advisor. So, we're really excited about that.

Then we're going to fly off to China, India, Australia and Latin America for lunch. We will have food stations with international cuisine from those various areas incorporated in the lunch.

In the afternoon, the learning labs are a best practice in social media, connectivity, and I'm working with influencers. The Working with Influencers speaker unfortunately declined this week, so we're searching and have some lines on someone new for that.

We'll take a break and then jump into incorporating the Nevada media and sales marketplace into one this year, giving them a little bit more time. But those who are interested in both can travel to both, and those who aren't can take some extra time maybe to visit more of our great salespeople.

We'll end with a closing reception at Novi in the Eldorado. Can I answer any questions before I hand this off to Teri? No? Perfect. Thanks.

PETERSON: Thank you Tiffany.

CARANO: May I just say thank you to the NCOT and the Governor's Global Tourism Summit for choosing THE ROW as your hotel. I'm very excited about showing you all what we have to offer.

EAST: We are too.

PETERSON: Lieutenant Governor, what I'd like to do now, if it's okay with you, is move into the post Governor's Global Tourism Summit Sales fam, and Teri's going to walk us through that right now. Then it will come back to me and I will walk through the Media fam.

TERI: Okay.

HUTCHINSON: Great.

LAURSEN: Thank you.

LAURSEN: Immediately following the closing reception, the sales team will take the buyers to Lake Tahoe. The decision was made that we should overnight there so that they can wake up with the beautiful scenery at Lake Tahoe. We're staying at the Hard Rock Hotel.

We'll have a desert reception after arrival, then we start the next morning bright and early. The Edgewood Lake Tahoe is going to host breakfast for the group, and then we're going to have a cultural Lake Tahoe site experience. Sherry Rupert's (NIC) husband is going to hop onboard and join us and take us around the lake and show us some of the reasons and how influential the Native-Americans were in establishing the area and how important they are to our culture. He will also be doing a Native-American dance, so I think that's going to be a great addition to the FAM. Then we're going to board the M.S. Dixie and have lunch so that they can really have an opportunity to enjoy the lake.

We're going to head down the hill and head to Genoa and Carson Valley. We're going to be touring River Fork Ranch which is an 800-acre preserve. It's 11 miles outside of Carson City.

We're working with Jan Vandermade in Carson Valley and he's looking at possibly having a Chautauqua walk us through Genoa, so that's going to be awesome because it'll really be like going back in time.

We'll have a refreshment at the Genoa Bar. We'll tour the Mormon Station. And then, of course, not to be missed would be the Bentley Heritage Distillery. We're going to check in to the hotel. We're going to split that up between two hotels in Carson Valley. We'll have dinner at the Overland Restaurant.

Then the next morning, November 16th, we're heading up to Virginia City. We're going to divide the group, so half of them will get on the trolley and do a city tour of Virginia City, the other half will be doing a walking tour with, not a Chautauqua but somebody in character.

They'll have some time to do a little shopping at the shops. Then we'll swap the groups and then we'll all meet at the Delta Saloon for lunch. We'll head back down the hill back into Reno for the Automobile Museum, and then we're going

to head to the Amtrak Train Depot where we're going to head to our friends in Cowboy Country in Elko.

We're overnighing at the Ramada Hotel and Casino. Tom Lester [phonetic], Mr. Newman you know him well, created an awesome itinerary for us. On Saturday, November 17th, we'll be heading out to the California Trail Center, and we're going to get the cowboy experience at the Western Folklife Center. We're going to Capriolas, Cowboy Arts and Gear Museum.

The next day we're going to be hosted for lunch at the Star Hotel. We'll be also entertained there with some Basque dancers, and then we're going to depart for Wells. We're going to tour the Trails of the 49'ers and then we're going to arrive in Wendover where we're going to do a meet-and-greet. They're setting up a slot tournament for everybody. We're going to check into the Red Garter Hotel and then have dinner at the awesome Steakhouse. The next morning we're going to head out to the Bonneville Salt Flats and go on into Salt Lake City where all of our guests will depart for their homes from Salt Lake City.

We're really hitting that whole highway across Nevada and some of the communities that didn't get quite as much love, but we're going to showcase them with this itinerary.

MILLER:

It looks amazing.

HUTCHISON:

I know. It looks great.

LAURSEN:

There's a lot crammed into four days, but it'll be very good and very useful, and I hope that our partners get a lot of future business. Are there any questions?

HUTCHINSON:

Any questions for Teri, members of the Commission? Any follow-up? It does sound spectacular, yes. It'll be—and I'll talk about this a little more. But just having done a good chunk of this, it's going to be so impressive, so impressive for these folks. Good.

MILLER:

It looks great.

LAURSEN:

Thank you.

HUTCHINSON:

All right. Mr. Peterson?

PETERSON:

Thank you, Lieutenant Governor. For the record, David Peterson. The next couple of pages in your Commission booklet highlight the Media Fam Tour, and Ron's going to put that up on the screen.

After the closing reception, the Media Tour begins and they'll have mini-treatments at the new spa at the Silver Legacy. And then on Thursday morning the group heads to Carson Valley where they will tour the new Bentley Ranch Distillery. They will then overnight in Carson Valley and then head for North Lake Tahoe on Friday morning.

They will have a hike, and we still haven't figured out the afternoon activity, but we're close on that. They'll be staying at the Hyatt Regency Lake Tahoe. On Saturday, the group will then return to Reno to do the Downtown Reno Wine Walk, and they'll have spa treatments at the Peppermill. On Sunday, everybody heads home.

That's a quick overview of the Media Fam Tour after the Governor's Global Tourism Summit. Bethany would have done it but she is in Australia right now representing TravelNevada. It's a high-level walkover on my part. Does anybody have any questions about the Media Fam?

HUTCHINSON:

Any questions for Mr. Peterson? All right. Very thorough and detailed, and really appreciate the updates and the summary here. I'm looking forward to participating in the Summit and seeing what comes out of that experience. It's always a wonderful asset for the state and for our tourism industry.

#### Agency Reports

All right, let's move on now to Agenda Item F, Agency Reports. I'll start off with F-1 is the Chair report. As I mentioned during our last meeting, this summer TravelNevada invited me to do a little video shoot with them in the different areas of Nevada in some of the most beautiful, pristine treasures that we have in Nevada throughout Reno and Tahoe, Virginia City, Fallon, all throughout Northern Nevada.

We met with our tourism partners and we did a little video shoot there. The marketing team, along with Orange Tree Productions, put together this series of videos that we've since posted online. It shows all the different business owners and community representatives as we tried to highlight different parts of the state.

The footage that was edited and finalized as I said, captured on social media. And we've been showing it for the last couple of weeks and had a really, really positive response to it. We wanted to play a little video summary, kind of a little compilation of the seven videos that were shot just so you can sort of have some of the highlights.

**VIDEO SCRIPT:**

**HUTCHINSON:**

Nevada is best seen from the vantage of a road trip. Well, I think this road trip underscores what I believe about Nevada, and that is the best way to see it is from the vantage of a car, in a vehicle where you can experience these wonderful locations and these communities and the people and just really understand why the spirit of Nevada really is embodied by our motto and our theme of "Don't Fence Me In".

We've seen the art scene and explored the art scene in Reno, Midtown, in particular, and went and ate some fantastic food at the Depot and experienced railroad history in Carson City.

**THEILEN:**

The Nevada State Railroad Museum has the finest collection of 19th Century railroading equipment on the planet.

**SHANKS:**

And our whole passion, being Nevada guys, has been use local when you can; stay true to your roots. And we try to implement that throughout the food and the spirits, the beer.

**BROOKS:**

As Reno has grown, so has the appreciation for art. And now, businesses are actually paying artists to come paint their walls.

**HUTCHISON:**

And then, of course, no road trip is complete without an epic trip to Lake Tahoe, and to be able to see one of the most spectacular places on the planet.

**SOJKA:**

The best way to experience Lake Tahoe is from its waters, and M.S. Dixie offers you that opportunity year-round to see the beautiful surroundings.

**HUTCHINSON:**

And then we went to the mining history of Nevada where we went to Gold Hill Hotel and to Virginia City and surrounding area.

**DOTSON:**

Virginia City kind of captures a little bit of everything, and I think there's something here for every person. It's the real thing. It's not an amusement park.

**HUTCHISON:**

Then experienced in Fallon what really is the breadbasket for Nevada and is some of the best agricultural areas in the country, and then in Stillwater where

we really experienced and appreciated the American Indian experience here in Nevada, and we have a heritage and a culture that comes with that history.

**MOON:** It's a little hidden gem here that you could just hop off the highway and take these trails. And up these trails, you'll see petroglyphs that have been here for about 6,000 years. Stillwater is a great place as far as coming to watch migratory birds. They're about 240 species of birds.

**FREY:** Fallon has really a lot of water, so all of the water from the Carson and a lot of it from the Truckee River goes to Lahontan Reservoir where we're able to hold the water and get it when we need it.

**HUTCHISON:** In each of these places we met the great Nevadans who are the heart and the soul of Nevada. I think "'Don't Fence Me In'" defines the Nevada spirit and who we are as Nevadans. We take great pride in Nevada in letting people be free to roam and express themselves and pursue their own dreams, their own aspirations. It's the Nevada spirit. You aren't fenced in when you're in Nevada and you need to experience it in an epic road trip.

**END VIDEO SCRIPT**

**HUTCHINSON:** That was just one of the coolest things I've ever done since being in public office. It made you so proud to be a Nevadan, you know? You've got these great treasures of Nevada that a lot of people just don't even know about it, you know, being out in Stillwater. I don't know if any of you ever been to Stillwater, I've never been out there before. And just a hidden gem. And all of those places were just magnificent.

We had this video series, these seven videos put together, and it's been viewed, I'm just looking at my notes here, 36,000 times and generated more than 4,000 likes and comments. They were all viewed a lot, but the ones that really stood out and the ones that we got the most comments on were Virginia City and the Gold Hill Hotel. I think people just love that mining history and that paranormal activity, you know, and the ghosts running around there and it's all haunted and people love that stuff. Then the Nevada State Railroad Museum in Carson City had lots of interest there, great enthusiasm for those two particular videos. Just got a lot of attention. It just speaks, I think, to that ongoing interest in the heritage and the rich history of Nevada.

TravelNevada now will use these interviews and the location footage for our "Tourism Means More" campaign. It's part of our public affairs effort, particularly with the legislature and trying to educate our legislators in terms of how important tourism is.



And, you know, it seems like every time, and I know Governor Krolicki, you can attest to this, it seems like every legislative session, we have to go justify ourselves over and over again. But this is going to be, we hope, helpful for this TravelNevada team who just was just outstanding.

I just can't tell you how impressed I was and continue to be, with our professionals. We're blessed with a tremendously talented staff. The TravelNevada team along with Orange Tree Productions put together just these wonderful videos and are just top-shelf as far as I'm concerned, and I know you all share my same sentiment.

I want to thank them for this wonderful end product that we have now, and we can really promote the State of Nevada and show people what we're all about. All right, Mr. Peterson, any comments on this?

PETERSON:

Thank you, Lieutenant Governor. For the record, Dave Peterson. I know Brenda would like to just add a little bit more about where we'll take it from here as we move toward the legislative session.

NEBESKI:

For the record, Brenda Nebesky, Interim Deputy Director. I just wanted to say this project definitely reflects the Lieutenant Governor's energy and commitment to the project. He spent days with the film crew to document the value of these locations and businesses in Northern Nevada.

As he mentioned, this greater compilation video and the accompanying videos that have in-depth interviews related to these tourism partners and these locations will become part of our "Tourism Means More" campaign, which aims to educate new legislators in regard to the value of tourism and of our place as an economic engine in Nevada. Thank you.

HUTCHINSON:

Great, thank you Ms. Nebesky. And thank you, again, you and Mr. Peterson both for a wonderful experience and coordinating that and making that happen. Commissioners, before we move off the agenda item, any comments or thoughts about this? If not, we'll move on to the Division of Tourism Update. But I wanted to give you a chance if anybody wants to chime in with any thoughts about this. All right. Let's move on to Agenda Item F-2, Division Tourism Update. Mr. Peterson?

PETERSON:

Thank you, Lieutenant Governor. For the record, David Peterson. In your packet after the blue sheet labeled Agency Reports, you will find the Fourth Quarter Fiscal Year '18 Report. I'd be happy to answer any questions that you



have. We've got some of our program directors here as well in Carson City and Las Vegas. If you have any questions, I'll take them at this time.

**HUTCHINSON:** Commissioners, any questions of Mr. Peterson on the quarterly staff update April through June 2018? I'm not hearing any, Mr. Peterson. Let's move on to the next Agenda Item 2.2.

**PETERSON:** Thank you. For the record, David Peterson. F-2.2 is the final FY18 Year-End Revenues and Expenses Report. My plan was to talk about the biennial budget that we finished and submitted on the 30th, 31st of August. But unfortunately we can't talk about that yet. It doesn't become public until October.

But I thought it would be a good thing to walk through with everybody how Fiscal Year '18 ended in terms of revenues and expenditures relative to the work program. With that, I'd like to kind of talk through revenues first.

You can see that lodging tax revenues came in about \$383,000 or 1.6 percent under the work program with the Legislative Authority as set forth during the Legislative Session in 2017. But, that \$24.6 million you see was an increase over Fiscal '17, about 1.6 percent more than Fiscal '17's revenues.

The registration fees that you see, those are the fees that we collect for the Global Tourism Summit and Rural Roundup for the two conferences. Then our prior year refunds, that \$1,157, that's actually rebates that we received from our procurement and our ghost cards where we purchase all of the airline tickets.

That will grow a little bit because we've actually been able to increase our procurement card limits. When we do our direct buys with Google and some of the other social media vendors, we're now able to use the procurement card to do that. We'll see some additional dollars come back to the agency as a result of that.

Does anyone have any questions on revenues before I move on to expenditures? Okay. So on to the final expenditures, Category 1, that's our personnel services. You'll see a surplus here and that's primarily due to vacancies and positions throughout the Fiscal Year. That's a typical amount that we have at the end of each Fiscal Year, not every position.

It's also paid at the maximum, as well, but that's how we're forced to budget each and every position control number. I think the team did a great job with

out-of-state and in-state travel. We really spent that down pretty much as close as we could.

The operating budget, \$130 was left and it was just kudos to the Fiscal team for getting us to that point. We had about \$8,000 left in our postage and shipping budget, and actually that's a good thing. When we switched our consumer fulfillment down to Opportunity Village in Las Vegas, we're actually doing bulk fulfillment and shipping on our consumer fills.

We had a postal consolidator in place before, so we're actually saving, I want to say maybe .65, .75 per fill packet that we send out with no loss in delivery, so keeping in that five- to 10-day delivery time. We'll continue to see some savings moving forward in our postage category.

Film division, basically, that's a transfer that goes through to them and they used all of that up. Information services in our training category, we spent those down as well. Information services, as a reminder, that's our internet, all the computers, our servers, all those costs associated accordingly. The transfer to State Parks, again, that goes through as a full transfer to them and they use those dollars.

Category 31, that's where the bulk of our dollars reside, all of our contracts, as a reminder for advertising, our international rep offices, research contracts. Everything comes out of there. And we were within about \$37,000 of the work program, our legislative authority amount, so again a great, great job there.

I do want to give a special thanks to Teri Laursen, Christian Passink and Mary Hummel on the Sales & Industry Partners team. Obviously with the situation that happened with our Rural Programs Manager passing away in June, they just—honestly, they worked the entire summer in order to ensure that we were able to get all of the dollars spent in category 40 for the marketing grants category. They just did a phenomenal job for us to be able to fully spend that out.

With our Category 60 through 67. You'll see surplus amounts in there. But with the exception of Category 64, which I'll come back to, the reason that you see surplus amounts in terms of our transfers is because of vacancies in the different budget accounts for Museums and the Arts Council and the Nevada Indian Commission because we have those different funding formulas, right; 55 percent for Museums and History, it's funded by lodging tax. Fifty percent of the Arts Council and of course 25 percent for the Nevada Indian Commission.

Category 64, the reason you do see quite a large surplus in there, that traces back all the way to the work program from August 2016, remember that, where we transferred money for some of the documents [inaudible] and for Boulder City for the State Railroad Museum down in Boulder City.

Those unused dollars were only allowed to be carried forward one fiscal year, so they went from Fiscal '17 to Fiscal '18. And then the unused monies then come back to us. That's sort of an anomaly. They would have spent closer to about \$500,000 if it hadn't been for that reversion back of those monies. And we do that prior to actually closing the budget account, so that's why you see only having spent about \$227,000 in Fiscal '18.

The next four rows, those are just the different assessments and the cost allocations that all of the executive branch agencies are required to pay.

Turning your attention to the reserves, you'll see that we balanced forward about \$6.5 million which is a little over \$300,000 more than the original work program amount of \$6.229 million. I'm happy to answer any questions that anybody might have about the expenditures or about any of the final numbers for Fiscal '18 at this time.

HUTCHINSON:

Any questions in Carson City for Mr. Peterson based on the budget summary that we just reviewed?

CARANO:

Commissioner Carano. With your work program for the next biennial, will it reflect the lower amount spent in the transfers or will it go back to the full amount?

PETERSON:

For the record, David Peterson. Our transfer categories to the sister agencies within DTCA actually reflect their base budget, plus any M1-50 adjustments, which are maintenance decision units. They will be based on the new personnel costs that reflect, of course, the six percent increase that occurred over this current biennium.

We had a three percent increase for '18 and a three percent increase for Fiscal '19. So, they will reflect higher amounts when I'm able to show you this at the December Commission Meeting. But yes, everything will be higher based on, again, increases and personnel costs.

CARANO:

Okay. So, they won't be penalized for not spending their whole budget.

PETERSON: They will not, no. The way that we handle the transfers, all of the adjustments are actually done in the budget accounts within Museums and History, the Arts Council and the Indian Commission. They do base budgets and then M1-50 adjustments. And there's adjustments for computers and those sorts of enhancements. We just reflect on our side the base plus whatever the sum total of all of those adjustments are as an M1-50 adjustment for each of these transfer categories, is how we handle that on our side. All the detail sits in the actual receiving budget accounts and we just lump it all together as one M1-50 per budget account, and then per category on our side.

HUTCHINSON: Any other questions in Carson City for Mr. Peterson on the budget? Okay. Any questions in Las Vegas? I've got one follow-up for you, Mr. Peterson, just on the personnel services. Can you just give us a little summary in terms of where we're at with some of these vacancies and where you see the biggest needs and what we're doing in that regard?

PETERSON: Absolutely, Lieutenant Governor. For the record, David Peterson. I was going to cover that a little later, but since you've asked the question, we just closed the social media strategist and PR specialists' recruitments last week, Thursday and Friday, respectively. The teams are actually going to be conducting interviews, I think, as early as potentially next week. I'll talk about a couple of the new hires when we get to F2.4.

HUTCHINSON: Okay.

PETERSON: But we also have a vacancy, our Management Analyst, Jared Franco, actually took the administrative services officer position at the Nevada Arts Council. We had a retirement over there and that left a vacancy at the Nevada Arts Council.

PETERSON: Joe is appreciative obviously to have Jared.

O'NEIL: Absolutely.

PETERSON: My feelings are hurt a little bit that he left the tourism side. But it's okay, Joe, you've got actually a great guy over there. Right now with Angie, our Operations and Finance Manager being back, we are going to have to start working through the list because that's a classified position. We have to go through the layoff list and the 700 hours list before we can actually pull a management analyst list. But that's a pretty critical position.

If you all recall, the reason that we were able to get that position and that was the only position that tourism was able to get during the last session was

because it handles all of the Department's contracts and the different RFPs and RFQs, as well as it's our PEN-4 accounting position from an accounting perspective. But it also does all of the accounting for the Nevada Indian Commission and the Stewart Indian School Living Legacy budget account as well. Poor Angie right now is having to do the work of two people. Those are the positions that we do have open right now. But again, I'm hoping to see the Social Media Strategist position filled in early October, along with the PR Specialist position too.

Then the only other change I'll address is Jennifer Diaz has taken over as our market manager for Latin-America, Australia and Canada, so that's a change as well. Then, once we get to the F2.4, I'll introduce the two newest staff to the team.

HUTCHINSON:

Great. All right. Any follow-up questions for Mr. Peterson at all on our budget summary analysis? Mr. Peterson, thank you. Let's go to Agenda Item F2.3, Fiscal Year '19 RFP and RFQ Overview.

PETERSON:

Thank you, Lieutenant Governor. For the record, David Peterson. In your packet right after the Fiscal '18 budget sheet is the Purchasing RFP/RFQ Schedule for this Fiscal Year. You can see we've got quite a bit of RFPs and an RFQ in front of us.

Things are going to get underway here in September with the 2019 Governor's Global Tourism Summit Host Site, so that would be for the property for next year. In October, we are going to be releasing the Request for Quotes for transportation services. So right now we actually—we have four contracts left with various transportation companies that allow us to do the Fams, and if we have any missions or for Global Tourism Summit, to have those buses, have those shuttles take people throughout the state.

This is an exception to the RFPs in that we'll put a request for a quote out, and it allows any transportation company to respond. And then, if they meet the qualifications, we can then generate a contract with those transportation firms. And hopefully we will get a nice balance this year, so we've got folks down in Southern Nevada.

We have people up here in the Reno Carson City area as well as the eastern portion of the state as well, so we don't have to pay—I think they're called deadhead fees, Teri could correct me on that, but pay for fees when you have to send a bus all the way out because there isn't one, let's say, in a certain part of the state.

We are working very, very closely with the purchasing team right now to call these companies to make them aware that there's a new e-Procurement system with purchasing that they have to register with state purchasing, because if they don't, you are no longer able to actually respond to an RFP or an RFQ. We're working really closely, again, with purchasing so that anybody who wants to respond to one of our RFPs can do so.

Starting right after, the Monday after the Global Tourism Summit and the post-Global Tourism Summit Fams, we begin the process of releasing the RFPs for our international rep offices.

In November, we're going to release India and we're going to stagger these every couple of weeks. We have one person who is the purchasing liaison for the Department of Tourism and Cultural Affairs.

I'm trying to be sensitive to the fact that there's one individual on the purchasing team and then, of course the burden for the next three or four months is on Teri and her staff as well for sales and industry partners. So every couple of weeks, we're going to release an RFP.

In December we will then release the United Kingdom and then France. January will be Germany and Australia. And last in February, we'll have Canada and then a joint RFP for Japan and South Korea.

And the plan with these RFPs is, once they go through the evaluation, the Committee goes through and they do the technical and the cost analysis, we will then do like a Go-To-Meeting or a Skype or something along those lines with the top two or three firms, so that team has a chance to follow-up with those top scoring performers.

And then the other RFP that's in here, of course, is for the Integrated Marketing Effectiveness Study. And that will take place, I want to say it's the last Monday, I think, of January. The idea here with all of the different contracts expiring on June 30, 2019 is to work with Purchasing, to work with the Governor's Finance Office to ensure that we can get onto the correct Board of Examiners, so that way we don't have any breaks in service.

So, it probably means we're going to be on BOEs for March and for all the way through July as the schedule is shaping up. So, happy to answer any questions that you might have about the FY19 Purchasing RFP/RFQ Schedule at this time.

HUTCHINSON: Any questions in Carson City for Mr. Peterson on the RFP/RFQ Schedule and issues? All right. Any questions here in Las Vegas? Just one quick follow-up for you, Mr. Peterson. RFP Integrated Marketing Effectiveness Study?

PETERSON: For the record, David Peterson. So that's actually our main study that we do on our domestic paid, owed and earned marketing efforts, so that gives us our awareness. The ROI, tax revenue generated, incremental visitation and visitor spend also comes out of that particular study.

HUTCHINSON: So that's probably going to be pretty timely then for the Legislature?

PETERSON: Yes, well, so we're— for the record, David Peterson. We still have our contract in place right now with Omni Track through June. They're obligated to actually do the research through this Fiscal Year, this current Fiscal Year '19. But after that, this is what this is.

HUTCHINSON: Okay.

PETERSON: This RFP would allow us to not have a break in service in terms of our monthly measurement, which falls in line with the always on advertising.

HUTCHINSON: Mr. Peterson, thank you very much. Any other questions?

SANTOS: Herb Santos for the record. Can you refresh my recollection? How long are these contracts?

PETERSON: My plan was to do these as four-year contracts. Or are you talking about the current one? The RFPs, when we put those out, my plan is to do them as four-year contracts. Because, I think, in the past we've tried to do these two-year, plus a two-year extension and I don't think it gives our vendors the opportunity to look at this as a long-term commitment and to put the resources behind the contracts.

Right now, the contracts that we have in place, we're in year four of the respective contracts, so the plan would be to do four-year contracts as a part of the RFP and the RFQ for transportation services to sort of lock people in and hopefully get the best deal we can at this time.

SANTOS: Thank you.

PETERSON: You're welcome.



HUTCHINSON: Any other questions on this agenda item? Okay. Let's move on to Agenda Item F2.4. Mr. Peterson?

PETERSON: Thank you, Lieutenant Governor. For the record, David Peterson. I am super excited. We've got a couple of new staff on with us. And the first person that I'd like to introduce is Shari Bombard. She joined the TravelNevada team back on August 27th as our new Rural Programs Manager. Shari, do you want to just stand up and—you can wave and say hi. I don't know if you can see Shari there or not, in the red dress.

Shari is a native-Nevadan as she is from Tonopah, graduated from Tonopah High School. She has a degree in Anthropology with a focus on Historic Archeology from the University of Nevada-Reno. She loves Rural Nevada and I think that came through when the interviews were being done.

She's very familiar with our Rural Marketing Grants Program as she used to help build Tonopah into an amazing rural destination. Tonopah, just for the record, hit record room tax collections this past year, higher than when the Solar Reserve was being constructed, and every room was full all week long.

And per Consultant Chuck Nozeka who said Tonopah should now be the model for rural tourism in Nevada. We really appreciated her efforts on behalf of Tonopah and we look forward to her expanding those efforts throughout the rest of the state.

I know it's been a steep learning curve for Shari. We've got some exciting things coming with her as far as regrouping on our Master Services Agreement to take a look at our rural programs, the marketing programs themselves, and to look at the guidelines and to look at the data we're collecting. Once she can catch her breath—we're in Cycle 2, I think, right now of the Rural Marketing Program. We'll get back on some of those things that have kind of been tabled for the past few months.

Next, I would also like to introduce Lindsey John. Lindsey, if you want to just stand—she's way at the back of the room so I don't know if you can see her. She's our brand new Administrative Assistant on the Operations and Finance Team. And Lindsey joined us on September 3rd, so very recent hires here at TravelNevada.

She grew up in Gardnerville, Nevada and graduated from Douglas High School. She's got an Associate Degree in General Education. She has great experience



with inventory and distribution. She's super organized. She's actually cleaned out our three storage units that we have here in Carson City where all of our collateral is and brings in garbage every week into our big dumpster out back.

I'm excited because I think she's just going to be a great addition in terms of building out our distribution plan for all of our different collateral pieces, you know; where is everything going and why are we sending pieces here? And so, she's going to pick up on that front.

You know, being from Nevada and her love for the area, I can't find a better person to help us on the operations and finance side. Again, she's already got her hands dirty. I know she's very, very excited about taking forklift training. That's coming here before it starts to snow, so she—you can thank you me later. But she's going to be a great asset to the team, and again, we really look forward to having her onboard as well. That's my update for our two newest members of TravelNevada.

HUTCHINSON:

Mr. Peterson, thank you very much. And Shari, welcome. Your reputation precedes you and we're just thrilled to have you onboard and part of this gold standard staff that we think we've assembled and we're blessed to have here. And Lindsay, all I can say is it's just going to go up from here, you know? After dumping garbage from the three-unit storage units and driving our forklift around—I mean, it's just going to go up from here, so hang in there with us for as long as you possibly can. Welcome. All right. Anything else on Agenda Item 2.4?

PETERSON:

No, sir.

HUTCHINSON:

Okay. Well then let's move off of that F2 Agenda Item and move us to F3, which is our Marketing Update. Mr. Peterson, start us off with 3.1, Review of Marketing Goals and Timelines for New Consultants please.

PETERSON:

For the record, David Peterson. We had a fantastic meeting with the Marketing Committee back in August. We had our two new members join and really it was a great dialogue, great conversation. I felt it was important to come to the full Commission and apprise every one of sort of the timelines that were set forth by the consultants during that marketing meeting back in August.

What I'm going to do is I'm going to turn the time over to Brenda and ask her to provide the full Commission with an update in terms of where we stand today, and then coming back in December for the full Commission where we'll have some reports by our new firms.

NEBESKY:

For the record, Brenda Nebesky. We did meet with the Marketing Subcommittee last month in part to introduce our new Committee Members, Carl Ribaud and Kristin Windbigler, to our new consultants. BVK, who's heading our creative services, gave an overview of their vision for the "Don't Fence Me In" campaign, and we hope that will be underway from now until we launch the campaign. But we hope to bring you all the elements of that new creative in the March full Commission Meeting.

Noble Studios, who's in charge of our web and digital development, presented their discovery process for TravelNevada.com. Within that, they're going to be reviewing all of our site content. And they have planned a more aggressive SEO Plan and, ultimately, an end goal of audience customization to include digital messaging that is tailored to each customer along the customer journey, and then full customization of site visitation on TravelNevada.com.

Again, it's already on the agenda for you in December, so they have the full details of all of those enhancements, particularly on TravelNevada.com.

HUTCHINSON:

Thank you. Any questions, members of the Commission in Carson City concerning the marketing goals and our efforts with our new consultants under this agenda item? Not hearing any. Any questions here in Las Vegas? No further questions here either. That will close out Agenda Item F3.1 and we'll move to Agenda Item F3.2.

This is a possible action item that's been noticed for the review and approval of the recommendations of the Marketing Subcommittee to use the existing TravelNevada Logo as the primary trademark replacing "Nevada, A World Within. A State Apart" for use in all consumer marketing, something that we spent some time on with the Subcommittee and bring now to the full Commission for recommendation.

Mr. Peterson, why don't you introduce the topic and we'll take discussion and questions.

PETERSON:

Thank you, Lieutenant Governor. For the record, I'm going to kick it over to Brenda on this one too since she has a great background on the marketing front. But again, as Lieutenant Governor mentioned, we're sort of evolving, right, in terms of what we're doing with TravelNevada. This is just specific, again, to that logo lockup or trademark. With that, I'm going to ask Brenda to talk through how or where we're at and look for an approval of this Agenda Item. Thank you.

NEBESKY: For the record, Brenda Nebesky. The Committee reviewed and approved the concept of using TravelNevada, the name TravelNevada and the TravelNevada Logo within all of our consumer-facing creative. TravelNevada, the name for the agency, over time has gained a lot of brand equity. In the meantime, the Nevada Logo, the strength of it has been somewhat diminished.

I'm sure you'll remember at one point we had to remove the breve over the "A" in Nevada. The entire time we had some problems translating the tagline, "A World Within. A State Apart" for international markets. And quite often, we end up using the simple word Nevada, a simple naked word as a logo-type which in itself has no immediate descriptive or visual take-away.

The Committee did approve the idea of using TravelNevada from here forward. BVK is working on a fresh, more visual logo for TravelNevada to use in all of the creative they're developing. Because of the timing of the commissions and the needs of the campaign, what we plan to do is reach out to each of you individually with the actual logo designs and the plan for the rollout and the implementation of how we go about replacing a logo, which can be complicated.

We'll make it available for the Department itself to use. We'll make it available for Tourism Partners to download. And then, of course, it will be featured in all of the new marketing moving forward. Are there any questions?

HUTCHINSON: Questions about this in Carson City? I know there's been members who are well aware of the "Nevada World Within. A State Apart" and how that all evolved and came into being. And now we're making a recommendation that we retire that Trademark and we really go with the TravelNevada Logo. So any comments, discussions, particularly from those of you who've been around a while and what your thoughts are about replacing these logos?

SANTOS: Herb Santos for the record. In 2012 when I was appointed to this Commission, I think that's about when that logo came up. And my first thought was, huh? I didn't get it. And I thought, boy, I'm going on a commission that I'm really out in left field because, to me, it was sort of hard to remember in the very beginning. I'm really excited about the fact that there is going to be a change. It's what we want people to do, is travel to Nevada. I support it a hundred percent and I look forward to seeing the different creative ways that you're going to take that logo and really take it to the next level.

HUTCHINSON: Thank you, Commissioner Santos. Commissioner Carano?

CARANO: Thank you. It didn't ring true to me at the beginning, but I came to love it, and I like seeing it. However, it says here that you're just going to retire it from the marketing material. I think the Governor's idea was to have it on everything that the State of Nevada has. And so, is it just the tourism TravelNevada that's going to retire it, or is the whole state going to retire it?

PETERSON: For the record, David Peterson. So, the Governor is all about "Don't Fence Me In", so he wants to make sure he brings it up every time with me to make sure we're not getting rid of "Don't Fence Me In". And so that will not go away.

What we're looking at doing, and I don't want to misspeak, is trying to incorporate "Don't Fence Me In" with TravelNevada. The "Don't Fence Me In" piece is, you are correct, that is what the Governor has made it very clear to me, that cannot go away, and so that won't go away. We'll always have "Don't Fence Me In" in some sort of representation, and that's what we're looking at, is maybe some different ways to include that with TravelNevada.

If Brenda wants to add anything to that, please go ahead. But that is what the Governor wants to make sure that we have, "Don't Fence Me In" in place. Not "Nevada, A World Within. A State Apart," but "Don't Fence Me In".

CARANO: So on other state agencies, the "World Within, State Apart" will be eliminated as well?

PETERSON: For the record, David Peterson. Yes.

CARANO: And other state agencies will have "Don't Fence Me In"?

PETERSON: I would love for them to do that.

CARANO: Yes.

PETERSON: We can't force, you know, obviously the other state agencies to take that on, but we're working with Parks right now. In October we're actually going to be working with Wildlife as well. We're going to do some sort of sharing of assets and some conversation about this. I would love for Tony and his group at Wildlife to consider taking what we're doing and adding that onto their branding and what they do for Wildlife. Same thing with Parks as well, so.

CARANO: Okay. Thank you.

KROLICKI: Mr. Chairman, if I might. It's Brian Krolicki.

HUTCHINSON: Yes, Governor Krolicki, please.

KROLICKI: Much of this branding and marketing exercise happened under my watch, you know. I'm not an expert in these areas, but oh my goodness, did we go through a process.

The Nevada creed, there was a lot of poetry that went into coming and distilling into "World Within, World Apart." You know, this is like an aunt I really love, but maybe it's time for her to go sit in the other room for a while.

You know, I get it. I love it, but I'm okay to evolve if that's where the experts believe we need to go. You know, at the very beginning there was always, I don't want to call it tension, but just between "Don't Fence Me In" and "World Within, State Apart."

You know, the Killers did such a phenomenal job. We spent a lot of money and got a lot of play [from the song] and it went viral. So, kind of where we got high jacked by the "Don't Fence Me In." But just for the record, the "World Within, State Apart," is much more complex. There's far more fabric and things underneath.

You know, you should go to those old marketing books to understand, what is the essence of Nevada? And, there were wonderful pieces that were there to help grow, to spawn new ideas. If it hasn't achieved what is necessary, I get it. I'm all for it.

One word of caution to those who follow and have custody of this process, much of what we did, we created out loud. Of course, I'm all for transparency and open meeting law and all that, but it would behoove the group working on this to be careful how we rollout those concepts in—you know, when it's ripe enough for Committee and Commission consideration, because you might win or lose a concept before you even have a chance to officially broach it to those folks. I mean, there are good ideas and less good ideas, but hey, let's vet them all and see what's going on, like "doers."

Now I see every Sunday morning one of the largest multinational companies in the world uses—you know, "we're doers." Nevada was going to be for "doers."

That was my little speech, but thank you. Mr. Santos, I'm going to sit with you soon and we're going to go through how that all came to be, and you'll be inspired. Thank you, Mr. Chairman.

**HUTCHINSON:** Thank you, Commissioner Krolicki. Thank you very much for your perspective and your insights in terms of just how this all evolved and came into being. Are there any other comments or questions, discussion that members in Carson City would like to engage in at this point? How about here in Las Vegas?

Yes, Commissioner Miller?

**MILLER:** I have one question which is somewhat of a follow-up to the Vice Chair's comment. It notes here that it will be replaced as the primary Trademark. Will there be any use of it at all, or is it being retired—is the aunt going off to a room never to come back?

**NEBESKY:** For the record, Brenda Nebesky. Yes, we're going to hide the aunt completely because in branding, that's central, is to have one blanket logo, and consistency is key. So yes, we will be entirely retiring that logo.

**HUTCHINSON:** Thank you. Great, great question. Any other questions here in Las Vegas? Just a follow-up. You had mentioned, Mr. Peterson, I think, or Ms. Nebesky, you'd mentioned that BVK is working on a new logo. So this motion would be to use the existing TravelNevada Logo as the primary trademark. And then if we would change that, it would be a recommendation to change that, then that would come back before the Commission, right?

**PETERSON:** For the record, David Peterson. Yes.

**HUTCHINSON:** Okay. So this motion just deals with the existing logo knowing that there's some effort in the consultants' arena to approve that and maybe even bring another option to us as well in the future. All right. Any other questions, discussion points on this agenda item? If not, the Chair will accept the motion to use the existing TravelNevada Logo as the primary Trademark replacing, "Nevada, A World Within. A State Apart." for use in all consumer marketing.

**SANTOS:** Herb Santos for the record. Governor, is it possible to affirm the amendment to that language to—

**HUTCHINSON:** Of course. Yes. What would you like to include, Commissioner Santos?

SANTOS: Well I'm trying—I'm thinking out loud, and perhaps someone that's more eloquent can come up with the language, but I'd want to be able to incorporate that, that it would in no way restrict or inhibit the use of "Don't Fence Me In" as a shared—or maybe not the primary—but a shared logo and trying to incorporate that in as much as possible. Maybe someone can put that to better words than I can. But I'd just like maybe to incorporate "Don't Fence Me In" as clear without excluding that at all.

HUTCHINSON: Okay. Well Mr. Santos, you're a lawyer.

NEWMAN: So are you, Mr. Chairman.

SANTOS: Not a marketing lawyer though.

NEWMAN: Don Newman for the record. I would make a motion that we utilize TravelNevada as our primary Logo in our consumer marketing efforts with "Don't Fence Me In" as our secondary focused Logo going forward.

HUTCHINSON: Okay. Let me—

SANTOS: That was very eloquent. I would second that if I can.

HUTCHINSON: Before I accept a second, let me just ask our Attorney General, are we okay as far as the way that this matter was agendized to accept that kind of motion?

SARAH: I think so. I mean, I think the intent was to kind of—I think it's fine. Thank you.

HUTCHINSON: Okay Sarah, thank you. All right. You've heard the motion. Is there a second?

SANTOS: Herb Santos for the record. I second that.

HUTCHINSON: Thank you, Commissioner Santos. Any discussion or comments on the motion? Hearing none, those in favor signify by saying aye.

GROUP: Aye.

HUTCHINSON: Any oppose nay? Hearing no nays, the motion passes unanimously. And we have a new primary—in fact take out primary. We actually have a new Trademark that we will use in connection with "Don't Fence Me In". So, thank you very much for the discussion and for the action on that agenda item.



Any other issues or matters we need to address, Mr. Peterson, under Agenda Item F3.2?

PETERSON: For the record, David Peterson. No, Lieutenant Governor.

HUTCHINSON: Thank you. That takes us to Agenda Item F4, *Nevada Magazine* Update.

PETERSON: For the record, David Peterson. It's my pleasure at this time to have Janet Geary, Publisher of the *Nevada Magazine*, come up and give the Commission an update on everything that's going on in the world of publishing the *Nevada Magazine*.

HUTCHINSON: All right.

GEARY: I was told to step back because I talk too loud, so if everybody can hear me, I'm Janet Geary, Publisher of *Nevada Magazine* and I just wanted to give you an update on what *Nevada Magazine* is currently up to.

I've included in the packet, hopefully, a *Nevada Events and Shows*. That's our secondary publication. We've been doing this forever as it's been part of our magazine publication process. This is a magazine that we rack. It's a free publication. It's in all the CVBs, the Convention and Visitors Bureaus, Welcome Centers, and also it's racked by Certified Folders throughout Northern and Southern Nevada.

We include all kinds of events, both northern and southern, so I just wanted you to take a look at it. It is something we've been doing forever, but I don't know that anybody's ever seen it before, so I just wanted to make sure that you saw this. We publish it a week after our regular *Nevada Magazine* and we currently print 20,000 of these. I just wanted to let you know in case you had never seen one before.

We're busy at *Nevada Magazine*. We're currently designing the 2019 *Visitor's Guide*. We're writing and designing the 2019 *Arts and Culture Guide*. We just finished the *Las Vegas Bridal Guide* and the 2019 *Nevada Rides Guide*. We are also doing the *Mesquite Visitors Guide* this year, in addition to our regular magazine schedule.

We also provide the graphic work for the Nevada Arts Council and print—we're currently doing our 2019 Historical Calendar and we are reprinting our Ghost Town Map. So, if you've run out of Ghost Town maps and would like some



more, let me know because we have completely sold out and we are currently printing some more.

We've also come up with a *Nevada Magazine* t-shirt that we sell online and we're doing a Great Nevada Picture Hunt Puzzle that will be available for Christmas. So it's of our poster, if you've seen our poster for the Great Nevada Picture Hunt. It's a big State of Nevada with all different kinds of photos in it. It's beautiful and we're making a puzzle of that for Christmas sales, so get your gifts early.

Okay. In the past two months, we've attended several events including the Goldfield Visitor Center opening, the Tonopah presentation of their Best of Winners. And we go to all the territory meetings in the state as well. That's usually Adele Hoppe, our Marketing Manager.

We also attended a Made in Nevada event where we sold out on our photo books. We still have some available and we're selling those at the Made in Nevada events because we are one of their Silver members, and so we try to attend all their events.

Also, last week I just got back from a Highway 80 visit and we stopped—since I'm writing the *Arts and Culture Guide*, we wanted to stop along the way and look at all of the arts and culture places along the way. We went to the Cookhouse Museum in Battle Mountain. We went to the Marston House Museum in Lovelock, so there's a lot of little nuggets out there that we're learning about for the *Arts and Culture Guide*.

If there's anything from your areas that you would like me to include in that guide, please let me know, because I'm putting together the information right now for the Guide.

We're also in our planning stages right now for our fourth focus group. This is our photographers' symposium that we do. This one's going to be in Southern Nevada where we're going to have it at the museum—the Las Vegas State Museum. It's a seminar that we've done like four times up here and it is for photographers, for marketing photography and different aspects of taking your photos.

We get expert speakers to come in and talk about the photography issues that are going on. If you know of anybody in Southern Nevada that would like to attend, we charge like \$10 for people to come, so it's not an expensive thing to do.

Currently we're collecting photographs for the VA residence that is going to be opening in Reno soon. They got in contact with us a couple of weeks ago and wanted a copy of our Nevada map that's in the magazine for a table that they were building. I asked them if they needed anything else. They said they're looking for photos of Nevada.

We got together with our photographers' Facebook page people and asked them if they'd like to donate photos for the VA residents. And we got almost 400 photos that were donated to us that we can have printed for the VA residence that's going to open in Reno.

We're also giving them a lot of historical photos that we own from our calendars. Also, the Nevada Press Association just announced their awards for this year. We'll be going down to Vegas to pick up our awards. I can't give you all of the details but just know that we did get the General Excellence Award again this year, which is the highest award for any magazines within the state.

Thank you. We have actually gotten General Excellence six out of the last eight years, so we're really proud of what the magazine is. And with such a small staff you know, I'm so proud of them. They're doing a great job. I think that's all I have, unless anyone has any questions for me.

HUTCHINSON:

Any questions for Ms. Geary? All right. As always, a wonderful update. Any questions in Carson City? I can't see if there is anyone raising their hand or not, but again, thank you very much. Okay. Mr. Peterson, Agenda Item F5, Division of Museums and History update.

PETERSON:

Yes, thank you. For the record, David Peterson. Peter arrived perfectly on time, like two minutes ago. I'm going to turn it over to Peter Barton, the Administrator of the Division of Museums and History. And he makes me call him sir or professor, all kinds of wonderful things when I talk to him. So, with that, Peter Barton.

HUTCHINSON:

All right, Professor Barton?

BARTON:

Thank you. Thank you, Mr. Chairman and members of the Commission. Good afternoon, Peter Barton for the record, the Administrator for Museums and History.

Well thank you, David, for the invitation to spend a couple of moments talking about some exciting things happening in Museums and History. Before I do

that, I hope you all know that we're really delighted to have David with us in the interim seat. He certainly has demonstrated he eats and sleeps this. I know that because he calls me at all hours of the day and night. He's really helping all of the agencies within the Department of Tourism and Cultural Affairs prosper in a way that we haven't seen in the past, so we're grateful for that.

In Museums and History, a couple of pretty exciting things going on. I guess, first I'll speak to the North in Reno at the Nevada Historical Society. You may know that we occupy land on the campus of the university and that's become a challenge for us. As the university continues to grow, we're getting squeezed down in parking and just becoming more difficult for us to deliver the public program.

We've been negotiating for the last 14 months with the university over a land swap with some property the university owns off campus. It's about a four and a half million-dollar deal and we're not prepared today to say it's a done deal, but we're very close to being able, we think, to move the Historical Society off the campus into a location that will benefit it and allow it to prosper in the midtown corridor, by the way.

Let's see. Down in Southern Nevada, the Nevada State Railroad Museum in Boulder City, we've just come through a two-year master planning and design process that looks to expand the very successful Railroad Museum in Boulder City. We started this operation in 2002 and we said, what business does museums have in the tourist railroad business?

But the success has been extraordinary. We've gone from 1600 visitors on a couple of weekends of the first year. This year we're on track to do over 55,000 riders on two days a week. It's an unlimited market. There is no competition within 200 miles for our experience and this document really takes us to the next level.

It says more than just a train ride, and indeed it is. It combines new recreational and educational opportunities, trails with the Historic Railroad experience in a wonderful location, the Historic District in Boulder City. All told, it's a three-phase project. It's about a \$30 million investment.

The city of Boulder City, by the way, gets one bill draft every legislative session. For the 2019 session, they've taken their single bill draft and have put it to this project requesting \$15 million to build out Phase 1. So certainly, we've got a lot of community support in Boulder City and in Henderson.

And if you happen to look on page 9, if you've got it in front of you, that's one happy guy there. That's Governor Sandoval driving the Silver Spike on April 13th, which connected for the first time in 30 years the railroad with Henderson and Las Vegas, unlimited opportunities.

We're pushing this project hard. We've got a blue-ribbon panel of five individuals from Southern Nevada who are out pitching this project, looking for private investment and we've already got some folks on the back from various agencies who supported the project.

So, with that, if we can queue the video.

**VIDEO SCRIPT:**

**CONDUCTOR:**

The Nevada Southern Railway, all aboard.

**HEES:**

Railroads are an incredibly important piece of Nevada history. Las Vegas was a town of maybe 250 people when the railroad arrived in 1905.

**BARTON:**

Central to a museum is the role of memory. We use historic objects in museums, combined with stories, to incubate and stimulate memory in the public. That's central to what we are.

**ROWLAND-LAGAN:**

The train being what really brought Boulder City to life, when they were building the dam they needed the train to bring in supplies, to bring in individuals, to bring in some of the ore and that kind of thing. That is really kind of important, because what we need now is for the train to bring us in some tourists and to bring us in the guests that will, again, add to the boom of Boulder City.

**HEES:**

Here in Boulder City we've been able to create a museum with limited resources. And now is the time for us to go to the next step, and to do that, we have to have a visitor center. We have 40,000 people a year ride the train.

**JORJORIAN:**

Our goal for the design is to create a facility that matches the attraction of the trains, and we do that through a sequence of design. We start with the great arrival, and that community plaza is open to the public. And the highlight of that community plaza is the Davenport, which is the original train car they used to take materials down to Hoover Dam during construction.

Visitors are then greeted with a facility that is respectful of the history of Boulder City and of Hoover Dam, but is new and modern to railways. And we do that through use of materials. We use the foundation materials of concrete for

the base of the building, but then we move into other transitional materials, such as wood and steel.

**BARTON:** This museum, the Nevada State Railroad Museum, goes beyond that to being able to create new memories for people. People get to ride this historic train and experience it the way that people did 70, 80 or 90 years ago.

**HEES:** We have three staff members and 115 volunteers. So when you come here, you're meeting people for whom this is their passion.

**JORJORIAN:** This is a place of pride for the residents of Boulder City, but also it's a place for everyone, a place for people to come to and make connections.

**PETERSON:** This is a place where you can experience arts, culture, heritage, outdoor recreation in one facility.

**HEES:** Today they come and they experience trains, moving objects, the noise, the whistles, the rumble, the clickety-clack. But now with the visitor center, we can explain to them. We can give them the audiovisual presentations. We can show them all the bits of the history that this railroad represents.

**ROWLAND-LAGAN:** This train ride is an amazing experience just all in itself. But what tourism really does represent for Boulder City is the destination, and the train really acts as kind of the conduit to that. And so, by having that community center, that hub, it really is going to become the heart of Boulder City.

**BARTON:** Above and beyond a normal museum, this is worth investing in because people walk away with a greater experience, appreciate what they've seen, and will remember it much more strongly.

**PETERSON:** Come join us on a journey where you can take home more memories than souvenirs.

**END VIDEO SCRIPT**

**BARTON:** That's a little promotional piece that we've put together that accompanies the document in our ability to promote the project. And we hope that you will speak kindly of the project and help us support it and move it toward construction in the next couple of years.

The time is right. We've reached capacity with what we can do with the facilities that we have, and this seems the next logical step that fits in the "Don't Fence Me In" attitude and in the spirit of adventure tourism.

While we're speaking of videos, I'd like to thank the Lieutenant Governor for the time he spent with us here in Carson City in June at the Railroad Museum here. We had a wonderful, wonderful time as we brought out the McKeen Car and some of the other equipment. The Lieutenant Governor got to—I don't know that we let him run the train, but it came pretty close to that.

**HUTCHINSON:** I'm sure there's statutes, ordinances and just common sense against that type of activity, Peter.

**BARTON:** We enjoyed it very much and thank you for that. I'll leave you with one last bit of good news. Thirty years ago a statute was passed that said the Nevada State Museum must maintain a government museum on the second floor of the Nevada State Capital. We said, ooh, does that come with an appropriation? The answer was no, and it's remained no since 1979 when that statute was put in place.

The exhibits that were up on the second floor that talked about the capital, that talked about Nevada's coming of statehood were old and tired. Governor Sandoval said he wanted it to be a high priority for our division to replace those exhibits.

Using funds that were made available from the Nevada Sesquicentennial, the good work of Mr. Krolicki when he was the Chair of that Sesquicentennial Commission, \$700,000 was provided to us about two years ago to build all new exhibits. They are called Trailblazing Nevada. We invite you to come in and unfold the map of Nevada and blaze your own trails through Nevada's wonderful history.

Those exhibits are actually being installed today. It was a firm out of Seattle, Washington that's doing that work for us and on October 10th, on Wednesday, October 10, 10-10 and 10 a.m. Governor Sandoval will cut the ribbon and you are all invited. I hope that as many of you as possibly could come down for that or come out for it will join us.

There are five exhibit areas that really speak—I've never seen exhibits this dense and I've been in the business for 40 years, but we packed a whole lot of content in a 2000 square-foot room. There's interactive exhibits; there's an opportunity for you to send a telegraphic message, all sorts of challenges and opportunities in Trailblazing Nevada and I hope you will come on out and join us for that; 10-10 at 10. Thank you.

HUTCHINSON: Hey Peter, can we just follow-up with a few questions? Then we'll start here in Las Vegas. First, just on behalf of the Commission and just on behalf of the State, Peter, thank you for all of your efforts. You are a champion of Museums and History, and that's near and dear to the heart of many of us who make Nevada our home, who grew up here, and I know that it is on part of the Governor.

A couple of questions about the Boulder City Museum and the efforts there. First, as far as those materials and those exhibits, does Boulder City own those now currently? And they were talking about original equipment from the dam construction, is that currently under the control of Boulder City, those exhibits that would be used?

BARTON: The collections that we're using now, the operating train, is owned by the State of Nevada. We have some selected objects that were in fact in use when the dam was constructed. We've got a locomotive. We're about to move one of the cars that carried stone and rock around the site that we actually located in California. We've acquired that. That'll be moved down soon.

We've got considerable assets in terms of artifacts and objects that relate to the actual construction of the dam in that period, and the railroad itself.

HUTCHINSON: Okay. And this is just a follow-up in terms of the efforts with the Legislature. I'm sure that Senator Hardy's involved in that, right?

BARTON: Very much so.

HUTCHINSON: And then, just my recommendation is that we try to get as many co-sponsors onto that bill as we possibly can. Are we working on that?

BARTON: Those efforts are just about to commence.

HUTCHINSON: Yeah.

BARTON: We're certainly cognizant of the need to develop broad support and we will be—we will soon be visiting legislators to deliver them the book and really discuss the project with each and every one of them. Again, we just feel the time is right for this.

HUTCHINSON: Yeah. Yeah, and if you need any help with that, just let me know. I'd be happy to reach out to the legislators who I'm close to. I just think that this is something that really could take off if we get enough support before the session



starts and then everything gets crazy and lost in the mumbo-jumbo. If we just really spend some time beforehand, Peter, I think we've got a shot at this.

BARTON: Thank you. Thank you for your support.

HUTCHINSON: Yeah. And follow-up question by Commissioner Sanchez.

SANCHEZ: Thank you for the overview. Just a brief question. Is there funds being raised for the restoration of the trains that are out there already, some of the equipment? I'm a big fan. I take my family out there a few times a year and I know that there is quite a bit of equipment that needs restoration as well, so just curious about that.

BARTON: There is out in the boneyard, as we call it, kind of away from the depot, there is a considerable collection of equipment that we would hope one day to restore. The first step is to preserve them. The second step is to stabilize them. We need to get them under cover. And then the third step is, before we do any work on a historic piece of railroad equipment, we have a standard protocol that we follow where we do a very in-depth historic study.

If it were a building, you'd called it a Historic Structures Report. We do that for the railroad equipment so that if ever we needed to reverse something that we've done in a restoration or a rehabilitation of a piece of equipment, we've got the information and the data to be able to take it back where it was.

So, there's several steps to restoration. We are always seeking funds from entities, whether they be foundations or other granting opportunities, to do restoration work. It's generally a slow and pretty expensive process, but the short answer is we're seeking those funds from whatever source we can find them.

HUTCHINSON: Great, thank you. Any other questions or follow-up of Mr. Barton? All right Peter, thanks again.

BARTON: Thank you.

HUTCHINSON: Okay. Mr. Peterson, we're moving off of Agenda Item F and now moving onto Agenda Item G. We've got some upcoming meetings and we can see when our next full Commission meeting is, on December 17, 2018 at 1:00 PM. Any other matters that you'd like to bring up under this upcoming meeting's agenda item?

**PETERSON:** For the record, David Peterson. No. I just want to make sure that everybody has it on their calendar for that Monday at 1:00 PM. And if I could just add one thing Peter didn't mention. On the following day, October 11th is the opening of the World War I Exhibit. It's a joint exhibit. I believe it's the first joint exhibit with Springs Preserve and the State Museum, Las Vegas.

So, I don't know Peter. I think it's wonderful, it's the first time there's been a joint effort between the two facilities down there. So if it's okay, Lieutenant Governor, I just—

**HUTCHINSON:** Let's go back to—we'll go back to Agenda Item F5. And Peter, please give us the update on the World War I Museum.

**PETERSON:** Thank you, Lieutenant Governor.

**BARTON:** Well thank you for that reminder, David. Yes, this has been the Centennial we've been celebrating—well not celebrating—we've been commemorating the Centennial of World War I. And that actually closes out in November, but we're actually opening an exhibit at the Nevada State Museum Las Vegas on October the 11th. That will remain open for about six months and it's a collaboration with the Las Vegas Springs Preserve.

The working title is "Over Here, Over There." We will tell the Homefront story at the State Museum and the Springs Preserve will follow on with content about the European Front where the war was fought. And we will talk about transportation of people and materials back and forth in what is truly, as David said, a new collaboration for us with our partner, the Las Vegas Springs Preserve. So, you're certainly all welcome to join us for that as well.

**HUTCHINSON:** Great. Thank you very much. Okay. Mr. Peterson, any other matters on Agenda Item F5?

**PETERSON:** Lieutenant Governor, for the record, Dave Peterson. No, that's it.

#### **Upcoming Meetings**

**HUTCHINSON:** Okay. Go back to Agenda Item G with our upcoming meetings. We noted our next full Commission meeting. Any other matters under this agenda item?

**PETERSON:** For the record, Dave Peterson. This is going to be a pretty long meeting. There are several things that, with the budget, economic impact research, that I want to have presented, and our new Tourism Ecosystem Report on lodging tax. Mr.

Kyle Shulz, our Research Manager, is going to walk through a couple of reports. And then, of course, we'll have the presentations by our vendors, so I think it'll probably go well over a couple of hours. So I just—if everybody can kind of block out the time.

I know it's the week before Christmas, but if y'all have the time, it would be great. But I just wanted you all to be aware of that. There are several things that will be on this agenda, so it'll be quite an afternoon, I think. That's all I wanted to let everyone know. Thank you.

#### Commissioner Comments

HUTCHINSON: Okay. Thank you, Mr. Peterson. We'll be ready for that and block out our calendars accordingly. Let's move on then to Agenda Item H, Commissioner Comments. Are there any Commissioners, starting in Las Vegas, who would like to make any comments?

HUTCHINSON: Commissioner Sanchez, please.

SANCHEZ: Commissioner Sanchez for the record. Just want to say that it's an honor to be a part of this body and that I'm here to help if the staff have any questions. I know that David and Teri, thank you for kind of introducing me to everything a few weeks ago. But seriously, I know we talked about some instances where I could maybe add some value. I'm happy to do that. I just want to say on the record that I'm here to help in any way I can, so thank you.

HUTCHINSON: Thank you.

SANCHEZ: And thank you for the introduction.

HUTCHINSON: Thank you, Commissioner Sanchez. Great. Any other comments? Commissioner O'Neil, you've got to jump in there.

O'NEIL: Yeah. I just want to say I second that. It's an honor to be amongst all of you in serving. I'm really looking forward to this. My gears are flowing in my head with a lot of ideas which hopefully I will be able to present sometime here in the future.

HUTCHINSON: Yeah, love to hear them and really look forward to both of your meaningful and really substantive contributions I know you'll both make based on your experience and your qualifications and your competency.

Any other comments by any Commissioners in Carson City? Commissioner Santos?

SANTOS:

Thank you, Governor. Herb Santos for the record. I just want to comment. There's two events that I attended recently, the Barracuda Championships, and I wanted to commend our staff for just having a really nice little event at that golf tournament.

I also recorded it on television and watched it later and I was just amazed at just how beautiful our area is. And so, I thought how we got huge bang for our buck with that coverage. So, hats off for supporting that tournament.

I also attended the air races and I want to comment on just what a great program that Mary Beth Sewald and the rest of her staff did in putting that together.

What was really cool was the entrance where everyone walks in, the first thing that every eyeball saw was a huge banner billboard of TravelNevada with the beautiful canyon in the background. They were looking over the "Don't Fence Me In", but every single person that walked into those air races, saw our banner first thing.

Whoever placed it there, good job. And I just thought that, again, it was another event where there was a huge bang for our buck with that sponsorship.

Then this comment of just how great the staff is with Dee and everyone else helping me out, getting ready for this trip that I'm going on. I just wanted to thank you and David for everything you did for that and everything that you do. You guys are assets to the State and to this organization. I just wanted to just put that on the record. Thank you.

HUTCHINSON:

Thank you, Commissioner. Any other Commissioners who'd like to make a comment? Commissioner Krolicki?

KROLICKI:

Thank you, Mr. Chairman. Just several things, and I want to do my own shout-out to Peter Barton and the new exhibit they'll be opening up in the Capital. There's a lot of story behind that.

Sesquicentennial, we all know our birthday celebration ended four years ago, but the administration of it did not. There was a foundation that literally just filed our last tax return in April, but we had to distribute all the funds and make it all final.

And the Governor was very much the cheerleader. This is something we all wanted to do to put just an exquisite, a fresh face into the second floor of the State Capital. We're so excited about what's in there.

Peter, you had the gun to your head, so to speak, because the Governor encouraged this project to conclude before his departure from office, and especially, let's do it before Nevada Day. You cut it a little close! But 10-10-10 is all great, so I would urge all of you to go. I think it'll be fabulous. It's fun. It'll make the second floor even more dynamic. But well done to all who did that. Nevada's 150th birthday last four years more than most people would've ever imagined.

I also want to take a moment, Mr. Chairman—and I'm going to call you Hutch here, on your service. You've got one meeting left and we'll have time to do this in December, but we've got busy times and the Governor's Summit.

But just watching you in the video. You and I both came to this strange job with a broad portfolio of skillsets, but tourism may not have been on the top 10 of that list. You have just embraced the tourism product, what it means, the little nuances of Nevada, the people who make those things happen, and embraced the staff. I want this to be about you, but the staff has continued to do an extraordinary job as all these changes have done, so kudos to you.

But the joy that you were demonstrating in the car was amazing. I was trying to figure out how you're driving the car without your hands. I thought it was a Google car, then I realized you were in the back seat, so interesting format. But just thank you for your embrace of what the Commission does, with whom it does it. You've been a tremendous advocate. You've just thrived in the role and Nevada will miss your cheerleading desperately, so just kudos to you.

HUTCHINSON:

Governor Krolicki, thank you very much. Very, very kind of you to make those remarks and comments. You know how I feel about you and following your service, and after spending 16 years with the state and maybe even longer than that; I know 16 years in official office.

You know, I said on the Senate floor back in 2013 that you're the type of public official and public leader that I can point to and tell my children that that's who you want to be like. You want to emulate a guy like Brian Krolicki.

Coming from you, that was a great compliment. So, thank you very much. I would just tell you that, you know, they let me navigate the Dixie on Lake Tahoe

and they've since completely banned civilian navigation of that lake. It's now completely prohibited, so I've blown that for everybody but I did have a great time. It was a lot of fun. So, thank you very much.

KROLICKI:

Good on you. And I wasn't fishing for reciprocity but, again, this is about you and thank you. While I'm doing kudos, forgive me, but to the new Commissioners; Joe, it's a pleasure to see you, and Kris. I think you are the one individual in Nevada who spent more time in Guangdong Province than I. You know, I feel like economic development goal has migrated to tourism, especially with Mr. Hill's arrival too. Kris, it's a pleasure to see you.

And just because it was included in our package a mention of curling, that's a segue.

You know, yes we are still glowing in the success of the Men's World Curling Championships that we held in Las Vegas earlier this year. It's a big deal to host a world championship of anything. We had Team Shuster there hanging out at the pool, drinking beer and not curling, but having a good time.

But next year, the love story between curling in Nevada continues. And I just want to make sure that you all, on your calendars, as we're marking important dates in our lives, 10-10, December 17, all these things, make sure January 17 to 20 is on your calendar for 2019. We will be hosting once again the World Continental Cup of Curling, Team North America versus Team World.

We expect like what we had earlier this year, 60,000 to 70,000 people at the Orleans Arena. It's truly extraordinary. You know, who would've thunk, that's the word, that Nevada would become the ice sport capital of the world. But between the Golden Knights and especially curling, it is on the map.

You are all my guests. We will see you in January. Good curling. Mr. Chairman, thank you.

HUTCHINSON:

Thank you very much, Commissioner Krolicki. And Mr. Peterson, just a note for the future, we got to do a little better job burying that curling information.

PETERSON:

Roger that.

HUTCHINSON:

But again, thanks for all your great work, Commissioner Krolicki, with the curling in all seriousness. You brought that to the State of Nevada and we do love it. It's a huge economic impact and a benefit for the state, and particularly Las

Vegas. Thank you. Any other Commissioner's comments? Commissioner Newman?

NEWMAN: Yes. I do believe thunk is a word. It's a sound that when you curl and you go a little too far, thunk is the sound that the pot makes.

KROLICKI: I'm going to get you all on the ice. I'm going to give you a Teflon shoe and you will do some sliding on the ice. You'll throw a couple stones, curling rocks in Las Vegas.

CARANO: This may be like a pile of painted rocks in the desert. You might have to be there to appreciate it.

NEWMAN: I do have an announcement—

HUTCHINSON: You're all welcome you to come to Las Vegas. We'll all get together in January. Commissioner Newman?

NEWMAN: Yes. So not to be outdone here—and I certainly welcome Joe and Kris to the Commission. It's a wonderful opportunity and it's something you're going to find so heartwarming and gives you such a sense of pride and belonging in this wonderful State.

But to follow the Governor and the Lieutenant Governor out the door, I have announced my retirement from the Convention Visitors Authority in Elko. With that, I've sent a letter to Mr. Peterson and to Lieutenant Governor Hutchison as well as to Governor Sandoval thanking him for that opportunity to serve this Commission.

So December will be a big party, so I'm looking forward to our last gathering with all of you and to getting to know our two new Commissioners a little bit better in Reno in December. With that said, this has been just a wonderful experience for me and I'll treasure it forever. Thank you.

HUTCHINSON: Well Commissioner Newman, we're going to give you plenty of time in December and we're going to save all our kudos and our love for you in December. You know how we feel about you, and the contribution you've made has been really just immeasurable. Don, we're going to miss you greatly and we've got a big party planned for you in December.



Any other Commissioner comments in Carson City? All right. I'm hearing none.

**Adjournment**

HUTCHISON: That takes us off Agenda Item I and takes us onto our favorite Agenda Item J, Adjournment. Is there a motion to adjourn?

VASWANI: Yes.

HUTCHINSON: Commissioner Vaswani has moved to adjourn. Is there a second?

CARANO: Carano second.

HUTCHINSON: Commissioner Carano—

BRADLEY: Mr. Chair, did you call for public comment? We didn't hear it, if you did. I know you asked for more Commissioner comments, just for the record.

HUTCHINSON: You know, that's a really polite way of saying that I completely missed that agenda item.

BRADLEY: Thank you.

**Public Comment**

HUTCHINSON: So, we will go back to Agenda Item I before our Attorney General comes after me with some sort of a brief, reminding me about the obligation we have to ensure that our public has full opportunity to comment to the Commission. So, under Agenda Item I, are there any members of the public who would like to present public comment to the Commission in Carson City?

PETERSON: Lieutenant Governor, Dave Peterson. I'm not seeing anybody. But per your direction, I did intercept Don's resignation letter to the Governor and to myself and I burned them, so he's still here. That's all I have to say on that.

HUTCHINSON: That's great, that's great. John, well done.

NEWMAN: I would just add to that—I mean, it truly is home. Home means Nevada, so I will always be here.

HUTCHINSON: Right on. Thank you.

HUTCHINSON: All right. Any members of the public here in Las Vegas who would like to address the members of the Commission? I'm seeing none here, so we will close that Agenda Item I. Now we will move on to our beloved Agenda Item J, Adjournment. Is there a motion to adjourn? Commissioner Vaswani, would you like to renew your motion?

VASWANI: I would.

HUTCHINSON: I take that as a yes. Commissioner Carano, would you like to second it?

CARANO: Carano second.

HUTCHINSON: Thank you very much. Any discussion on the motion? Hearing none, those in favor signify by saying aye.

GROUP: Aye.

HUTCHINSON: Those opposed nay? Motion carries unanimously. Thank you very much, ladies and gentlemen, my fellow Commissioners for being here. It's been a wonderful meeting. God bless you all. Have a great week.

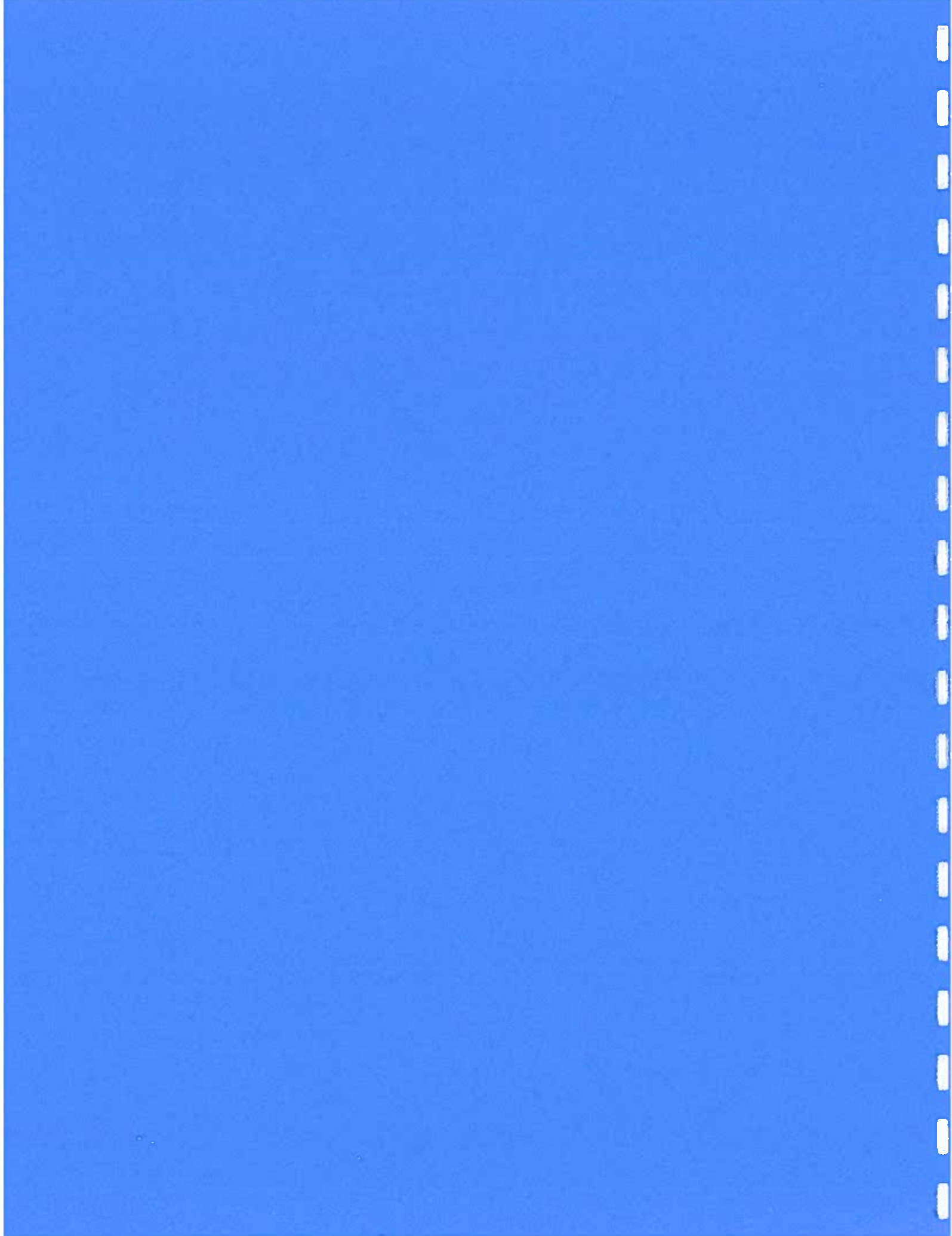
The meeting adjourned at 2:58 p.m.

Respectfully submitted,  
Dee Chekowitz-Dykes, Executive Assistant  
Department of Tourism and Cultural Affairs  
Nevada Commission on Tourism

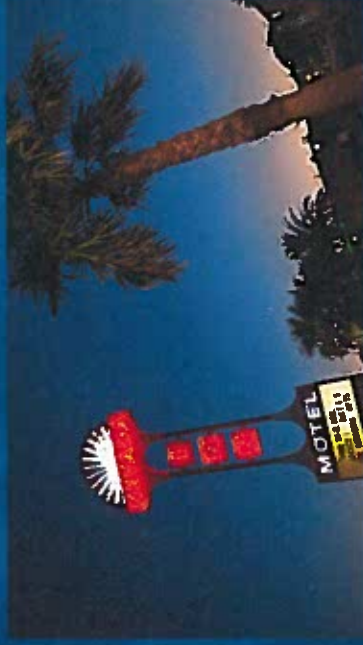
# Tourism Economics



**NEVADA**  
[TravelNevada.com](http://TravelNevada.com)







# Economic Impact of Tourism in Nevada, 2017

October 2018

Prepared for:  
Nevada Division of Tourism



TOURISM  
ECONOMICS

AN OXFORD ECONOMICS COMPANY



## 1) Tourism is a major contributor to Nevada's economy

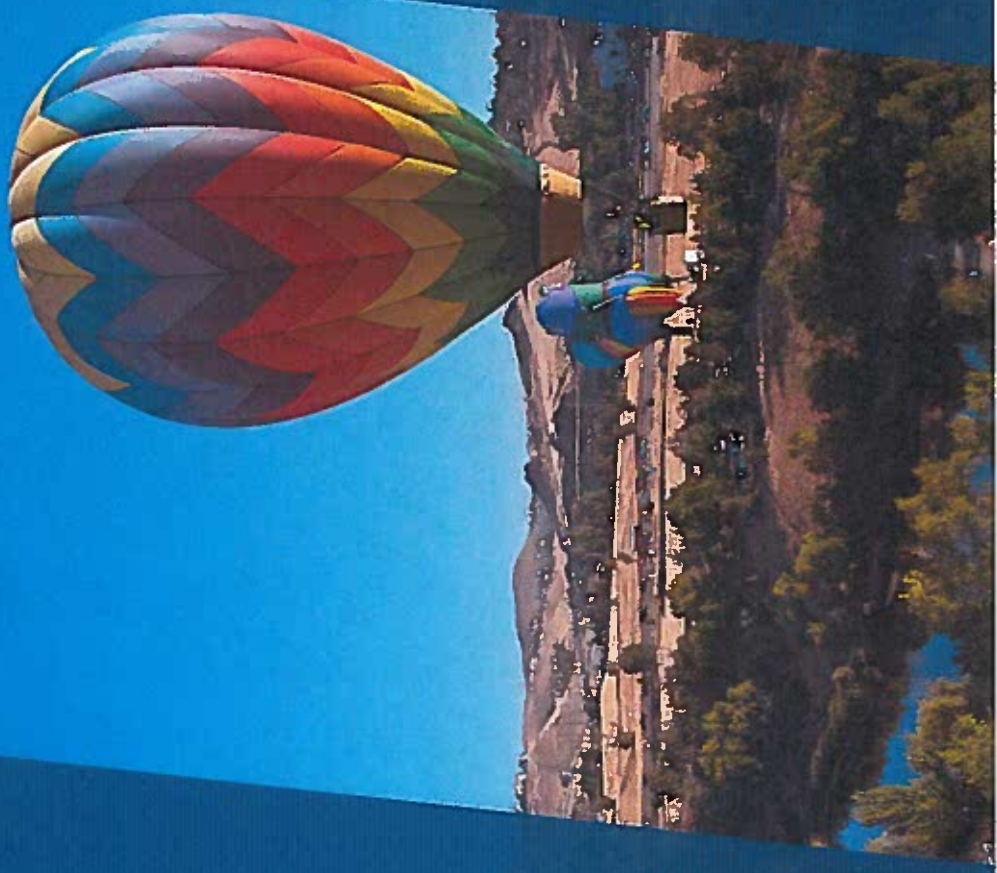
### Key facts about Nevada's tourism sector

In 2017, 56.3 million visitors spent nearly \$40 billion in Nevada

Visitor spending has increased 15% since 2013

Visitor spending sustains 27% of all jobs in Nevada

Tourism generates \$4,560 in state and local taxes for every household in Nevada





## 2) Visitor spending generates income, jobs, and tax revenue

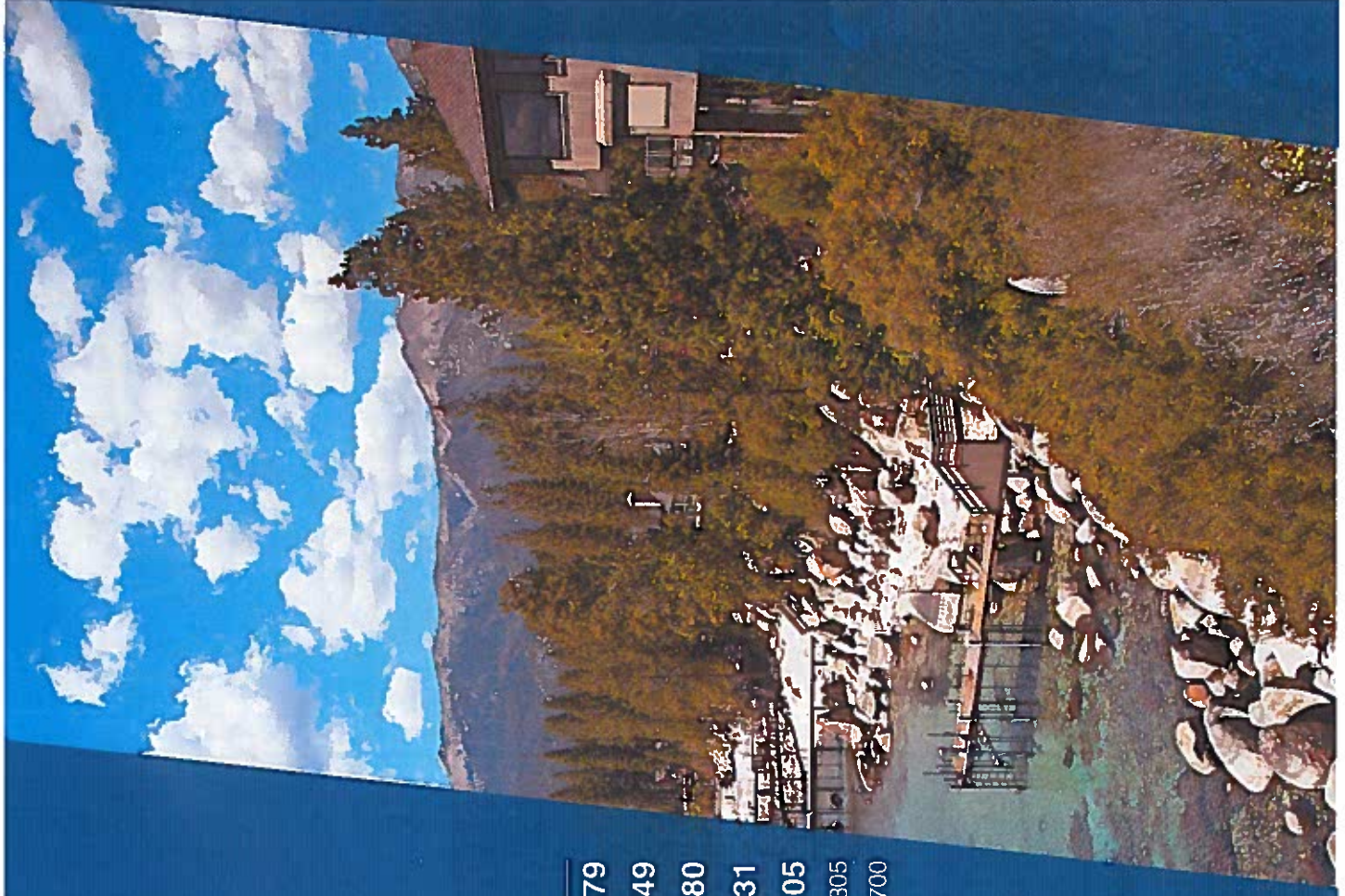
### Nevada Visitor Economy 2017

Dollar figures in millions

(Impacts include direct, indirect, and induced)

Visitor spending (direct spend only)	\$39,679
Economic impact	\$63,749
Employment impact	458,780
Personal income impact	\$20,131
Tax impacts (FY2017)	\$10,005
Federal	\$5,305
State & Local	\$4,700

Source: Tourism Economics

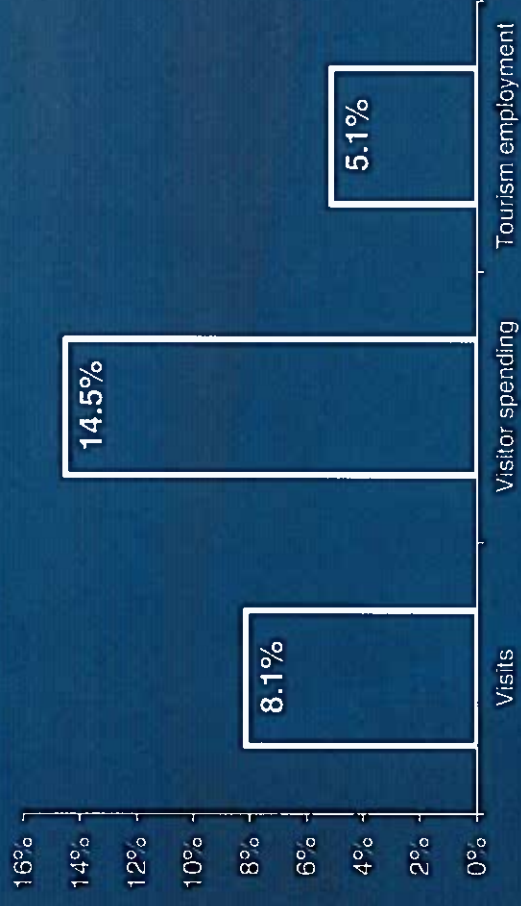




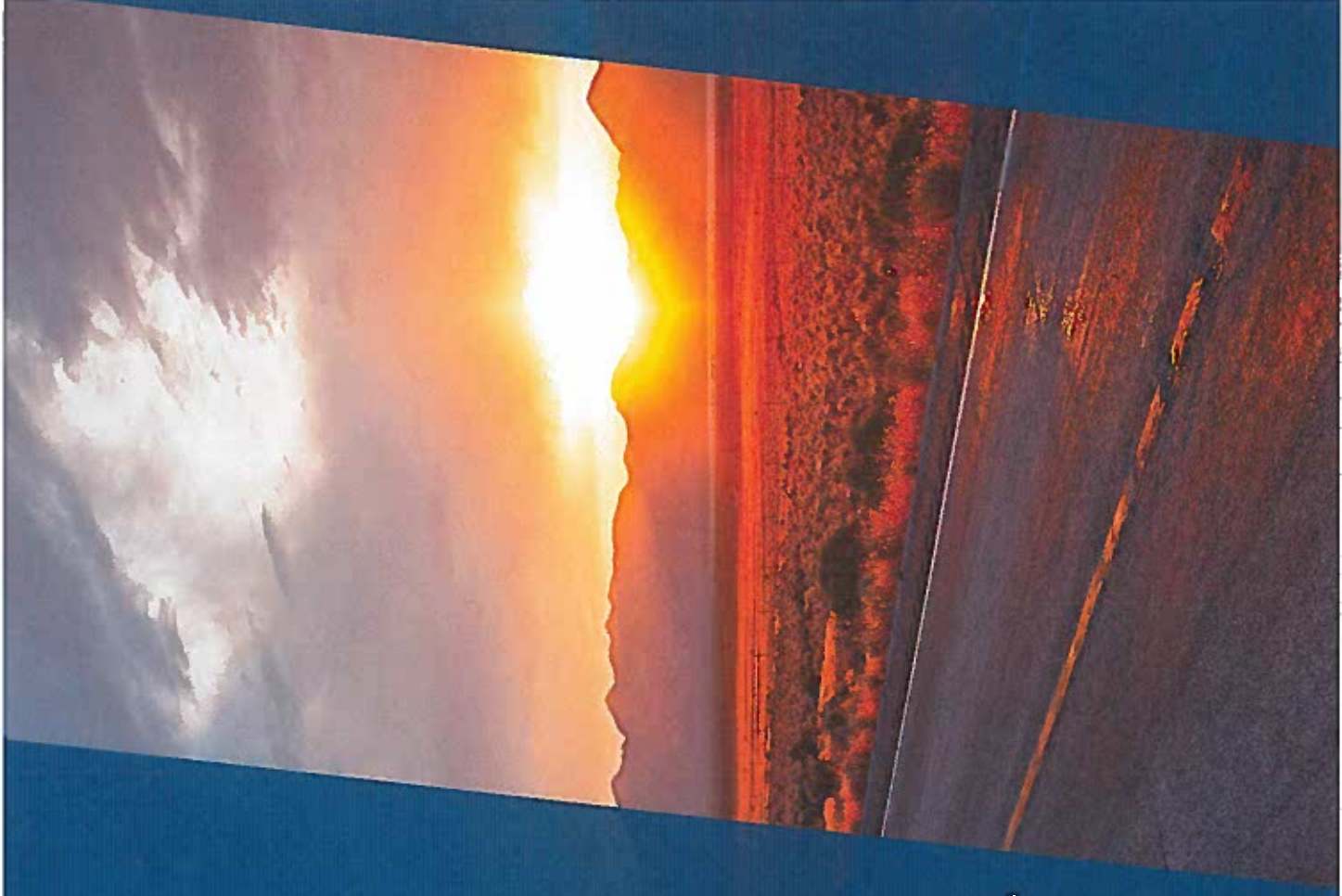
### 3) Tourism indicators and economic impacts have increased since 2013

#### Growth in key indicators

Cumulative growth 2013-2017



Source: Tourism Economics



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## 2. Tourism economy trends



## Trends in Nevada tourism

1

Visitor spending is increasing – and has been for eight straight years

- Visitor spending reached nearly \$40 billion in 2017, increasing 2.4% over the prior year

2

Tourism employment has increased 5.1% since 2013

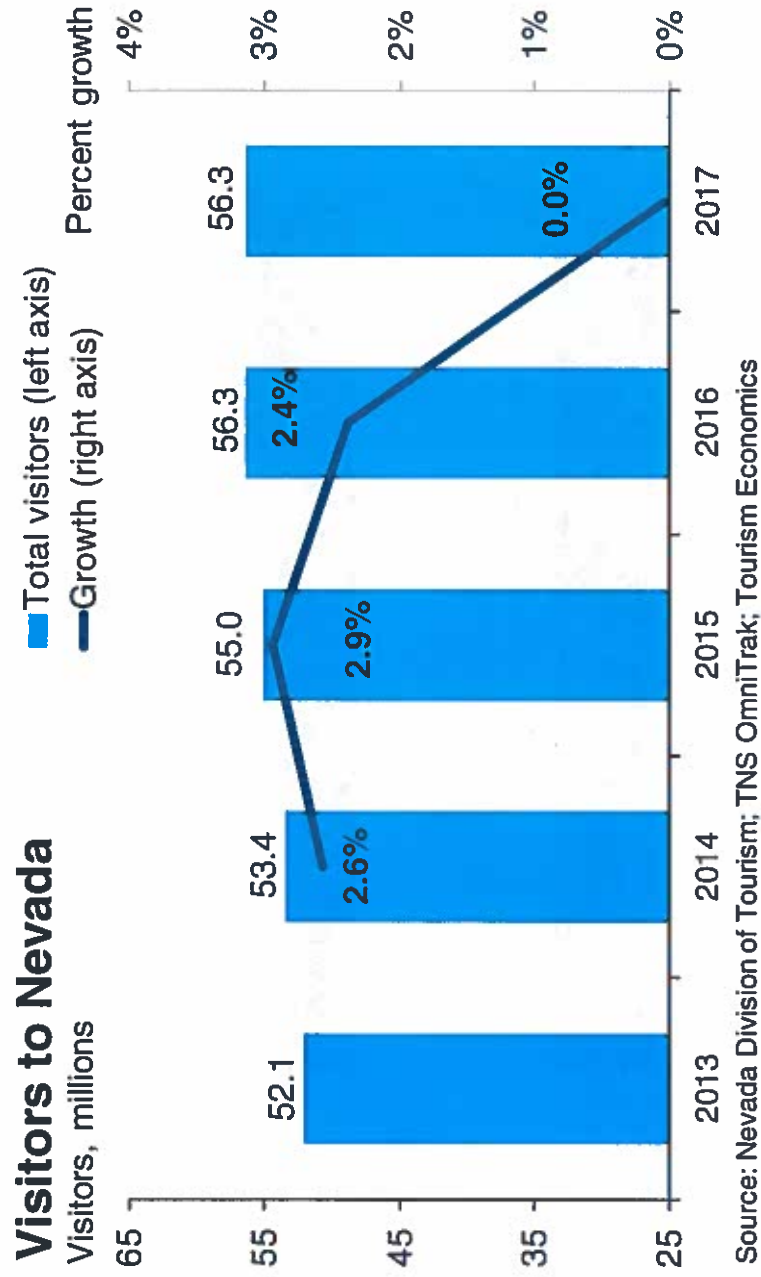
- Consistent visitor spending growth has positively impacted tourism employment in Nevada

3

Visitation growth plateaued in 2017

- While visitor spending increased, visitation growth plateaued in 2017 in comparison to 2016, registering 56.3 million

## Visitation in 2017



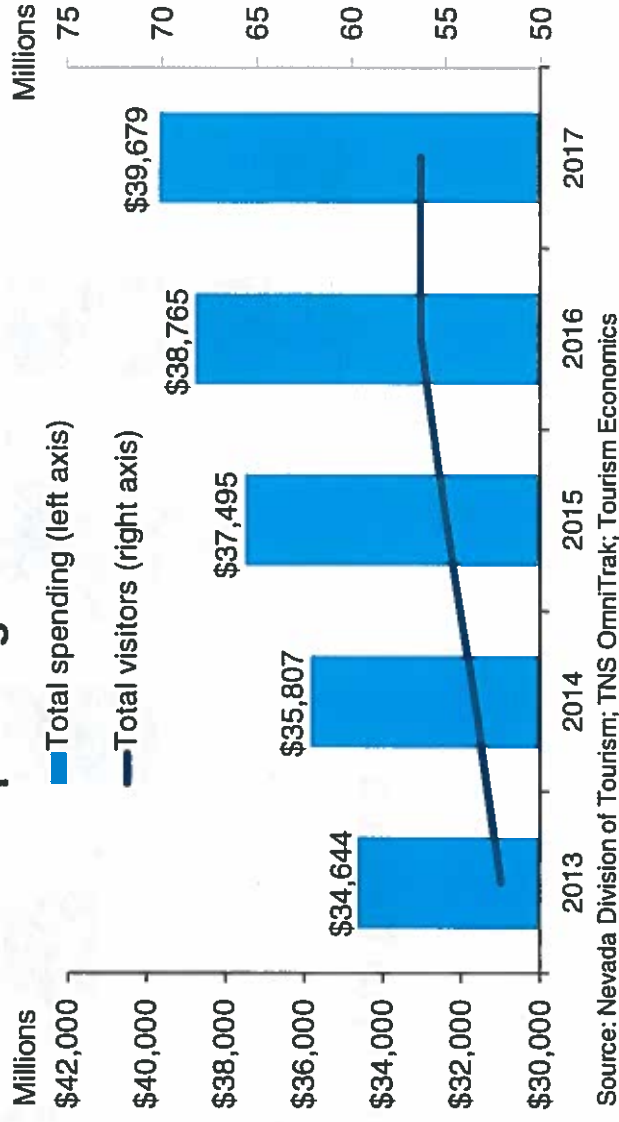
## 2017 Visitor trends

An estimated 56.3 million visitors to Nevada spent nearly \$40 billion in 2017. This represents a 15% increase since 2013.

Visits plateaued in comparison to 2016, yet spending rose 2.4% as average spending per visitor increased.

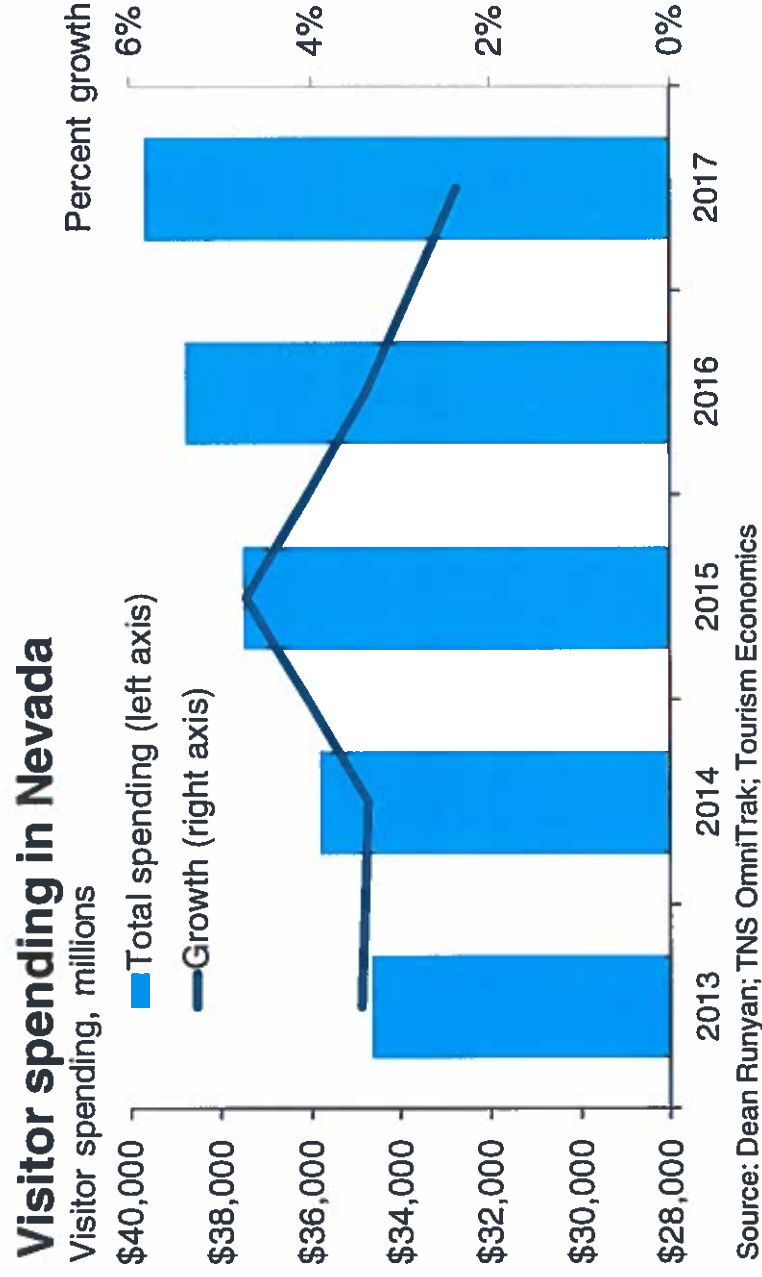
The Nevada travel industry has benefitted from improving consumer confidence and rising incomes. This positive economic environment has led to steady gains in spending, outpacing the volume of visitors.

### Visitation and spending in Nevada



## Visitor spending growth

Visitor spending has increased every year since 2010, reaching a new peak of \$39.7 billion in 2017.



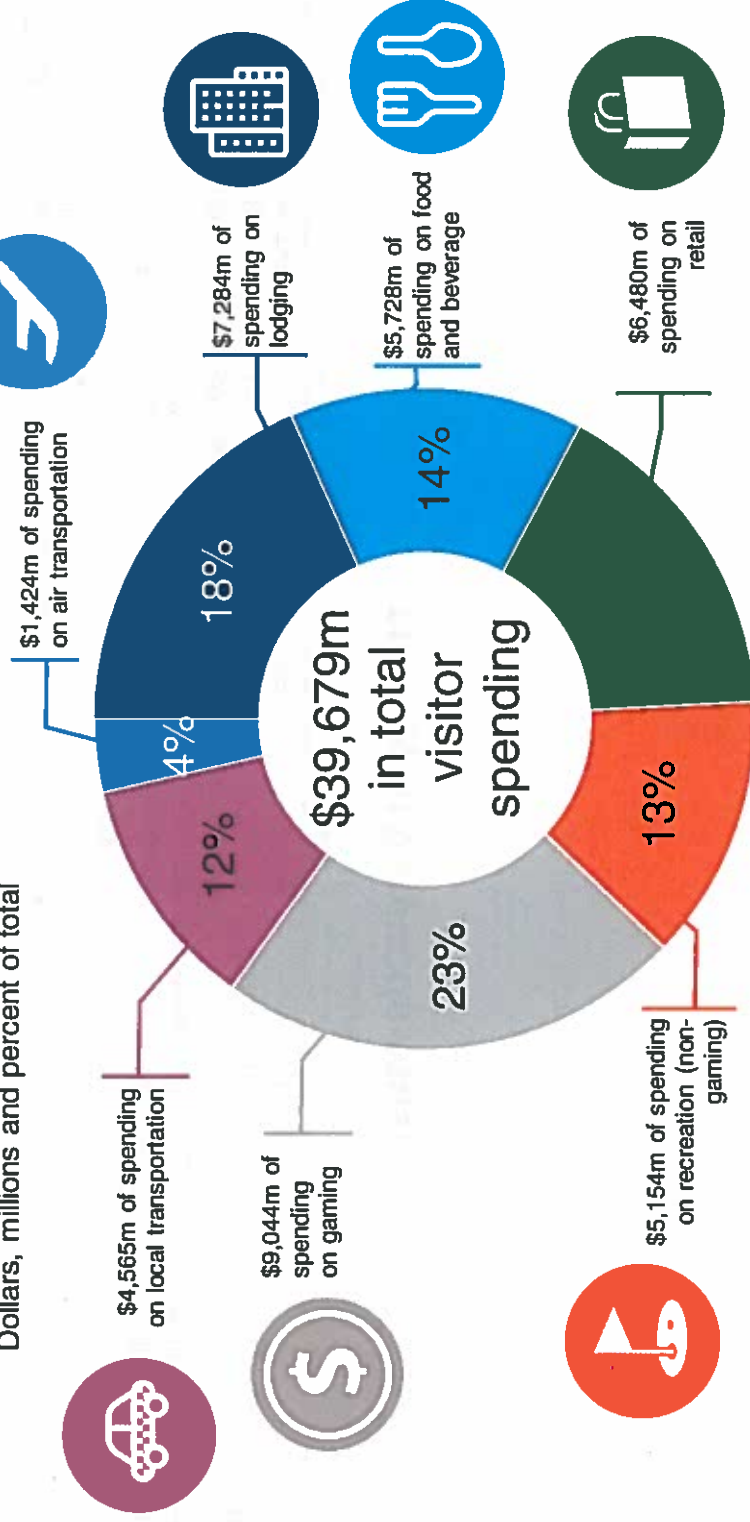


## Visitor spending in Nevada

Visitors to Nevada spent nearly \$40 billion across a wide range of sectors in 2017.

### Visitor spending in Nevada, 2017

Dollars, millions and percent of total



Source: TNS OmniTrak; Tourism Economics

Note: Lodging spending is calculated as an industry, including meetings, catering, etc. Spending also includes dollars spent on second homes.

## Visitor spending in Nevada

Visitor spending grew 2.4% year-over-year in 2017, led by increases in food & beverages and lodging. Overall spending growth has averaged 3.5% each year since 2013.

The gaming industry represents the largest spending sector at just over \$9 billion. Lodging\* is the second largest spending sector, registering nearly \$7.3 billion.

Visitor spending increased \$915 million in 2017, with spending on lodging increasing the highest dollar amount (\$330 million).

\*Lodging spending includes industry spend, such as meetings and conventions, catering, etc. as well as spending related to second home usage and rentals.

### Visitor spending in Nevada

Nominal dollars, millions	2013	2014	2015	2016	2017	2017 Growth	2013-2017 CAGR
Lodging*	\$5,846	\$6,123	\$6,587	\$6,955	\$7,284	4.7%	4.5%
Food and beverage	\$4,512	\$4,762	\$5,147	\$5,441	\$5,728	5.3%	4.9%
Retail	\$6,006	\$6,216	\$6,392	\$6,402	\$6,480	1.2%	1.5%
Recreation (non-gaming)	\$4,504	\$4,750	\$4,952	\$5,293	\$5,154	-2.6%	2.7%
Gaming	\$8,721	\$8,621	\$8,691	\$8,807	\$9,044	2.7%	0.7%
Local transportation	\$3,903	\$4,147	\$4,454	\$4,507	\$4,565	1.3%	3.2%
Air transportation	\$1,150	\$1,188	\$1,271	\$1,359	\$1,424	4.8%	4.4%
<b>Total</b>	<b>\$34,644</b>	<b>\$35,807</b>	<b>\$37,495</b>	<b>\$38,765</b>	<b>\$39,679</b>	<b>2.4%</b>	<b>3.5%</b>

Source: TNS OmniTrak; Tourism Economics

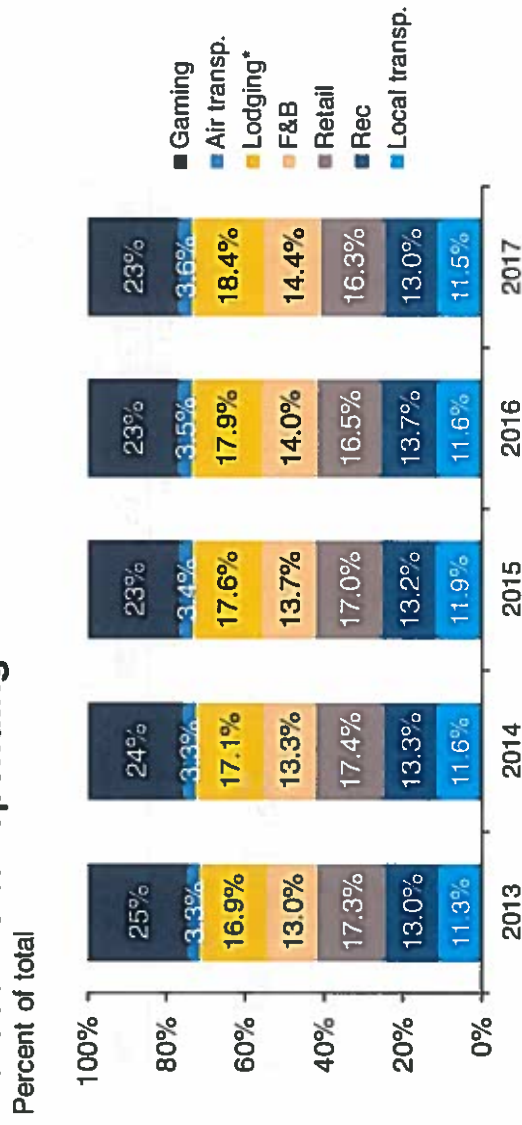
\*Lodging includes spending on second homes

## Visitor spending shares

The combination of room demand and room rate increases have resulted in a larger share of the visitor dollar going towards lodging since 2013. The sector remains an integral part of Nevada's tourism economy.

The share of the visitor dollar spent on local transportation has declined in recent years, a national trend, as gas prices have declined. Similarly, the share of the dollar spent on retail has also declined.

### Nevada visitor spending



Source: TNS OmniTrak; Tourism Economics

\*Note: Lodging includes visitor spending for second homes

## Visitation segments – domestic and international

An increase in visitors from Canada, as well as overseas markets, offset a decline in visitation from Mexico. As a result, international visitation ticked up modestly in comparison to 2016, as did international spending.

Domestic visits and spending vastly outpace that of international visitors; however, international visitors spend more per person.

### Trips and Spend

Nominal dollars, millions	2013	2014	2015	2016	2017
<b>Visits</b>	<b>52.1</b>	<b>53.4</b>	<b>55.0</b>	<b>56.3</b>	<b>56.3</b>
Domestic	46.06	47.23	48.88	50.39	50.38
International	6.04	6.21	6.12	5.93	5.96
<b>Spending</b>	<b>\$34,644</b>	<b>\$35,807</b>	<b>\$37,495</b>	<b>\$38,765</b>	<b>\$39,679</b>
Domestic	\$27,916	\$28,873	\$30,517	\$31,462	\$32,183
International	\$6,729	\$6,934	\$6,978	\$7,303	\$7,497
<b>Per traveler spending</b>	<b>\$665</b>	<b>\$670</b>	<b>\$682</b>	<b>\$688</b>	<b>\$704</b>
Domestic	\$606	\$611	\$624	\$624	\$639
International	\$1,115	\$1,116	\$1,140	\$1,231	\$1,258

Source: TNS OmniTrak; Tourism Economics

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### 3. Visitor Economic Impact

## Introduction and definitions

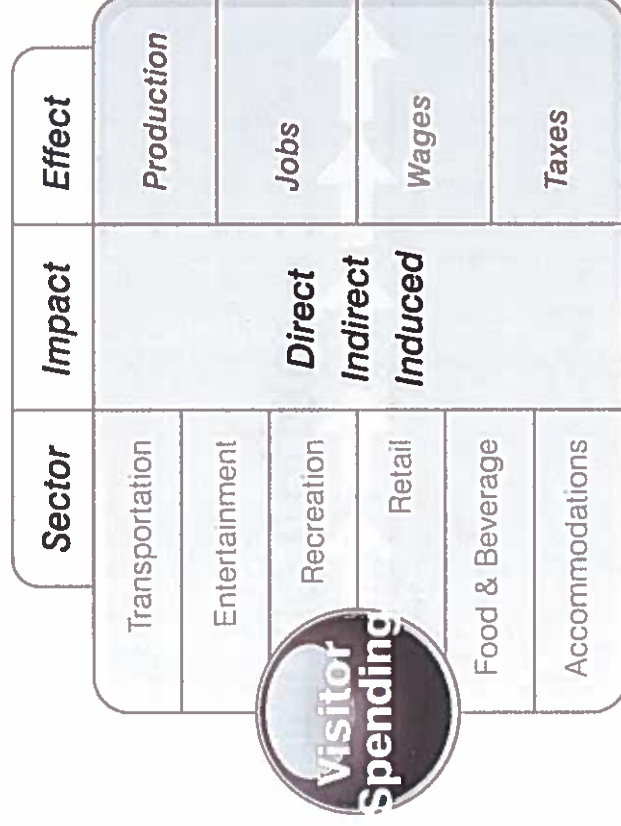
**This study measures the economic impact of visitors in the state of Nevada.** Our analysis of tourism's impact on Nevada begins with actual spending by visitors, but also considers the downstream effects of this injection of spending into the local economy. To determine the total economic impact of tourism in Nevada, we input visitor spending into a model of the Nevada state economy created in IMPLAN. This model calculates three distinct types of impact: direct, indirect, and induced.

- Visitors create **direct** economic value within a discreet group of sectors (e.g. recreation, transportation). This supports a relative proportion of jobs, wages, taxes, and GDP within each sector.
- Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called **indirect** impacts.
- Lastly, the **induced** impact is generated when employees whose wages are generated either directly or indirectly by visitors, spend those wages in the local economy.

The impacts on business sales, jobs, wages, and taxes are calculated for all three levels of impact.

How visitor spending generates employment and income

*Visitor spending flows through the Nevada economy and generates indirect benefits through supply chain and income effects.*



## Business sales impacts (1 of 2)

Nevada visitor spending of \$39.7 billion translated into \$63.7 billion in business sales including indirect and induced impacts.

Business sales impacts, millions			
	Direct	Indirect	Induced
Agriculture, Fishing, Mining		\$47	\$17
Construction and Utilities		\$1,024	\$429
Manufacturing		\$196	\$114
Wholesale Trade		\$355	\$521
Air Transport	\$1,424	\$85	\$104
Other Transport	\$2,922	\$757	\$309
Retail Trade	\$4,536	\$235	\$1,184
Gasoline Stations	\$685	\$19	\$64
Communications		\$706	\$544
Finance, Insurance and Real Estate	\$1,122	\$2,803	\$4,343
Business Services		\$3,208	\$1,073
Education and Health Care		\$7	\$1,903
Recreation and Entertainment	\$5,325	\$275	\$305
Lodging	\$20,229	\$114	\$93
Food & Beverage	\$3,437	\$401	\$1,056
Personal Services		\$300	\$567
Government		\$599	\$314
<b>TOTAL</b>	<b>\$39,679</b>	<b>\$11,130</b>	<b>\$12,940</b>
			<b>\$63,749</b>

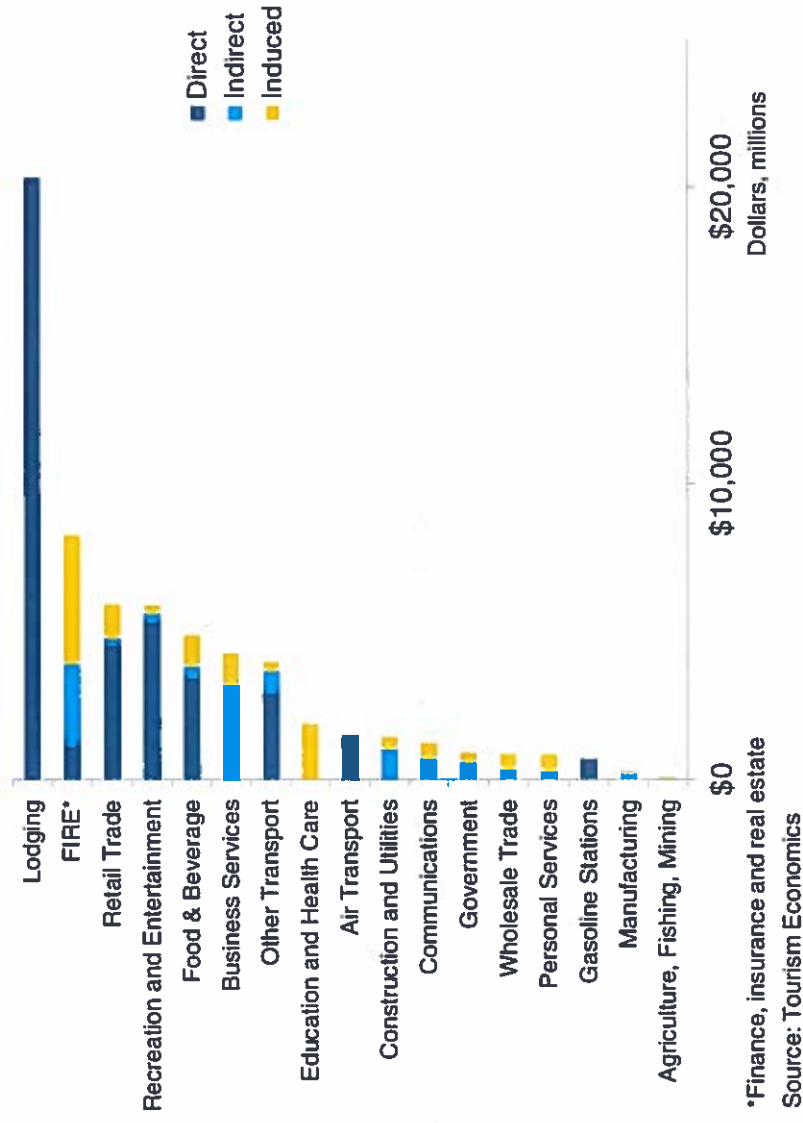
Source: Tourism Economics



## Business sales impacts (2 of 2)

While the majority of sales are in industries directly serving visitors, significant benefits accrue in sectors like finance, insurance and real estate from selling to tourism businesses and employees.

**Business sales impacts by industry, 2017**



## GDP impacts (1 of 2)

Visitors generated \$37.3 billion in state GDP (value added) in 2017 including indirect and induced benefits—23.9% of the Nevada economy. This excludes the flow of dollars through the Nevada economy net of import leakages.

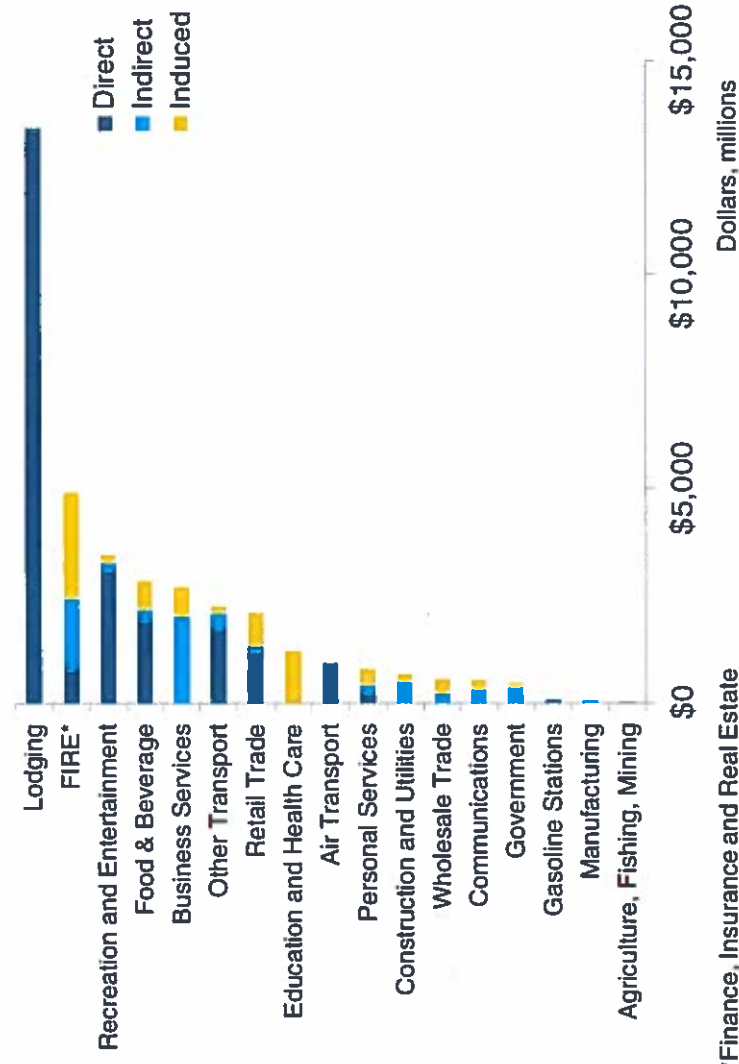
Value added impacts, millions				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining		\$24	\$6	\$30
Construction and Utilities		\$466	\$194	\$660
Manufacturing		\$65	\$32	\$97
Wholesale Trade		\$227	\$333	\$561
Air Transport	\$871	\$52	\$64	\$987
Other Transport	\$1,700	\$397	\$164	\$2,260
Retail Trade	\$1,155	\$155	\$799	\$2,109
Gasoline Stations	\$63	\$12	\$40	\$115
Communications		\$299	\$236	\$535
Finance, Insurance and Real Estate	\$733	\$1,712	\$2,494	\$4,939
Business Services		\$2,027	\$680	\$2,707
Education and Health Care		\$5	\$1,222	\$1,227
Recreation and Entertainment		\$206	\$193	\$3,462
Lodging	\$3,063	\$75	\$61	\$13,489
Food & Beverage	\$13,354	\$285	\$696	\$2,863
Personal Services	\$1,882	\$201	\$395	\$799
Government	\$203	\$340	\$145	\$484
<b>TOTAL</b>	<b>\$23,023</b>	<b>\$6,546</b>	<b>\$7,755</b>	<b>\$37,324</b>
Share of Nevada's GDP	14.7%			23.9%

Source: Tourism Economics

## GDP impacts (2 of 2)

The lodging industry has the largest economic contribution from direct visitor spending, followed by recreation.

Value added impacts by industry, 2017



\*Finance, Insurance and Real Estate  
Source: Tourism Economics

## Employment impacts (1 of 2)

Visitor spending directly generated 294,840 jobs and 458,780 jobs when indirect and induced impacts are considered.

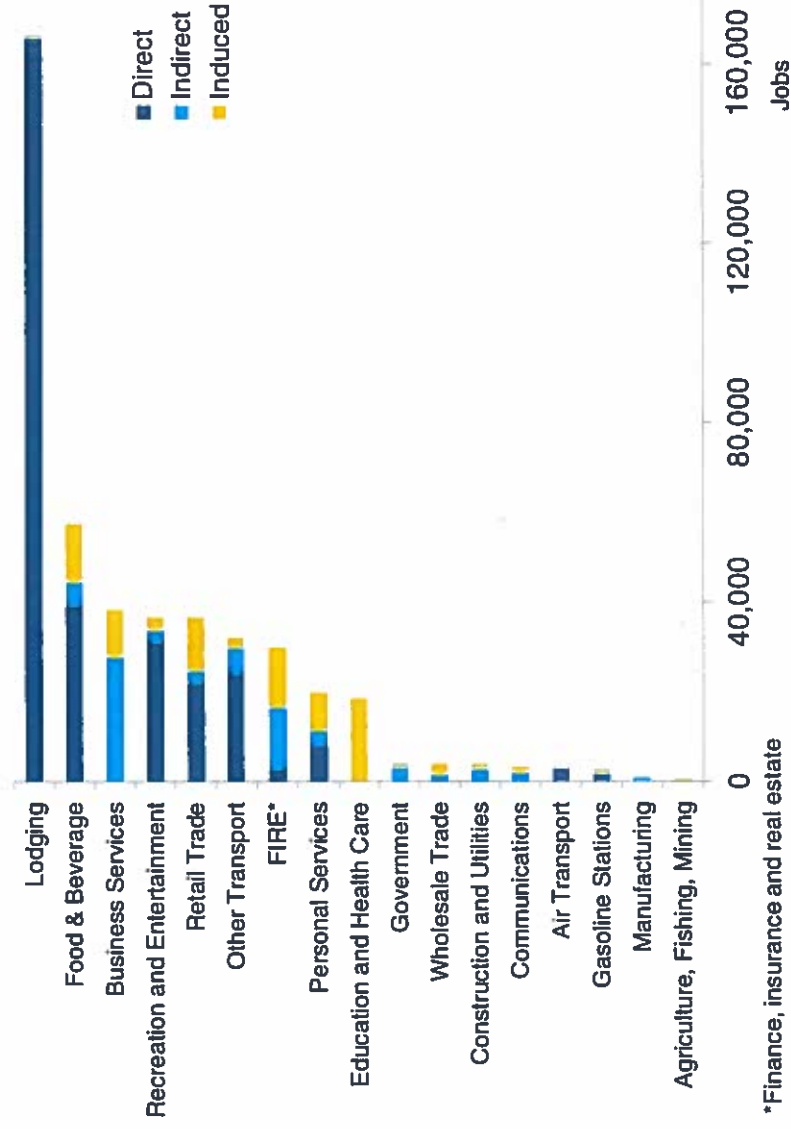
Employment Impacts				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining		366	187	554
Construction and Utilities		2,698	1,196	3,894
Manufacturing		882	332	1,214
Wholesale Trade		1,581	2,321	3,903
Air Transport	2,664	159	195	3,017
Other Transport	23,828	5,849	2,388	32,065
Retail Trade	21,736	2,753	12,103	36,592
Gasoline Stations	1,427	275	915	2,617
Communications		1,990	1,270	3,260
Finance, Insurance and Real Estate	2,462	14,033	13,400	29,896
Business Services		27,720	10,570	38,291
Education and Health Care		141	18,485	18,626
Recreation and Entertainment	30,868	2,860	2,888	36,616
Lodging	164,916	924	751	166,591
Food & Beverage	39,019	5,319	13,256	57,594
Personal Services	7,916	3,315	8,637	19,868
Government		3,079	1,099	4,178
<b>TOTAL</b>	<b>294,840</b>	<b>73,950</b>	<b>89,990</b>	<b>458,780</b>
Share of Nevada's employment	17.2%			26.8%

Source: Tourism Economics

## Employment impacts (2 of 2)

The total employment impact of nearly 460,000 jobs accounts for 27% of all jobs in the state of Nevada.

Employment impacts by industry, 2017



\*Finance, insurance and real estate  
Source: Tourism Economics

## Personal income impacts (1 of 2)

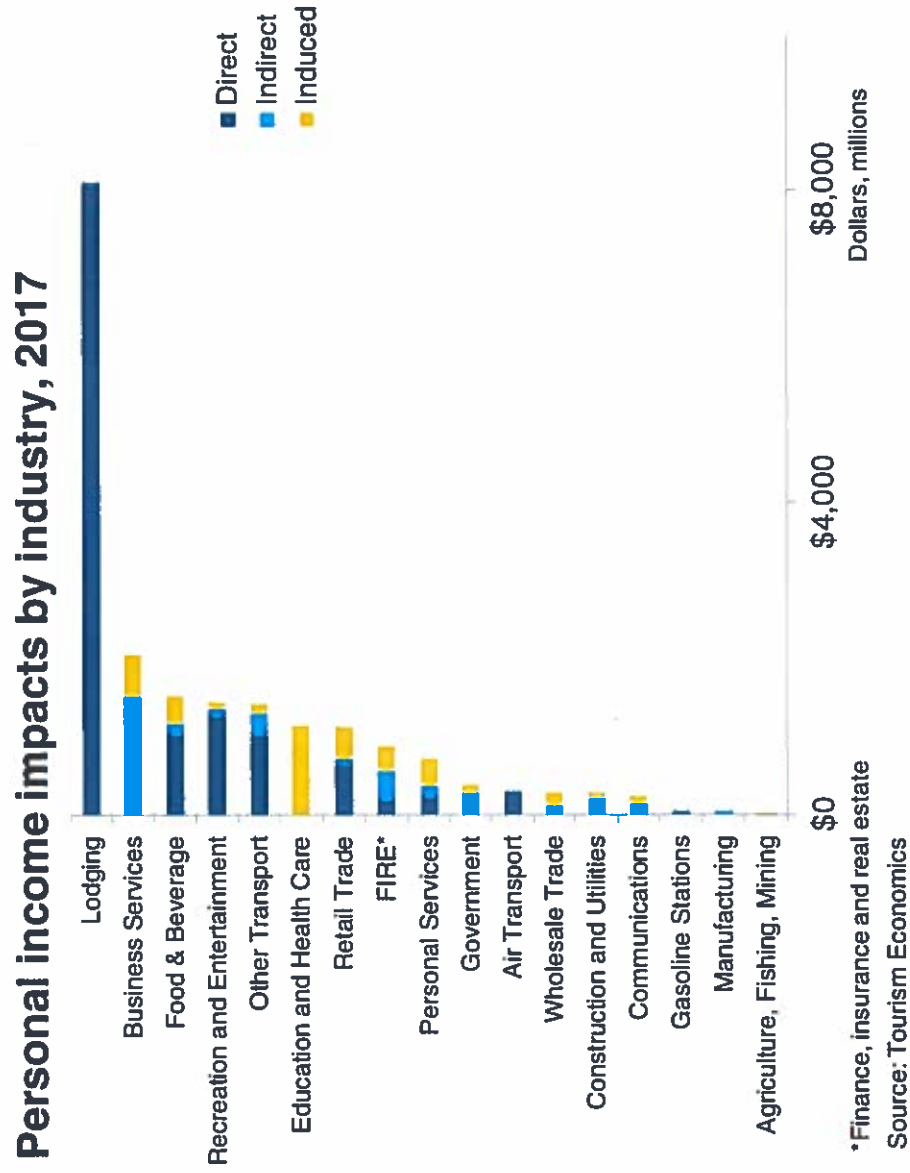
Visitors generated just over \$12.7 billion in direct personal income and \$20.1 billion including indirect and induced impacts.

Personal income impacts, millions				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining		\$11	\$3	\$14
Construction and Utilities		\$204	\$88	\$292
Manufacturing		\$47	\$19	\$66
Wholesale Trade		\$119	\$174	\$293
Air Transport	\$286	\$17	\$21	\$324
Other Transport	\$1,007	\$293	\$113	\$1,413
Retail Trade	\$631	\$89	\$414	\$1,134
Gasoline Stations	\$40	\$8	\$26	\$73
Communications		\$149	\$89	\$237
Finance, Insurance and Real Estate	\$185	\$376	\$321	\$881
Business Services		\$1,516	\$531	\$2,046
Education and Health Care		\$5	\$1,135	\$1,140
Recreation and Entertainment		\$107	\$80	\$1,444
Lodging	\$1,257	\$45	\$37	\$8,138
Food & Beverage	\$8,057	\$152	\$354	\$1,525
Personal Services	\$1,018	\$154	\$350	\$727
Government	\$222	\$279	\$104	\$382
<b>TOTAL</b>	<b>\$12,703</b>	<b>\$3,569</b>	<b>\$3,859</b>	<b>\$20,131</b>

Source: Tourism Economics



## Personal income impacts (2 of 2)



## Tax impacts, FY2017

Visitors generated state and local taxes of \$4.7 billion in FY2017.

Visitors generated \$10 billion in federal, state, and local taxes in fiscal year 2017.

Each household in Nevada would need to be taxed an additional \$4,560 per year to replace the state and local taxes generated by visitors.

Tax impacts, millions			
	Direct	Indirect/Induced	Total
<b>Federal</b>	<b>\$3,317</b>	<b>\$1,988</b>	<b>\$5,305</b>
Personal Income	\$1,081	\$633	\$1,714
Corporate	\$512	\$354	\$866
Indirect business	\$306	\$181	\$488
Social insurance	\$1,417	\$820	\$2,237
<b>State and Local</b>	<b>\$3,446</b>	<b>\$1,254</b>	<b>\$4,700</b>
Sales*	\$887	\$731	\$1,618
Gaming	\$687	\$80	\$768
Lodging Tax	\$810	\$0	\$810
Excise and Fees	\$528	\$126	\$653
Property	\$534	\$317	\$851
<b>Total</b>	<b>\$6,763</b>	<b>\$3,242</b>	<b>\$10,005</b>

Source: Tourism Economics

\*includes entertainment tax levied on live entertainment

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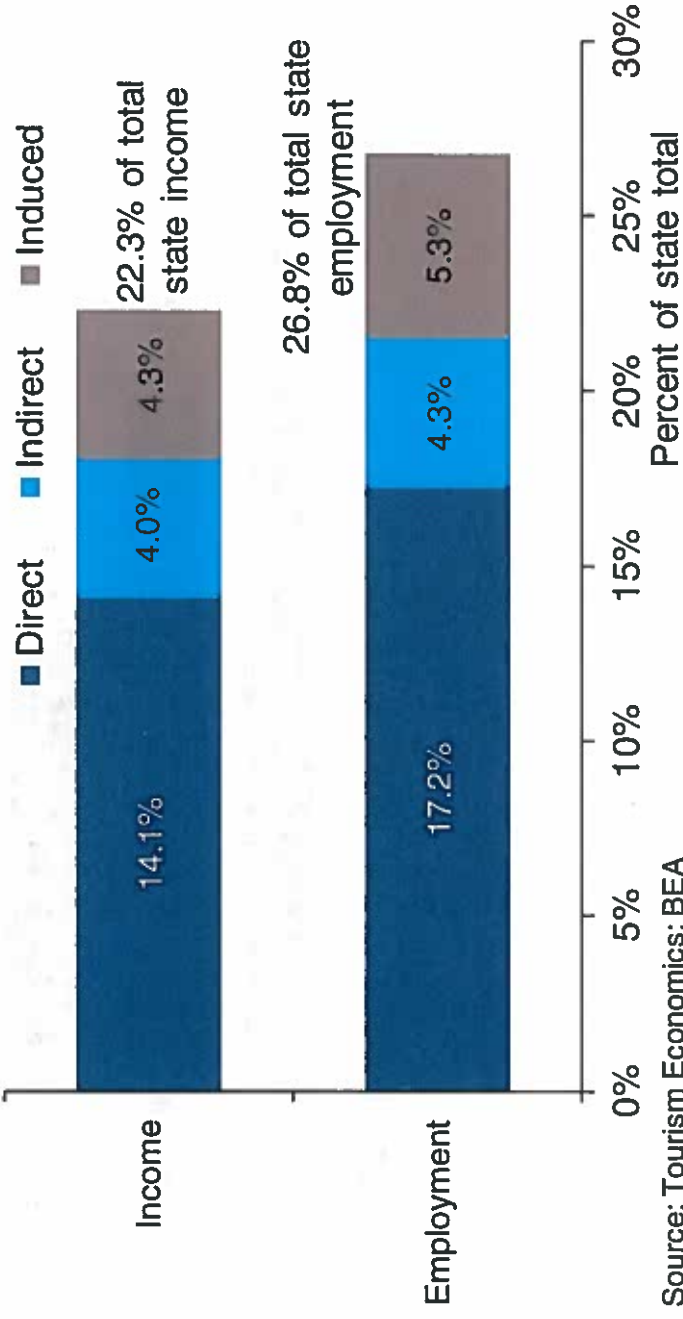
## 4. Economic Impact in Context



## The tourism sector is a major contributor to Nevada's economy

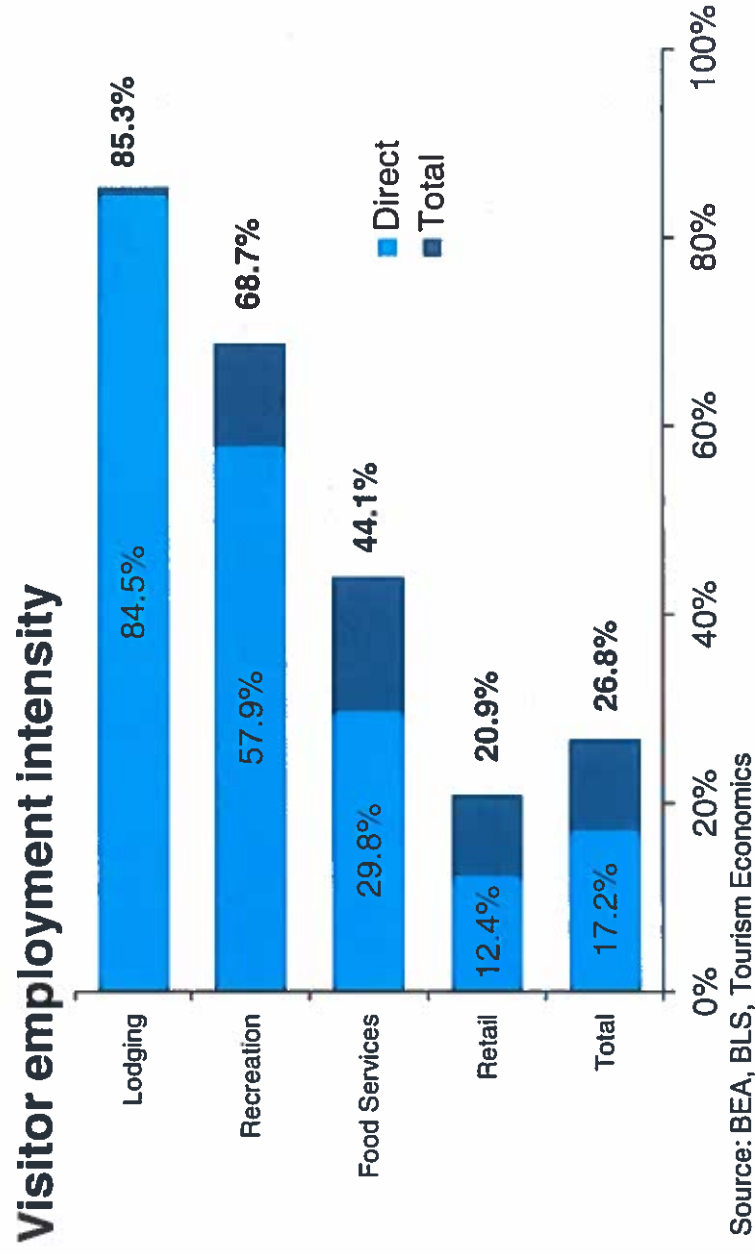
If all employees sustained by tourism were unemployed, the unemployment rate would skyrocket to 36% from just 5%.

### Share of total Nevada employment and income sustained by tourism

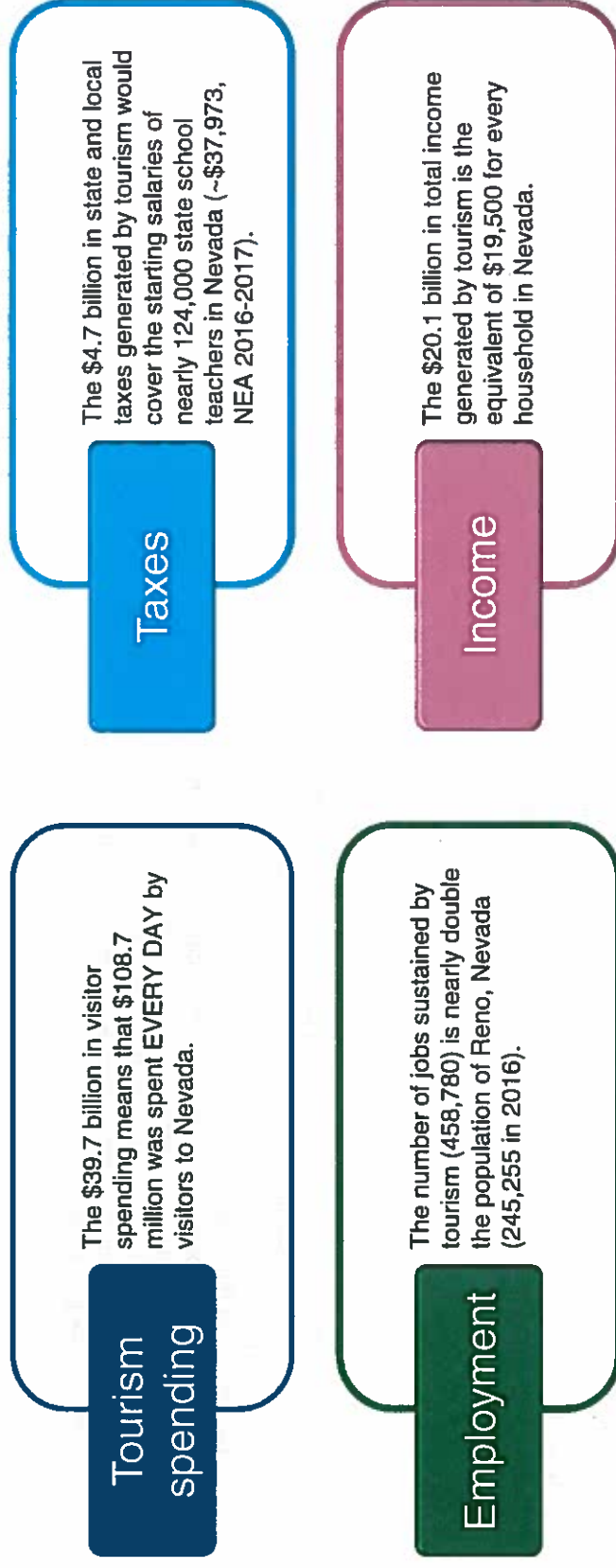


## Visitor generated employment intensity

Visitor generated employment is a significant part of several industries—85% of lodging, 69% of recreation, and 44% of food & beverage employment is supported by visitor spending, when indirect and induced benefits are included.



## Figures in context





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## About Tourism Economics

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of tourism dynamics with rigorous economics in order to answer the most important questions facing destinations, developers, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, tourism forecasting models, tourism policy analysis, and economic impact studies.

With over four decades of experience of our principal consultants, it is our passion to work as partners with our clients to achieve a destination's full potential.

Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics enjoys a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of more than 250 professional economists; a dedicated data analysis team; global modeling tools, and a range of partner institutions in Europe, the US and in the United Nations Project Link. Oxford Economics has offices in London, Oxford, Dubai, Philadelphia, and Belfast.

For more information:

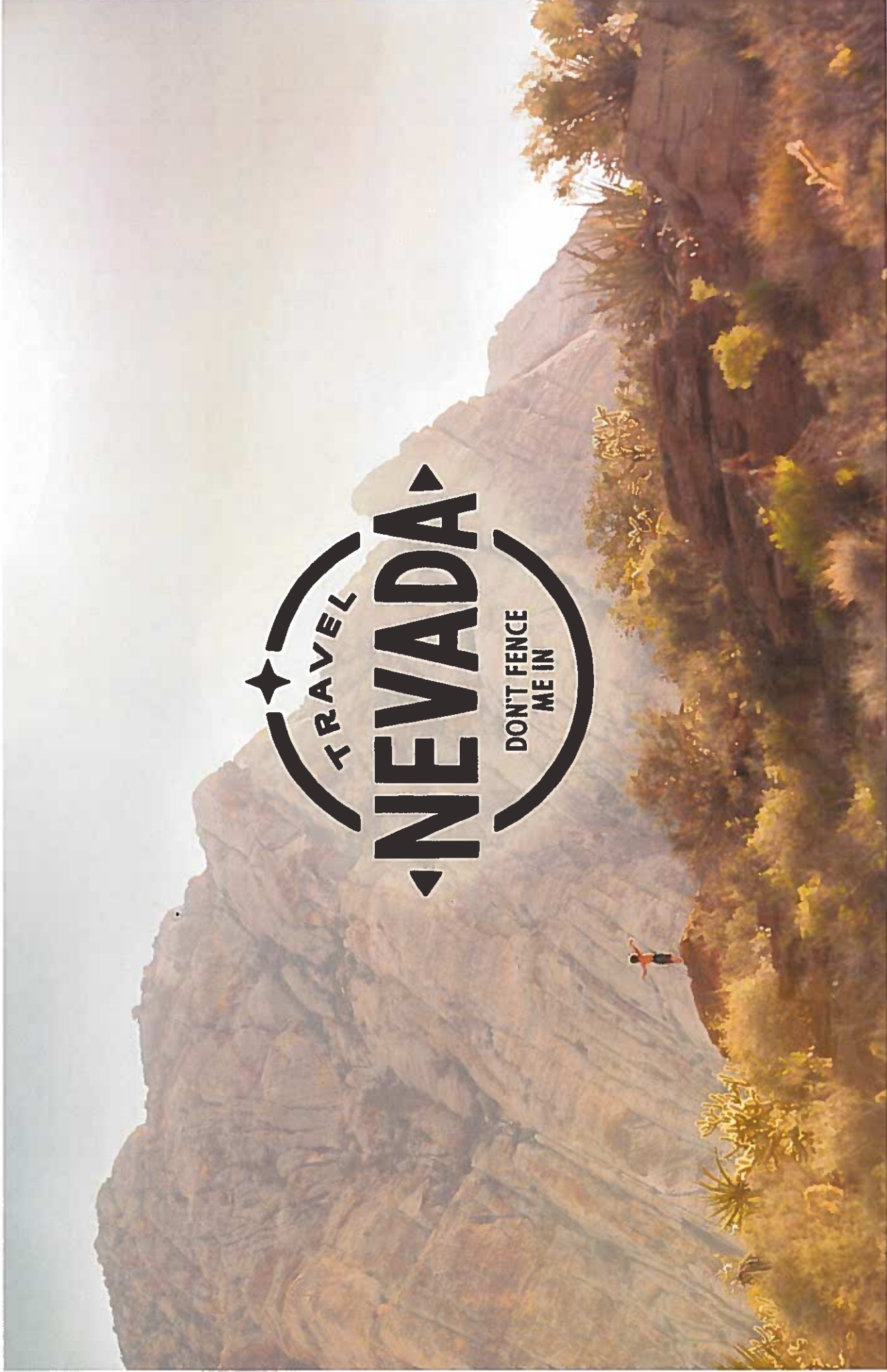
[info@tourismeconomics.com](mailto:info@tourismeconomics.com)

# Travel Nevada

Logo Refinement

12/03/18













ABBREVIATED LOGO





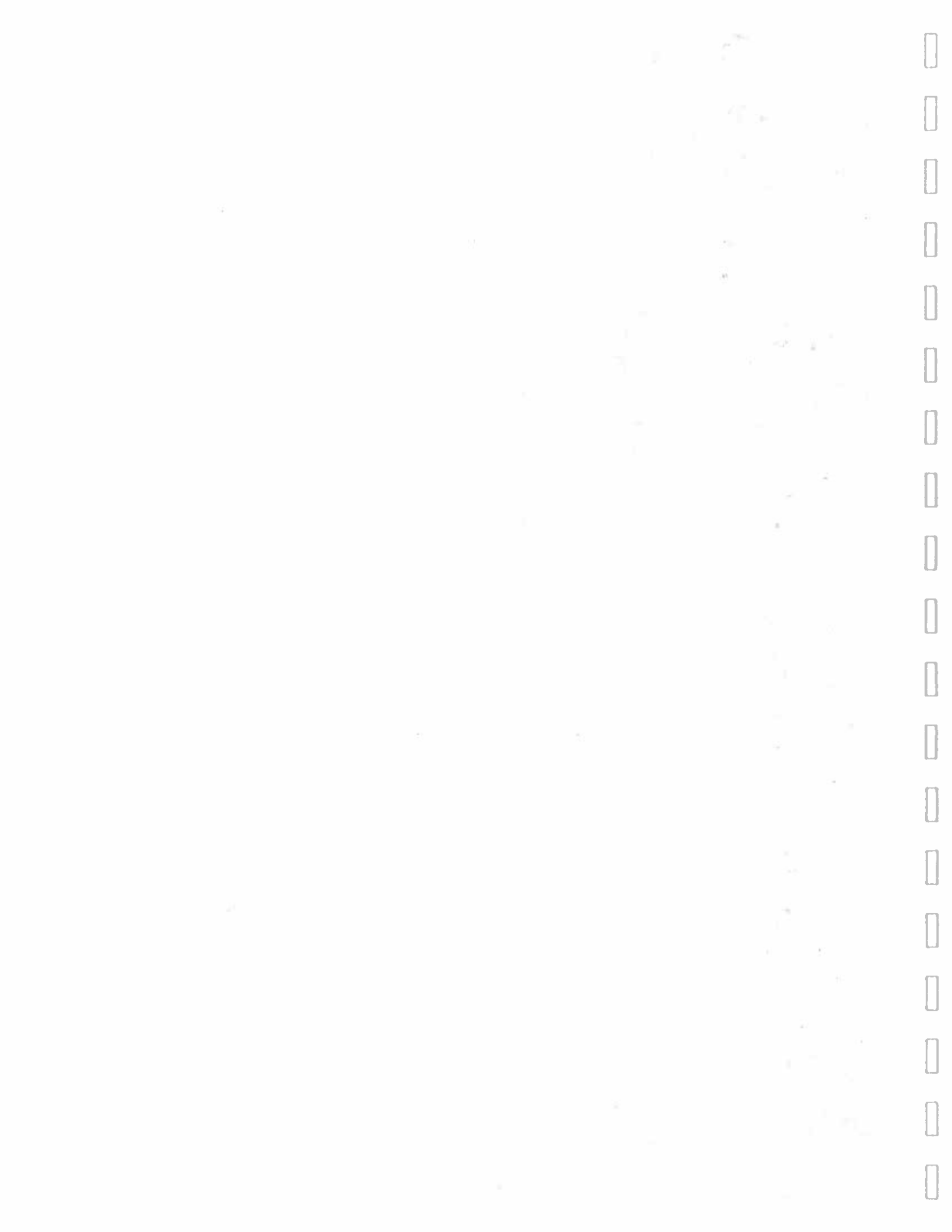
HORIZONTAL LOGO





















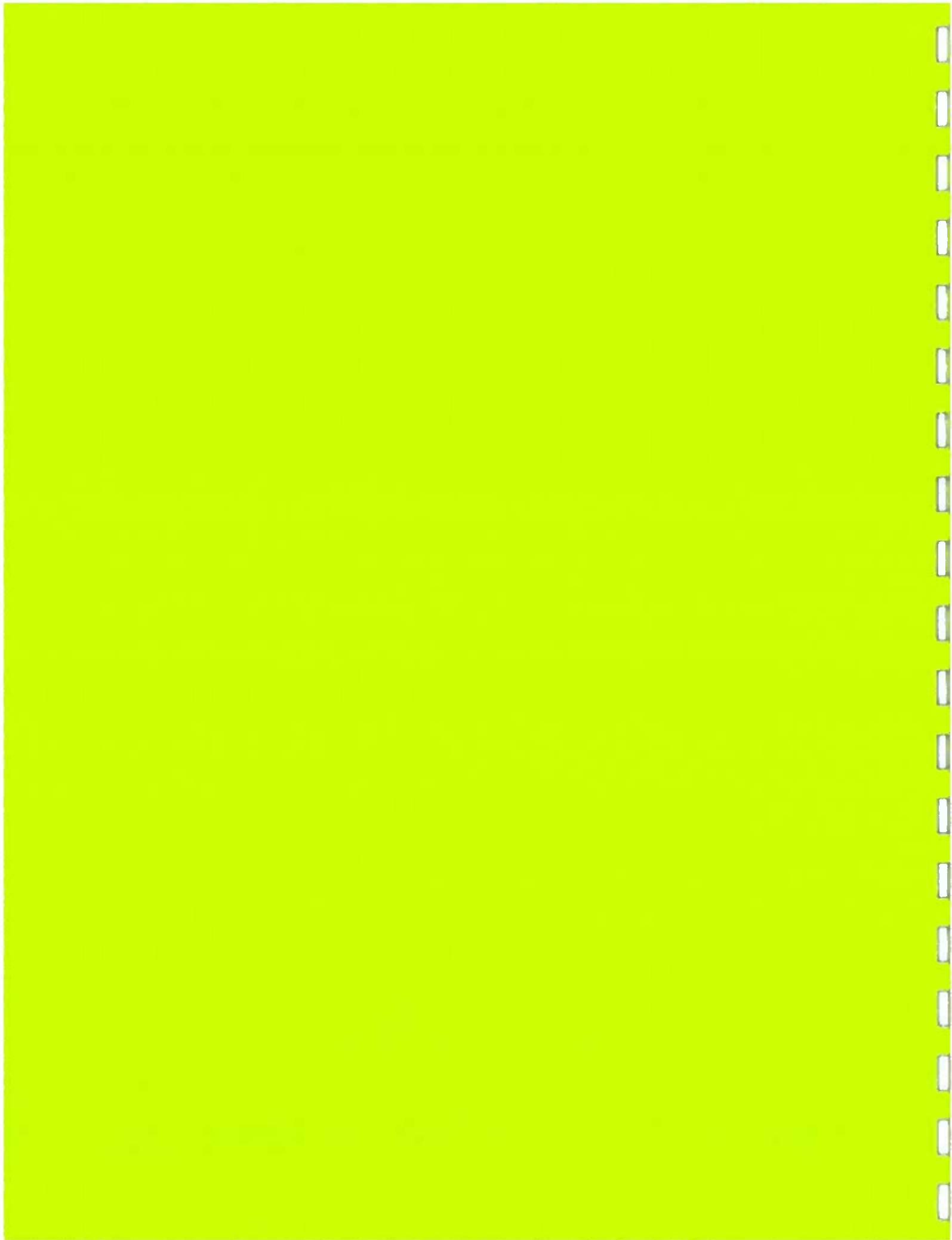




# Agency Reports



**NEVADA**  
[TravelNevada.com](http://TravelNevada.com)



# NEVADA DIVISION OF TOURISM

## FIRST QUARTER (JULY THROUGH SEPTEMBER), FY19 REPORT

### KEY INITIATIVES

#### 1. EVOLVE THE BRAND

##### Research-Driven Integrated Marketing

- In preparation for budget reports, **performance measures** through FY18 were heavily evaluated, and projections were made through FY21.
- The Nevada Commission on Tourism's **Marketing Committee** convened, welcoming two new members: Carl Ribaudo and Kristin Windbigler. The Committee heard from the new integrated marketing agencies of record, reviewed results of the web usability study, and agreed to evolve the consumer logo to incorporate "TravelNevada" rather than "Nevada A World Within. A State Apart."

##### Paid Advertising/Creative Development

- As TravelNevada's new creative agency, **BVK** also began their discovery process. The creative team participated in a FAM tour, guided by the TravelNevada staff that covered a good portion of the state, as far south as Tonopah, then east to Ely and onto Elko before heading back along I-80 and towns along Highway 50. This industrious trip will be followed with one in the southern portion of the state at a later time.
- TravelNevada launched a **bridge campaign**, continuing with the "Always On" plan. For the first quarter of the fiscal year, buys were placed with advertising partners such as Sojern, Matador, Priceline, TravelSpike, Expedia, Atlas Obscura, and TripAdvisor. Many of these placements relied heavily on content including video, and Pandora featured 360° footage. AdParlor used canvas ad technology, and new podcast spots were also introduced. Planning for upcoming placements continues with existing and new partners, and will incorporate new creative as part of the **evolution of DFMI**.

##### Digital Development

- As part of the discovery process of onboarding **Noble Studios**, our new web development partner, staff participated in several in-depth sessions regarding subjects from Search Engine Optimization efforts to Data Validation to Content Development. Along with the Web Usability study, these findings will help guide **exciting changes to TravelNevada.com and digital strategy**.

##### Public Relations

- **TravelNevada staff traveled to Australia** in September to meet one-on-one with travel writers and conduct in-market media events. The schedule included 13 individual meetings, and media events in Sydney and Melbourne. The trip coincided with the Visit USA Australia Member & Industry Mid-Year Update, so TravelNevada was able to participate with fellow members and journalists who attended the update.

- The Division of Tourism distributed a **news release on top summer experiences** in Nevada. Highlighted items included Basque dining and culture, hiking, stargazing at Great Basin National Park, driving the Loneliest Road in America, visiting the International Car Forest, helicopter tours in Las Vegas, and exploring Reno and Lake Tahoe.
- Staff wrote a feature article on the **Stewart Indian School** to be distributed via NewsUSA, a national wire service for feature articles.
- Staff participated in a radio interview show on **KNPR (Las Vegas)** about marketing Nevada to visitors. The other guest on the show was Billy Vassiliadis of R&R Partners.
- Staff has been pitching **"The Death Drive" (the route from Los Angeles to Las Vegas via Death Valley)** to numerous travel writers. Several are scheduled to take the trip in October so that resulting articles coincide with Halloween.

#### Social Media

- The Division of Tourism re-evaluated open positions within the department, and found ways to expand roles. The **Social Media Strategist position** opened with a new description and interviews were conducted.

#### In-state Familiarization and Press Trips

- In August, the TravelNevada staff escorted 75 travel agents from Australia on a day trip outside Las Vegas in conjunction with the Brand USA Mega Fam. The group was hosted by Shelby Auto Museum and then traveled through Boulder City. They also experienced Lake Mead with an afternoon cruise aboard the Desert Princess. The day ended with a shopping excursion at Premium Outlets South which is always a favorite.
- TravelNevada arranged a trip for **French blogger Monsieur Adventure** in August. The blogger visited Valley of Fire, the ET Highway, Pioche, Great Basin National Park, Ely, Fallon, and the Carson Valley. The blogger produced his own content, and was also written about by a leading French newspaper, Ouest France. Ouest has a circulation of 678,860. Both articles can be found here: <https://www.monsieur-aventure.fr/road-trip-nevada/> and <https://www.ouest-france.fr/bretagne/pontivy-56300/baud-un-globetrotteur-2-0-partage-ses-aventures-5939900>
- **German journalist Ralph Bloemer** visited Nevada in August, on assignment for Schwulissimo Magazin, the leading LGBT magazine in German-speaking Europe. The magazine has a circulation of 122,000 copies per month. Ralph visit Las Vegas, Reno, Lake Tahoe, Carson City, and Virginia City. His article is expected to run imminently.
- TravelNevada hosted a TV crew from Australia, **Guru Explore TV**, in September. They filmed at Kershaw-Ryan and Cathedral Gorge state parks, Great Basin National Park, the Nevada Northern Railway, and the ET Highway. Guru Explore will produce three three-minute stories on Nevada to air in 30-minute episodes. It airs on Channel 9 nationally and on Southern Cross 9 regionally. It will also be available on Netflix through 141 countries and 14 languages and on Amazon Prime in more than 100 countries.
- TravelNevada staff hosted freelance **journalist Adam Robb**, whom they met at a one-on-one meeting in New York City earlier in the year. Adam's story assignment was on the advances in agriculture produced in Nevada that contributes to the restaurants in Las Vegas. He visited several large-scale greenhouses and farms as well as the restaurants

in Nevada that specialize in farm-to-table dining. He also visited Pahrump Valley Winery to learn about the wine industry in Nevada.

#### Brand USA Cooperative Marketing

- In July, TravelNevada partnered with BrandUSA for a UK Digital Campaign during the months of February 6<sup>th</sup> – May 20<sup>th</sup>, 2018. The results from the campaign were received on July 27, 2018. The objective of the campaign was to inspire travel to Nevada by having call to action with Travelbag & Netflights. The campaign delivered 3.1 million impressions, 13,074 engagements, 23% growth in room nights for Travelbag and 11% growth in Netflight passengers for Nevada.

#### Domestic Sales Outreach

- In August, TravelNevada hosted a VIP sponsorship tent on the 9<sup>th</sup> green of the final round of the Barracuda Championships. This PGA sanctioned golf tournament was held at the beautiful Montreux Golf and Country Club in Reno, Nevada. A wide range of industry partners were invited to the event and were hosted to TravelNevada promotional items, refreshments, food and world class golf, right here in Reno. New contacts and relationships were made and TravelNevada was able to show support and have a presence at this nationally televised northern Nevada professional sporting event.

#### International Sales Outreach

- In July, TravelNevada participated in the second annual Brand USA Sales Mission to Japan and South Korea. The mission consisted of one-on-one appointments with key industry leaders. We started in Tokyo and then headed for Seoul, S. Korea. This mission resulted in 74 new contacts in that market during the B2B sessions and presentations were given to another 80 industry professionals.
- On July 16 – 20, 2018, TravelNevada participated in the LVCVA's sales mission to China. Our delegation visited Beijing, Shanghai and Chongqing and had B2B meetings with top tour operators in those cities. In addition, we met with CTrip, the largest provider in China and discussed marketing and other tourism opportunities to our state. The mission was an opportunity to meet with new partners as well as reconnect with buyers already working in Nevada. 65 new leads were generated on this sales mission.
- In August, staff participated with LVCVA in their annual South America Sales Mission, which included travel agent presentations and one on one meetings with tour operators and airline representatives. There were 6 suppliers attending. During the week, we visited Costa Rica and hosted presentations in front of 53 travel agents. In Panama, the mission hosted a presentation with 67 travel agents and in Cali, Colombia, a breakfast was hosted in front of 62 travel agents followed by an evening presentation in Medellin for 59 travel agents. As a result of our in market efforts, Copa Airlines and TravelNevada also hosted a FAM from Colombia during the month of September.
- September 22 - 29, TravelNevada participated in the seventh annual **Brand USA Sales Mission to India**. The mission consisted of one-on-one appointments with key industry leaders in Bengaluru, Mumbai and New Delhi. This mission resulted in 288 new contacts in these markets during the B2B sessions. In addition, TravelNevada staff/commissioners fielded media appointments in New Delhi. A TravelNevada evening event took place after the mission for thirty select travel agents, tour operators, media and U.S. commercial services, National Travel and Tourism, embassy and Brand USA staff.

## 2. ENHANCE PARTNERSHIPS

- The Division of Tourism financially supported several events this quarter: the **Reno Open-Barracuda Championship**, **Great Reno Balloon Race**, and the **National Championship Air Races**. Besides hosting guests at these events, TravelNevada provided appropriate signage, visitor information, and accommodated the massively successful **Balloon Photo Contest**.
- Staff attended ESTO, the **U.S. Travel Association's Educational Seminar for Tourism Organizations**. This is the only national forum where destination marketing professionals at the state, regional and local level get critical tools, tips and information to help them better market and grow their destinations.
- Staff visited **Walker River State Recreation Area** prior to the grand opening event, allowing TravelNevada to feature new photography and content to promote the new park on social channels and e-newsletters.

### Industry Partner Portal

- This quarter showed about two dozen new partnerships established and nearly 75 new entries for places of interest and events throughout the state. Staff continues to visit communities to educate partners about the portal and to collect and enhance our own content on TravelNevada.com.

## 3. ADVOCATE FOR THE INDUSTRY

- Staff continues to work with tax authorities across the state to develop a report on **how lodging taxes are specifically allocated**. Initial findings show that lodging tax money does not just go to promote tourism in the state, but also provides benefits to local communities such as support for schools, parks and recreation, economic and community development, local police and fire departments through the supplementing of general funds, and more.
- Staff enhanced the Lieutenant Governor's video production by conducting follow-up interviews with rural partners to develop a longer-form video for the **Tourism Means More campaign**.
- Staff continued to support the upcoming **Truckee Meadows Community College Hospitality program** by participating in the quarterly board meeting.

## 4. ENGAGE STAKEHOLDERS

### Grants

- Grant requests for FY19 2nd Cycle opened Monday, August 13. Deadline for submission is September 28th. Grant applicants will be notified by mail after the Nevada Commission on Tourism approves the awards and/or denials at their December 2018 meeting. Projects awarded funding in this cycle will cover expenses incurred or committed between January 1, 2019 and June 30, 2019.



- The new Rural Programs Manager, Shari Bombard, began her tenure at TravelNevada on August 27, 2018. On August 29, she attended her first Pony Express Territory Meeting. On September 5, she attended the Indian Territory Meeting and on September 12 she attended the Reno-Tahoe Territory Meeting. She is focusing on building relationships and letting the territories know her commitment to communication and outreach. The second grant cycle officially closed on September 28<sup>th</sup> and grant requests are currently being reviewed.

#### Sister Agency Integration

- A new **promotional video by TravelNevada** with Lt. Governor Hutchison was filmed at the NV State Railroad Museum in June. The 2 minute piece has been up on social media and within the first few days had nearly 15,000 views.

#### Air Service

- TravelNevada attended the RASC board meeting on September 10, at which they voted to pursue a contract for management of the Reno Air Services strategy and marketing efforts.

### 5. RUN AN EFFECTIVE BUSINESS

- Contract for **Tourism Economics, LLC** (Economic Impact/Traveler Spending) was approved at the July meeting of the Board of Examiners.
- All invoices received during the quarter were processed accordingly and for contract payments, with contract authority.
- The agency operated within the Legislatively Approved budget.

#### Nevada Magazine

- During the 3<sup>rd</sup> Quarter of 2018, Nevada Magazine published the July/August and September/October editions. Stories included a continuation of our train theme with Transitory Train Towns and Locomotive Calamities along with features on the Camel Safari in Bunkerville, the Cowboy Fast Draw competition in Fernley, the Carson City Mint and the History of Tonopah. Out annual Best of Nevada and Great Nevada Picture Hunt features rounded out the issues.
- The 2018 Nevada Press Association Awards were announced and Nevada Magazine received their highest honor - General Excellence. We compete with 17 other magazines and have one this award six of the last ten years. We also received 8 more first place awards, 21 second place awards and 4 third places.
- Nevada Magazine staff attended the Goldfield Visitor's Center Opening Weekend and the Tonopah presentation of their stories in the July/August edition and their "Best Of" Winners.

- Nevada Photographers Facebook members were asked to donate some of their best Nevada photos to the new Veterans Residential Facility in Reno. We were overwhelmed with the response from the group with over 500 photos offered. Staff began a curation of these photographs along with selected photos from our historical calendars, so the VA coordinators could select the ones they would like to hang on the walls throughout the new buildings. The VA staff selected over 80 of our photos, and has graciously offered to hold a special open house so the photographers can see where their photos are hanging and can dedicate the photo to a veteran of their choice.

**TOURISM DEVELOPMENT FUND (B/A 1522)**  
**BUDGET SUMMARY (AGENCY REQUEST A01)**  
**FISCAL YEARS 20 & 21**

G.L.	DESCRIPTION	FY2018 ACTUAL	FY2019 WORK PROGRAM	FY2020 AGENCY REQ	FY2021 AGENCY REQ
<b>RECEIPTS &amp; FUNDING</b>					
2511	Balance Forward From Previous Year (Beginning Cash Balance)	7,185,130	6,547,108	6,113,344	5,249,274
2512	Balance Forward to New Year	(6,547,108)	0	0	0
3301	Lodging Tax	24,629,235	25,737,799	25,940,678	26,627,173
3700	Registration Fees	34,610	36,580	34,610	34,610
4203	Prior Year Refunds	1,157	1,799	1,157	1,157
	<b>Total Revenue</b>	<b>25,303,024</b>	<b>32,323,286</b>	<b>32,089,789</b>	<b>31,912,214</b>
<b>EXPENDITURES</b>					
01	Personnel Services	2,365,297	2,518,863	2,610,133	2,625,126
02	Out-of-State Travel	47,494	48,907	47,494	47,494
03	In-State Travel	38,089	38,635	38,089	38,089
04	Operating	371,377	379,475	367,469	367,650
14	Outside Postage	146,080	154,539	134,858	134,858
21	Trans to Motion Pictures	659,418	681,304	679,974	682,765
26	Information Services	246,311	249,671	222,159	215,801
30	Training	6,510	6,531	5,977	5,977
31	Marketing/Advertising	15,165,577	15,114,876	15,736,914	15,683,438
35	Transfer to State Parks	509,131	509,131	509,131	509,131
40	Rural Grant Program	1,650,000	1,650,000	1,650,000	1,650,000
42	Governor's Washington Office	106,511	106,511	106,511	106,511
50	Tourism Development Grants	100,000	100,000	100,000	100,000
60	Lost City Museum	193,975	229,415	229,108	234,607
61	Nevada Historical Society	290,993	347,710	346,309	355,948
62	NV State Museum - Carson City	776,265	831,964	888,537	908,684
63	NV State Museum - Las Vegas	799,611	839,038	851,957	871,993
64	State Railroad Museums	226,744	541,898	582,590	581,558
65	Arts Council	1,126,266	1,183,906	1,184,842	1,195,258
66	Indian Commission	52,861	75,436	77,152	78,888
67	Division of Museums	246,907	247,387	260,715	263,207
82	DHRM Cost Allocation	11,538	11,538	0	0
87	Purchasing Assessment	37,878	71,187	71,187	71,187
88	State Cost Allocation	84,995	84,995	84,995	84,995
89	AG Cost Allocation Plan	43,196	54,414	54,414	54,414
	<b>Total Expenditures</b>	<b>25,303,024</b>	<b>26,209,942</b>	<b>26,840,515</b>	<b>26,867,575</b>
86	Reserve (Ending Cash Balance)	0	6,113,344	5,249,274	5,044,639
	<b>Total Expenditures + Reserve</b>	<b>25,303,024</b>	<b>32,323,286</b>	<b>32,089,789</b>	<b>31,912,214</b>
	<b>Tourism Operating Budget</b>	<b>20,314,342</b>	<b>20,636,242</b>	<b>21,123,689</b>	<b>21,079,029</b>
	<b>Total Transfers</b>	<b>4,988,682</b>	<b>5,573,700</b>	<b>5,716,826</b>	<b>5,788,546</b>



**FY19 vs FY18 vs FY17 vs FY16 Tourism Category Expenditure Update Through December 5, 2018**

Category	Description	FY19	FY18	FY17	FY16
<b>CAT 02</b>	<b>Out-of-State Travel</b>				
	Legislative Authority Amount:	\$48,907.00	\$48,907.00	\$49,406.00	\$49,406.00
	Actual Expenditures:	\$20,224.14			
	Remaining Available Funds:	\$28,682.86			
	% Spent YTD:	41%			
<b>CAT 03</b>	<b>In-State Travel</b>				
	Legislative Authority Amount:	\$38,635.00	\$38,725.00	\$43,496.00	\$38,096.00
	Actual Expenditures:	\$14,364.18			
	Remaining Available Funds:	\$24,270.82			
	% Spent YTD:	37%			
<b>CAT 30</b>	<b>Training</b>				
	Legislative Authority Amount:	\$6,531.00	\$6,531.00	\$7,086.00	\$7,086.00
	Actual Expenditures:	\$2,828.60			
	Remaining Available Funds:	\$3,702.40			
	% Spent YTD:	43%			
<b>CAT 31</b>	<b>Promotion &amp; Advertising</b>				
	Legislative Authority Amount:	\$15,114,876.00	\$15,201,987.00	\$11,309,367.00	\$12,168,367.00
	Actual Expenditures:	\$3,595,416.44			
	Remaining Available Funds:	\$11,519,459.56			
	% Spent YTD:	24%			







# NEVADA'S TOURISM ECOSYSTEM

LODGING TAX - FISCAL YEAR 2017

**NEVADA**   
INDUSTRY PARTNERS



# NEVADA DIVISION OF TOURISM

## GOVERNOR

Brian Sandoval

## LT. GOVERNOR • CHAIR

Mark A. Hutchison

## INTERIM DIRECTOR

David Peterson

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**TRAVELNEVADA.BIZ**



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# WORDS FROM OUR INTERIM DIRECTOR

Tourism is the No. 1 industry in the State of Nevada, accounting for 23.9 percent of the total state GDP and employing nearly 460,000 Nevadans. Every Nevadan feels its highs and lows, and it's the job of the Nevada Division of Tourism to defend, strengthen, and expand the industry, year over year. We were proud to welcome 56.3 million visitors to Nevada in 2017, and we strive to increase awareness and demand for Nevada in everything we do.

The Nevada Division of Tourism is entirely funded by 3/8 of 1 percent of state lodging tax. The remaining 5/8 is retained by the local community in which it's collected. What is often not as apparent is the revenue generated by visitors in the form of taxes, whether it be lodging tax, gaming tax, entertainment tax, or any other visitor generated tax revenue. In 2017, state and local taxes generated by visitors came to \$4.7 billion, or enough to cover the starting salaries of 124,000 school teachers in Nevada.

In the following pages, you will see how the lodging tax specifically impacts communities throughout the state. We will shine a light on those unseen benefits from this tax, and you will see how visitors to Nevada directly support things such as schools, parks and recreation, police and fire departments, and economic development throughout every corner of the state.

This report will show how the tax revenue generated by the lodging tax is transformed into a better quality of life for the residents of our great state.

A healthy state economy depends on a thriving tourism industry. The Nevada Division of Tourism is proud to serve the state and those who call Nevada home.



– David Peterson



# EXECUTIVE SUMMARY

In Nevada, you don't have to go very far, or look very hard, to witness the importance that travel and tourism has on the state. From the world famous Las Vegas Strip, to the ski slopes of Lake Tahoe, to the historic hotels throughout the state, such as the Mizpah Hotel in Tonopah or the Hotel Nevada in Ely, the travel and tourism industry is more evident in Nevada than most anywhere in the world. But, there are other vital benefits that come from Nevada's tourism industry.

Yes, tourism means visitors spending money in Nevada communities, supporting local businesses and creating jobs that support Nevada families. But tourism also means school support for children throughout the state. It means funding for important community needs, such as the police force, fire department, public works, transportation and many more. It means increased quality of life for Nevadans through the funding of parks and recreation opportunities, support for economic development projects, or arts and cultural support in communities throughout the state.

**458,780 jobs** were supported by tourism in 2017 **generating about \$20 billion in income.**

These benefits from tourism to local communities come through the lodging tax. The Nevada Division of Tourism receives a small portion of the lodging taxes collected in the state, roughly 3% of the total amount. The agency uses this money to achieve its mission of effectively promoting statewide tourism to enhance the economic vitality of Nevada. The purpose of this report was to determine how the remaining roughly 97% of the lodging tax was allocated in order to get a better sense of how tourism specifically impacts communities in Nevada.

Though this report focuses on the lodging tax, this is not the only way in which a visitor impacts Nevada communities in a positive way. Visitors also spend money on things such as food and beverages, gaming, outdoor recreation, entertainment, and more. This generates further tax revenue, such as sales and use tax, which is not outlined in this report. This also creates jobs and demand for further business services throughout the economy. The Nevada Division of Tourism estimates that roughly 458,780 jobs were supported by tourism in 2017 generating about \$20 billion in income. Therefore, the benefits outlined in this report only represent a fraction of the true benefits that travel and tourism bring to local communities throughout the state of Nevada via spending, employment, and taxes.

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# FINDINGS

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## INTRODUCTION

**Lodging taxes help support many important aspects of communities throughout the state. The largest benefactors of lodging tax allocation are schools and local destinations.**

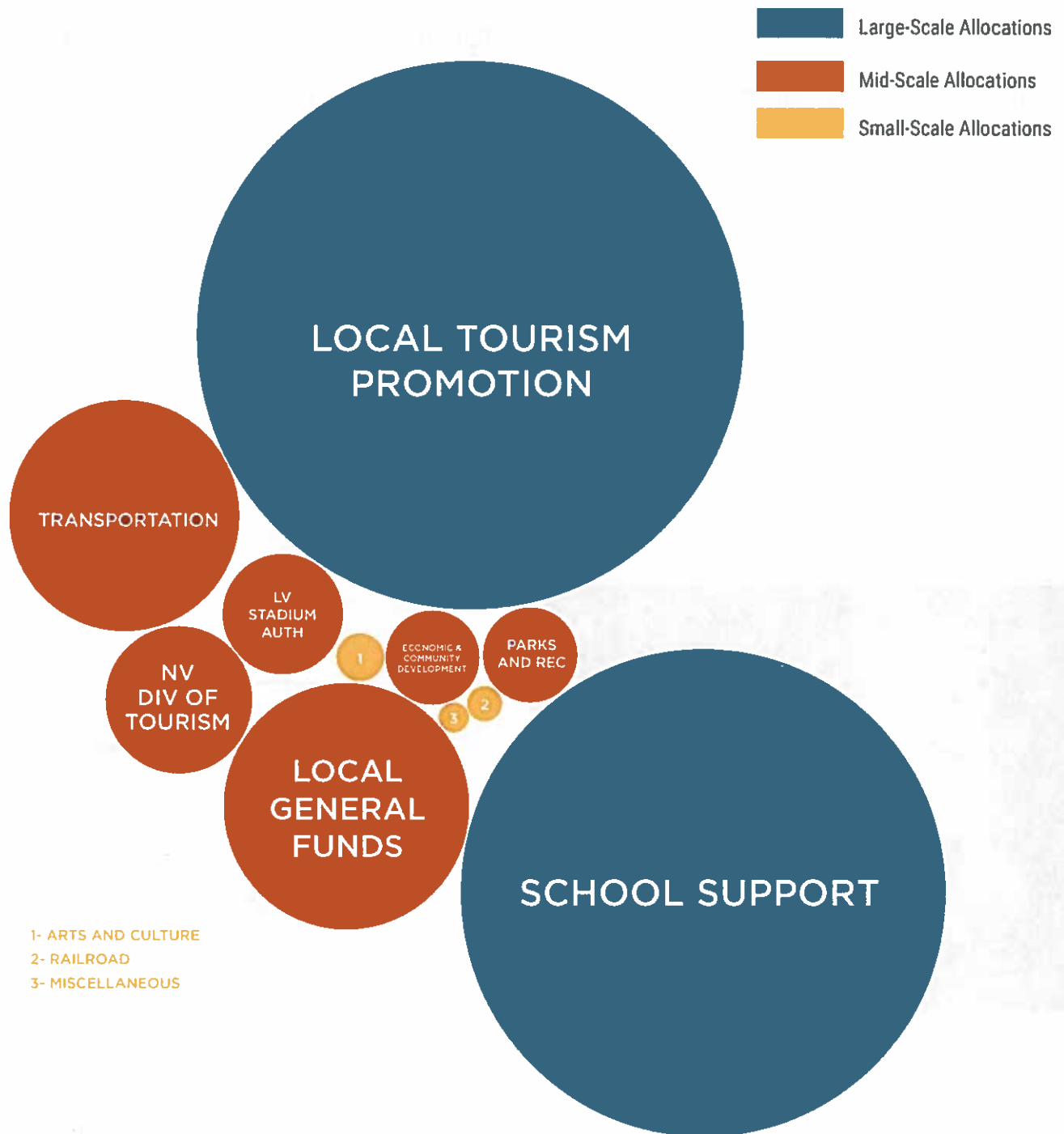
Roughly 75% of lodging taxes go to help support schools or to promote local tourism destinations across the state. These are considered “large-scale” allocations and accounted for nearly \$618 million in lodging tax funding in fiscal year 2017.

There are other important community aspects that receive funds via the lodging tax. Though funding for these are not as great in absolute terms as large-scale allocations, there is still a significant amount of money allocated to these throughout the state. These “mid-scale” allocations include money set aside for local general funds, money used to promote economic and community development, funding for local parks and recreation, money set aside for transportation, funds allocated to the Las Vegas Stadium Authority, and the funding of the Nevada Division of Tourism. The amount of money going towards an individual allocation in this category can range from about \$10 million to about \$65 million.

Finally, “small-scale” allocations represent categories that received about \$3 million or less in lodging tax dollars. These include allocations for arts and culture, railroad support, and other miscellaneous uses of funds, such as intergovernmental transfers or rollovers.



## What did lodging tax dollars support?



Fiscal Year 2017

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# LARGE-SCALE ALLOCATIONS

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The two largest sums of money generated through the lodging tax in Nevada go to support local tourism promotion and public schooling. In all, nearly \$618 million in lodging taxes was used to help fund these two categories in fiscal year 2017.

## LOCAL TOURISM PROMOTION

Local tourism promotion funds are spent on numerous things throughout communities in Nevada. Over \$340 million was given to local entities in fiscal year 2017 to promote tourism and attract visitors to Nevada destinations. Money can be used on things such as marketing and advertising, grant funding, and more.

attracting more visitors and more lodging tax dollars for all entities receiving funding. The LVCVA also owns and operates the Las Vegas Convention Center.

Similarly, a portion of lodging taxes collected in Henderson go to fund Destination Henderson. Destination Henderson promotes tourism for the city of Henderson through the use of trade shows, including partnering with TravelNevada and other local destination marketing organizations through events or shows.



---

Over **\$340 million**  
was used to  
**promote local**  
**Nevada destinations.**

---

For example, a portion of lodging taxes generated in Clark County is allocated to fund the Las Vegas Convention and Visitors Authority (LVCVA). The LVCVA uses this money to achieve its mission of promoting Las Vegas as the most desirable destination for leisure and business travel. It reinvests its room tax funding into further promoting visitation, thereby

Destination Henderson also attracts tourism-based events to come to the city such as Tough Mudder, the National Junior Golf Championship, Fishing League Worldwide, and more and also operates the Henderson Convention Center.

A portion of lodging taxes collected within Washoe County is used to fund the Reno-Sparks Convention and Visitors Authority (RSCVA) as well. The RSCVA uses this tax money to maintain



and manage the Reno-Sparks Convention Center, the Reno-Sparks Livestock Events Center, Reno Events Center, and the National Bowling Stadium. The RSCVA also uses the money to advertise and promote the Reno Tahoe area.

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## Tourism contributes to Nevada's local economies by attracting visitors to spend money within the community.

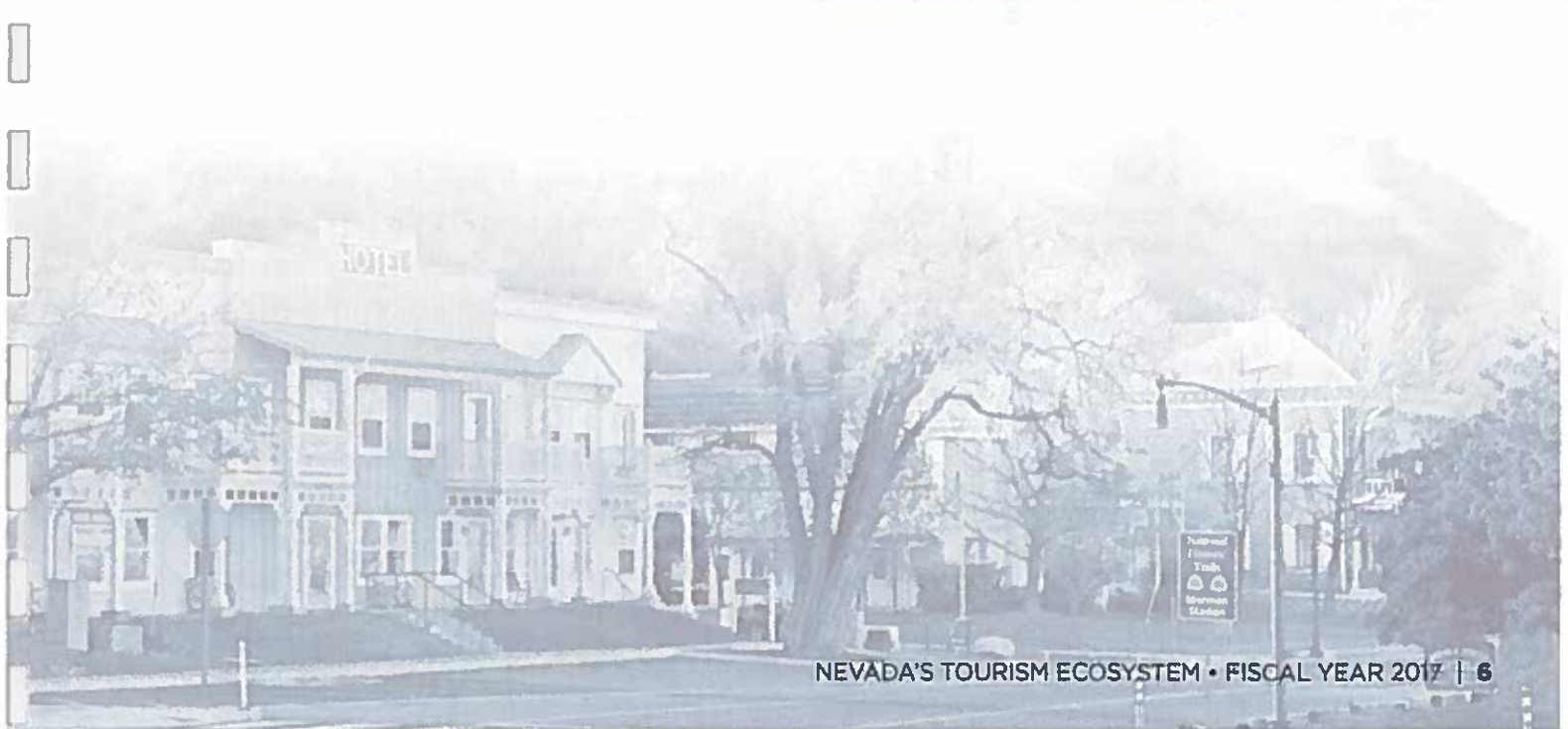
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Other tourism authorities receive a portion of the lodging taxes collected within communities as well. These include entities such as the Lake Tahoe Visitor's Authority, Carson Valley Visitor's Authority, Fallon Convention and Tourism Authority, Virginia City Tourism Commission, the Elko Convention and Visitor's Authority, the Carson City Culture and Tourism Authority, and more. Much like the larger CVAs, these entities use funding for operation and tourism advertising to bring tourists from outside the area into their respective communities and spur economic activity through visitor spending. Some of

these entities also use the money to operate the convention centers within their respective communities.

Many rural communities also use lodging taxes in the form of grant funding. Some entities use these to sponsor or promote local events, such as the National Fastdraw Championships in Fallon, Night in the Country in Yerington, the Fernley Rodeo, the Caliente Rodeo, Run-A-Mucca in Winnemucca, and many more events throughout the rural part of the state. Other communities utilize grants to promote their destination, such as Eureka County, in which grants are used to fund things such as the visitors guide, the car show, and more.

By promoting tourism, these entities are able to bring money back into the local economy by attracting visitors who will spend money within the community through lodging, local restaurants, entertainment, gaming, outdoor recreation and more.



## SCHOOL SUPPORT

Public schools, and the children that attend these schools, are the other large benefactor of lodging tax revenue in Nevada. Both the Clark County School District and the Nevada Department of Education receive lodging tax funds which are used in specific ways.

Nearly **\$275 million** in lodging taxes **went to school support**

The Clark County School District receives a specific portion of locally imposed lodging taxes collected within the county. Based on the 2016-2017 Annual Budget Report for the Clark County School District, total enrollment increased by over 12,500 students since 2008, making it one of the fastest growing school districts in the nation. Lodging taxes collected in Clark County are used to help fund capital projects and service debt taken on by the school district. These funds will help in building 37 new schools (35 new elementary schools and 2 new high schools), 16 replacement schools, and 54 additions to existing schools.

**Money for Clark County School District helped fund these capital projects:**

**37**

**NEW  
SCHOOLS**


**16**

**REPLACEMENT  
SCHOOLS**

**54**

**SCHOOL  
ADDITIONS**

The Nevada Department of Education receives a portion of lodging taxes mandated by the Initiative Petition 1 (IP1) of 2009. IP1 imposed a tax on gross lodging receipts of up to 3%



**STATEWIDE SCHOOL SUPPORT**

- ✓ Pooled into Distributive School Account
- ✓ Provides guaranteed dollar amount of school support per student based on county of residence

in Nevada counties with populations of 300,000 or more. The money collected is pooled into the Distributive School Account (DSA), which is the primary funding account for schools across the state. The DSA provides a guaranteed dollar amount of basic support per student based on county of residence.

In all, nearly \$275 million of lodging taxes collected in the 2017 fiscal year went to support schools, whether it went to the Clark County School District or to the Nevada Department of Education. Without tourism, Nevada taxpayers would need to supply this amount of tax-generated school support.



# MID-SCALE ALLOCATIONS

Other important benefits are also supported by lodging tax dollars in communities throughout the state. These include contributions to local general funds, economic and community development, parks and recreation, transportation, the Nevada Division of Tourism, and the Las Vegas Stadium Authority.

## LOCAL GENERAL FUNDS

A portion of the lodging taxes collected in the unincorporated portions of Clark County, the City of Las Vegas and Washoe County are placed into their respective General Funds.

This helps pay for important government services such as the police and fire departments, community services such as public works, parks and recreation operations and many other important government functions.

Throughout Nevada, nearly \$65 million goes to support General Funds from these jurisdictions.



**GENERAL FUNDS SUPPORT**

- ✓ Police Departments
- ✓ Fire Departments
- ✓ Public Works
- ✓ Parks and Recreation Operations
- ✓ Many Other Important Government Functions

## ECONOMIC AND COMMUNITY DEVELOPMENT

Local communities also benefit from lodging taxes through economic and community development. Money that goes towards economic development is used by communities throughout the state in different ways.

The town of Carlin uses the money to acquire, purchase, design and/or construct new civic facilities. This has been used to build a public library and begin the building of an

ambulance and fire station for the community. Carlin also uses the money for the maintenance, expansion and/or improvements of existing civic facilities.

In Washoe County funds are also spent on developing the local economy. Funds utilized by the City of Reno are used to service debt payments on bonds, which were used to purchase the National Bowling Stadium, construct the Reno


Events Center, and construct the Reno Ballroom Facility. Funds in Reno are also used to maintain and improve the Downtown Events Center facility, the National Bowling Stadium, the Reno Ballroom Facility, the Washoe County Livestock and Events Center, and tourist sites such as the Reno Arch.



In Sparks, lodging tax dollars were used to help fund the Precast Planter Installation and the Victorian Corridor Project. The Victorian Corridor Project is an effort to transform downtown Sparks by adding modern housing units, retail and commercial space to Victorian Square.

Nye County uses lodging taxes for economic and community development as well. Money is used to fund the Historic Mining Park, Convention Center, Ballfields, Fairgrounds, Parks and Swimming Pool in Tonopah. Some money is also used to recruit businesses and provide business development in Nye County along with providing funds into the operating budget of the Beatty Chamber of Commerce.

Lodging taxes collected within Pershing County that go towards Economic Development are used for salaries, benefits, supplies, phone/fax, postage, travel, training, and advertising expenses of the Economic Development Department. If any money is left over at the end of the year, it is transferred into a "Restricted" revenue line and can only be used by Economic Development in the upcoming years.



## MONEY FOR COMMUNITY IMPROVEMENTS

### CARLIN

- ✓ Building of Public Library
- ✓ Building of Ambulance Station
- ✓ Building of Fire Station
- ✓ Improving Existing Civic Facilities

### RENO

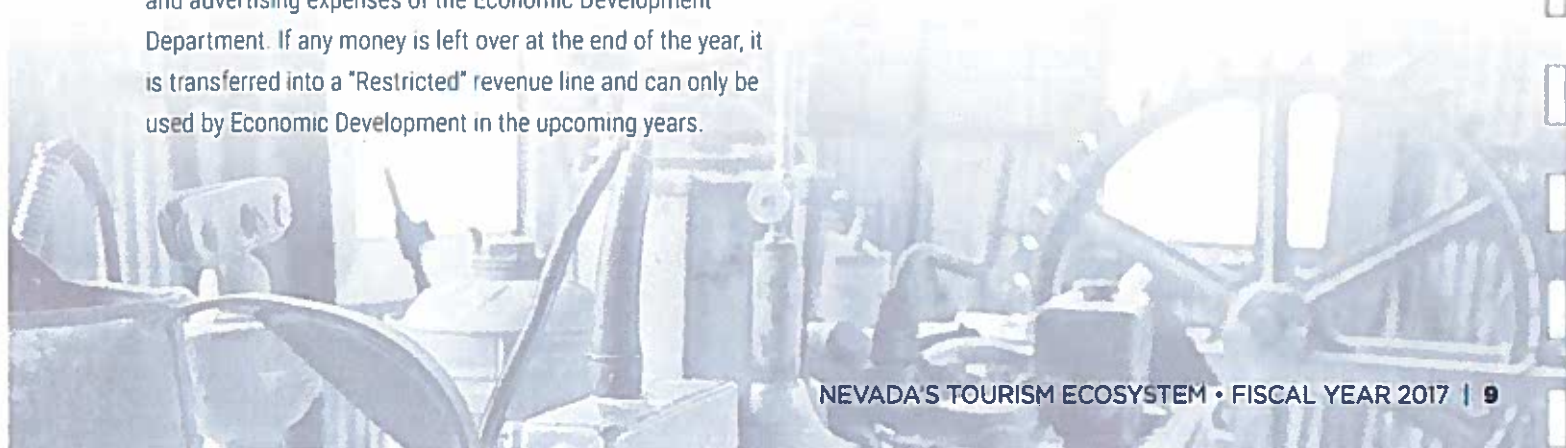
- ✓ National Bowling Stadium
- ✓ Reno Events Center
- ✓ Reno Ballroom Facility
- ✓ Livestock Events Center
- ✓ Reno Arch

### SPARKS

- ✓ Precast Planters
- ✓ Victorian Corridor Project
  - Addition of Modern Housing Units
  - Addition of Retail Space
  - Addition of Commercial Space

### TONOPAH

- ✓ Business Development
- ✓ Historic Mining Park
- ✓ Convention Center
- ✓ Ballpark
- ✓ Fairground





# PARKS AND RECREATION


Tourism has a positive effect on local communities through the use of lodging taxes given to parks and recreation. Though amounts in each community differ, the most significant impact may be in the city of West Wendover. Lodging taxes provide over \$2 million of support and accounts for about 65% of the revenue provided for the West Wendover Recreation District. The district provides all the parks and recreation facilities and programs for West Wendover. It also provides programs to the community, including youth activities such as baseball, softball, soccer, swim lessons and more. Adult activities are also supported which include the softball league, the volleyball league, and the equestrian property. In addition to all of these programs, the West Wendover Recreation District owns and operates the Toana Vista Golf Course. Funds are also used for bond debt and operating expenses of the recreation district.

Other communities benefit from funding as well. Douglas County allocates over \$2.5 million of lodging tax revenue to repair, replace, improve and acquire Douglas County parks, recreation assets and facilities. This money was also used to fund parks operations, recreation services and other projects.

Other communities that use tax money generated from lodging for purposes of Parks and Recreation include Carson City, Churchill County, Mesquite, Carlin, Elko, Jackpot, Wells, Esmeralda County, Eureka County, Lyon County, Mineral County, Nye County and White Pine County. Money in these communities can be used to fund events, such as Arts in the Park in Eureka County or the Longdrive Tournament in Mesquite.

Money can also be used on important recreational facilities, such as Mineral County, which uses lodging tax dollars on the county parks, swimming pools, tennis courts, and other important community facilities.

Jackpot also uses a portion of lodging tax dollars for this purpose, as does Wells, Pahrump and Carlin. Money is used to support the library, golf course, and the recreation center in Jackpot and in Wells lodging tax dollars are used to provide operating for the swimming pool, golf course, rodeo grounds, various ballfields, and more. Similarly, Pahrump uses lodging tax dollars to help in operating the municipal golf course, the horse event arena, and to develop fairgrounds and Carlin has allocated lodging tax dollars



## MONEY FOR PARKS & REC IMPROVEMENTS

**CARLIN**

- ✓ Help Rebuild Local Equestrian Park
- ✓ Enhance Current Parks and Recreation Facilities

**DOUGLAS COUNTY**

- ✓ Improve Existing Parks and Acquire New Parks/Assets
- ✓ Parks and Rec Operations

**JACKPOT**

- ✓ Library, Golf Course, Recreational Center

**MINERAL COUNTY**

- ✓ County Parks, Swimming Pools, Tennis Courts and more

**PAHRUMP**

- ✓ Golf Course, Horse Event Arena, Development of Fairgrounds

**WELLS**

- ✓ Swimming Pool, Golf Course, Rodeo Grounds, Various Ballfields and more

**WEST WENDOVER**

- ✓ Primary Funder of the West Wendover Recreation District
- ✓ All Parks and Rec facilities and Programs

to help rebuild the local equestrian park and to enhance current parks and recreation facilities in the town. Some communities, rather than allocating parks and recreation dollars for a specific purpose, put money allocated to Parks and Recreation in a general Parks and Recreation budget where the funds are not set aside for a specific purpose or project.

## TRANSPORTATION

Much of the use of lodging taxes on transportation is spent by Clark County. Clark County uses this money, which is allocated to the Master Transportation Plan, on various areas of unincorporated Clark County, including the Las Vegas Strip area. This money is used for transportation-related expenditures, primarily capital expenditures.

The City of North Las Vegas also allocates lodging tax dollars for transportation purposes which is used to help fund road operations within the city.



## NEVADA DIVISION OF TOURISM

Funded solely by lodging tax, the Nevada Division of Tourism (TravelNevada) works to engage domestic and international visitation through marketing, public relations and industry programs. The majority of the Division's budget is spent on a domestic media buy in major western U.S. markets, which includes television, print, digital and social advertising.

The Marketing Department manages programs with content and media partners to increase brand awareness, and ultimately, inspire the potential traveler to book a trip to a Nevada destination. The creative messages emphasize itineraries that may begin in Reno or Las Vegas, but also

include room nights and activities in rural communities.

The Sales and Industry Partners Department manages representation in eight countries, domestic missions, as well as the administration of a state-wide marketing and infrastructure grant program. Public Relations efforts include outreach through international and domestic media, an in-state campaign targeting Nevadans, and management of an ongoing public affairs plan, which educates the legislature and industry stakeholders regarding the impact of tourism to the state's economy.

## LAS VEGAS STADIUM AUTHORITY

In southern Nevada, a portion of lodging taxes was distributed to the Las Vegas Stadium Authority, in which the money collected in fiscal year 2017 was spent solely on operations. This included expenses for general staffing, research and support services related to Stadium Authority operations, fiscal agent services, and legal services related to

the development of stadium project documents. Other minor costs such as insurance were also incurred. Any amounts in excess of operations costs in fiscal year 2017 were reserved primarily for capital expenditures in fiscal year 2018 for stadium construction.



# SMALL-SCALE ALLOCATIONS

Smaller allocations used by jurisdictions throughout the state include things such as arts and culture support, railroad support, intergovernmental transfers and rollovers.

## ARTS & CULTURE

Most of the lodging taxes that go toward arts and culture are collected and spent in Washoe County, specifically the City of Reno. In Reno, over \$2.5 million were spent on this allocation. Of this money, 50% is spent on projects promoting tourism

and 50% is spent on PRCS (Parks, Recreation and Community Services)-related projects. The city uses these funds for public art acquisition, to fund the Arts and Culture Commission, to purchase/maintain the Sternberg decorative lights for the downtown areas, and sponsorships for cultural events such as ARTown, the Reno Philharmonic, and the Pioneer Center. Money is also used on downtown special events to attract tourists.

Carson City also allocates money towards arts and culture. Nearly \$200,000 of lodging tax money was dedicated to Carson City Arts & Culture. This money goes to fund salary and benefits of the Arts & Culture Director as well as to fund services and supplies for Carson City Arts & Culture. Typical services and supplies include acquisition of public art, special events, travel, and training.

Finally, Esmeralda County allocates funds to the Esmeralda County Historic Preservation Fund and Nye County allocates money to fund the operating budget of the Beatty Museum.

### CULTURAL DEVELOPMENT

#### MONEY FOR RENO

- ✓ Public Art Acquisition
- ✓ Funds Arts and Culture Commission
- ✓ Decorative Lights for Downtown
- ✓ Sponsors ARTown, Reno Philharmonic, Pioneer Center, and more



## RAILROAD SUPPORT

Reno, Carson City, and White Pine County use portions of lodging taxes to support railroad functions.

The City of Reno receives money for deposit into the Railroad Debt Service Fund which is used, in part, for debt service on the 2006 Senior Lien Tax Revenue Refunding Bonds. The proceeds of this bond were used to help construct the downtown below grade railroad track (ReTRAC).

Similarly, Carson City uses funds to service debt that is associated with the V&T Railroad bond.

Finally, White Pine County allocates over \$220,000 in lodging tax funds to the Nevada Northern Railway Foundation.



## MISCELLANEOUS

Other miscellaneous allocations of lodging tax money include intergovernmental costs, which are distributed between one government entity and another. In Carson City, the Carson City Culture and Tourism Authority transfers lodging tax dollars to the City of Carson City in order to cover all direct costs for special events and tournaments as well as management and legal services. The Winnemucca Convention and Visitors Authority also transfers money to Humboldt County.

Another miscellaneous use of funds are rollovers from one fiscal year to the next. Some communities that had left over lodging tax funds that were not spent in fiscal year 2017 and were "Rolled over" to the next fiscal year include Fallon, Elko, Fernley and Lincoln County.



# CONCLUSIONS

In Nevada, it is evident that travel and tourism enhances the quality of life for residents of this great state. Though people within the travel and tourism industry benefit through jobs, wages, and the use of lodging tax funds used as a means of promoting local destinations, the benefits of the lodging tax trickle down to everyone in the community as well.

Travel and tourism helps make our communities better and safer through the supplementing of general funds. These dollars help fund police and fire departments and other important governmental services, such as public works. And, of course, nearly \$275 million dollars of lodging taxes are going to help support schools across the state.

In all, more than \$809 million of lodging taxes were collected in fiscal year 2017, which were largely paid for by non-Nevada citizens. This means that Nevada citizens are receiving nearly \$810 million worth of benefits listed throughout the report, paid for by visitors. The Nevada Division of Tourism is working hard to see that communities throughout the state receive more of the benefits provided through the lodging tax via increased overnight visitation.

The Discover Your Nevada program is an effort to push overnight visitation among resident Nevadans. The program puts effort and focus into promoting Nevada residents to explore parts of the state that they may not have explored before. PR efforts are also focused on pitching stories both internationally and domestically and ensures that these stories have an overnight component to them. When travel writers are hosted, the Nevada Division of Tourism ensures that a majority of each trip is in a rural part of the state and that lodging establishments are called out in each article.

Marketing efforts put a focus on paid media buys, in which consumers with a high propensity to travel are targeted, particularly those who have shown an interest in traveling to Nevada. The Division of Tourism also partners with online travel agencies (such as Priceline, Expedia, etc.) to capture people within the environment of their most trusted booking brands, keeping Nevada top of mind and easing the process to book a trip for these visitors.

Recently, the Division of Tourism has developed an improved partner portal, where convention and visitors bureaus, lodging establishments, attractions, and other partners can easily keep their listings current and provide deals to display on TravelNevada.com. As the website evolves, those deals can be front-and-center for visitors who are already interested in travel to Nevada.

Through all of these efforts, the Division of Tourism ensures that it is doing its part to drive overnight visitation to the state and that communities across Nevada experience all the benefits that are provided via the lodging tax listed throughout this report.



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# METHODOLOGY

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In order to determine lodging tax allocations, the "Annual City/County Transient Lodging Tax Report" was provided by the Nevada Department of Taxation for each jurisdiction that collects/spends lodging taxes throughout the state. This report is a compilation of the reports submitted to the Nevada Department of Taxation, as mandated by NRS 244.3357, which requires submitting entities to provide the lodging tax rates, amount of lodging tax revenue collected, and the manner in which the revenue was used. Each individual jurisdiction was then contacted to get more in-depth and specific information on each allocation and to create groupings of "like categories" for spending across the state. Some state and local documentation, such as statutes and budgets, were also reviewed to get a better sense of how funds were allocated.

In some instances, specifically in the rural communities, the contact could provide descriptions of spending allocations for the whole city/county. In other cities/counties, however, the contact for an individual jurisdiction could not provide a complete description for how all allocations were spent. For example, in Washoe County, funds were allocated to the City of Sparks, City of Reno, the Reno-Sparks Convention and Visitors Authority, and Washoe County. In cases like these, individuals at each entity were contacted to get a more complete description and idea of how funds were spent specifically.

These contacts were also asked to confirm that the amounts of funds obtained were correct. It should be noted that, in some cases, dollar amounts differed slightly between the Nevada Department of Taxation and the individual entities that were contacted. In these instances, the amount given by the individual entities was used.



# SOURCES

**Carson City Culture and Tourism Authority**  
716 N Carson St.  
Carson City, NV 89701  
(775) 687-7410

**Churchill County**  
155 N Taylor St., Suite 182  
Fallon, NV 89406  
(775) 423-4365

**City of Caliente**  
100 Depot Ave  
Caliente, NV 89008  
(775) 726-3370

**City of Carlin**  
151 8th St.  
Carlin, NV 89822  
(775) 754-6354

**City of Elko**  
1751 College Ave  
Elko, NV 89801  
(775) 777-7100

**City of Fallon**  
55 W. Williams Ave.  
Fallon, NV 89406  
(775) 423-3040

**City of Fernley**  
595 Silver Lace Blvd.  
Fernley, NV 89408  
(775) 784-9800

**City of Las Vegas  
Department of Finance**  
495 S Main St.  
Las Vegas, NV 89101  
(702) 229-6321

**City of Lovelock**  
400 14th St  
Lovelock, NV 89419  
(775) 273-2356

**City of Mesquite**  
10 E. Mesquite Blvd.  
Mesquite, NV 89027  
(702) 346-5295

**City of North Las Vegas**  
2250 N. Las Vegas Blvd.  
North Las Vegas, NV 89030  
(702) 633-1460

**City of Reno, Finance Dept**  
1 E. 1st St.  
Reno, NV 89501  
(775) 334-2080

**City of Sparks**  
431 Prater Way  
Sparks, NV 89431  
(775) 353-5555

**City of Wells**  
525 6th St.  
Wells, NV 89835  
(775) 752-3355

**City of West Wendover**  
PO Box 2825  
West Wendover, NV 89883  
(775) 664-3081

**City of Yerington**  
102 S. Main St.  
Yerington, NV 89447  
(775) 463-3511

**Clark County  
Department of Finance**  
500 S. Grand Central Pkwy., 6th Fl.  
Las Vegas, NV 89155  
(702) 455-3543

**Clark County School District  
Budget Department**  
4190 McLeod Dr.  
Las Vegas, NV 89121  
(702) 799-2666

**Destination Henderson**  
200 S. Water St.  
Henderson, NV 89015  
(702) 267-2171

**Douglas County**  
1594 Esmeralda Ave.  
Minden, NV 89423  
(775) 782-9005

**Elko Convention and Visitors Authority**  
700 Moren Way  
Elko, NV 89801  
(775) 738-4091

**Elko County Manager's Office**  
540 Court St., Suite 101  
Elko, NV 89801  
(775) 738-5398

**Elko County Tourism and  
Recreation Board**  
PO Box 2  
Elko, NV 89803  
(775) 738-7157

**Elko County Treasurer's Office**  
571 Idaho St., Suite 101  
Elko, NV 89801  
(775) 738-5694

**Esmeralda County**  
PO Box 547  
Goldfield, NV  
(775) 485-6309

**Eureka County**  
10 S. Main St.  
Eureka, NV 89316  
(775) 237-5262

**Lander County Convention and  
Tourism Authority**  
470 S. Broad St.  
Battle Mountain, NV 89820  
(775) 635-1112

**Las Vegas Convention and Visitors  
Authority**  
3150 Paradise Rd.  
Las Vegas, NV 89109  
(702) 892-0711

**Las Vegas Stadium Authority  
c/o Applied Analysis**  
6385 S. Rainbow Blvd., Suite 105  
Las Vegas, NV 89118  
(702) 215-2000

**Lincoln County Room Tax Board**  
181 Main St.  
Pioche, NV 89043  
(775) 962-1132

**Lyon County**  
27 S. Main St.  
Yerington, NV 89447  
(775) 463-6510

**Mineral County**  
PO Box 1450  
Hawthorne, NV 89415  
(775) 945-2446

**Nevada Department of Education**  
700 E. 5th St.  
Carson City, NV 89701  
(775) 687-9200

**Nevada Department of Taxation**  
1550 College Pkwy., Suite 115  
Carson City, NV 89706  
(775) 684-2000

**Nye County**  
170 Floyd St., Suite 2  
Pahrump, NV 89060  
(775) 751-4200

**Pershing County Recorder-Auditor Office**  
398 Main St.  
Lovelock, NV 89419  
(775) 273-2408

**Reno-Sparks Convention and Visitors Authority**  
4001 S. Virginia St., Suite G  
Reno, NV 89502  
(775) 827-7600

**Town of Pahrump**  
2100 Walt Williams Dr., Suite 100  
Pahrump, NV 89048  
(775) 727-2820

**Virginia City Tourism Commission**  
89 S. C St.  
Virginia City, NV 89440  
(775) 847-7500

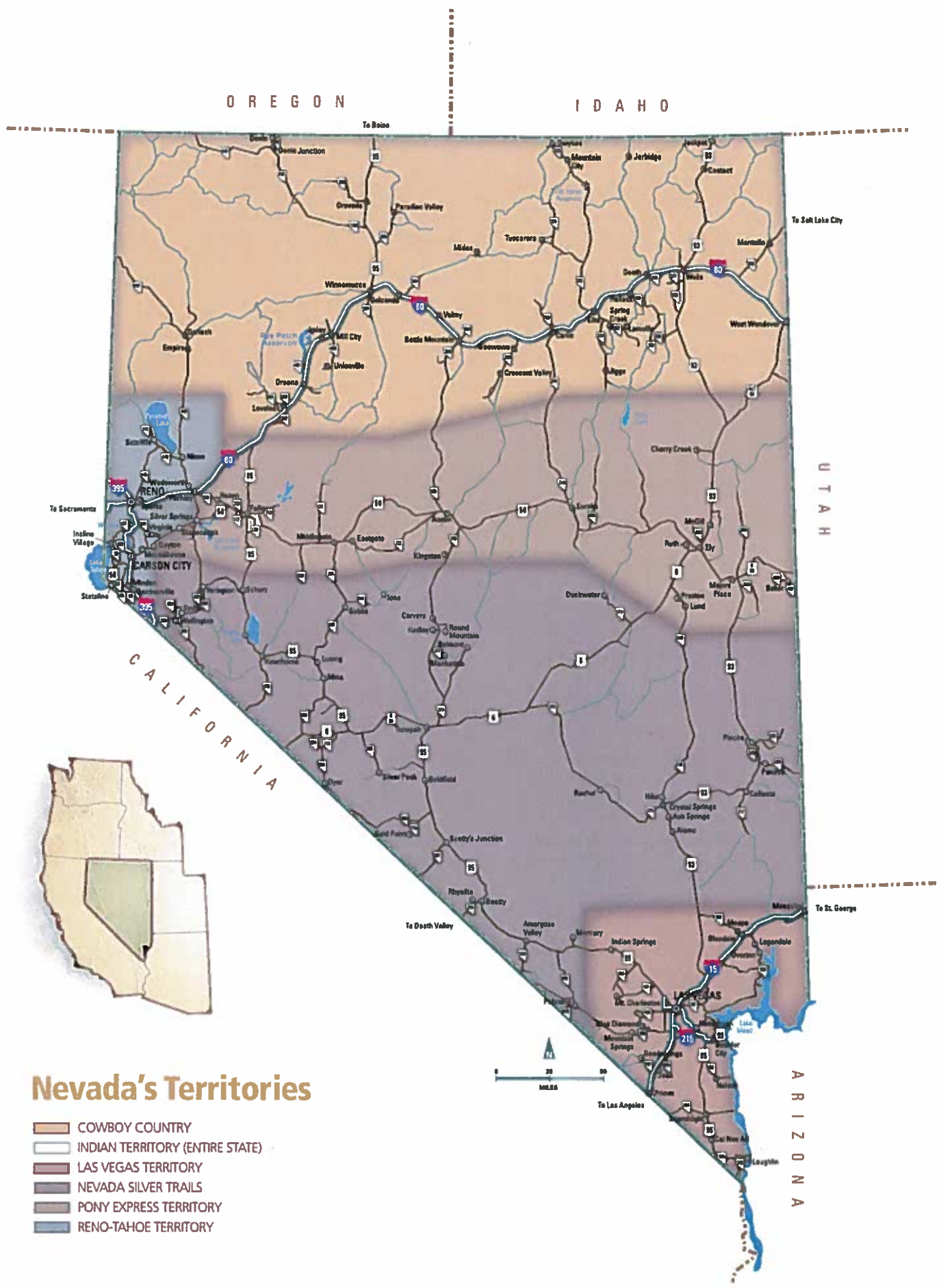
**Washoe County**  
1001 E. 9th St., Suite D140  
Reno, NV 89512  
(775) 328-2510

**West Wendover Recreation District**  
950 Florence Way  
West Wendover, NV 89883  
(775) 664-3289

**White Pine County Tourism and Recreation Board**  
150 Sixth St.  
Ely, NV 89301  
(775) 289-3720

**Winnemucca Convention and Visitors Authority**  
50 W. Winnemucca Blvd.  
Winnemucca, NV 89445  
(775) 623-5071









*Gold Butte National Monument*

TRAVEL NEVADA



FY18 ANNUAL  
REPORT





A photograph of a person climbing a large, smooth sand dune. The person is small in the frame, wearing a red shirt and dark pants, and is positioned about one-third of the way up the dune. The sky is a clear, vibrant blue. The dune's surface is a light tan color with some subtle textures. The overall composition is a wide-angle shot, emphasizing the scale of the dune.

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## Letter from the Interim Director of Tourism

The Nevada Division of Tourism embarked on the FY18-19 biennium with a refined strategic plan and challenging yet attainable and measurable goals. I am proud to present this FY18 Annual Report, which details the agency's successes and ongoing efforts to position Nevada as a top vacation destination.

In FY18, we saw the continuation of the award-winning "Don't Fence Me In" campaign and new integrations among paid, owned and earned content. TravelNevada's research-driven approach ensures that all its efforts are targeted, measurable and effective. Through monthly Integrated Marketing Effectiveness studies as well as a Domestic Visitor Study and Web Usability Study, TravelNevada is able to quickly refine its marketing efforts and deliver value to the end user: the visitor.

TravelNevada's success means revenue and economic stability for every Nevadan. In FY18, direct travel spending increased by 2.4 percent. Travel-generated employment and tax revenue generated by travel spending increased – two indicators of strength in Nevada's tourism industry.

In this report, you will see where TravelNevada delivered on its overarching objectives and how it approached its key initiatives. I am proud to be a part of the team that breathes life into the words you see on each page. TravelNevada is composed of creative, innovative, passionate professionals who take great pride in serving their fellow Nevadans through this thriving industry. And I take great pride in sharing their work and results with you in this report.

Sincerely,

A handwritten signature in black ink that reads "David C. Peterson".

David Peterson  
Interim Director  
Nevada Department of Tourism and Cultural Affairs





## Overarching Objectives

All TravelNevada programs are measurement-based and tracked in either real time or following each campaign to ensure maximum effectiveness and return on investment. Key performance indicators focus on achieving the Governor's Strategic Priority of Vibrant and Sustainable Economy, meeting the agency's legislative requirements and assisting statewide industry partners in reaching their business objectives.

### FOR FY18-19, WE WILL ENHANCE OUR SALES AND MARKETING PROGRAMS THROUGH:

- A Increasing overnight visitation to the State of Nevada through travel and tourism activities.
- B Developing a comprehensive program effectiveness research model that identifies the impact of Division of Tourism sales/marketing campaigns throughout the customer decision funnel, from brand awareness to booking to locations visited.
- C Expanding partner marketing and business development opportunities. Performance will be based on the number of partners participating in TravelNevada programming measured by year-over-year growth.
- D Evolving the sales effort into a results-driven domestic and international sales program.
- E Ensure the Division of Tourism is run with maximum efficiency and adheres to the policies and procedures outlined for all state agencies and the Department of Tourism and Cultural Affairs.



## Brand Overview

At the core of every domestic and international sales, marketing and external communications program is a commitment to conveying the Nevada brand in a way that best meets the needs of each audience and retains consistent integrity. The brand – Nevada: A World Within. A State Apart. – creates a foundation for the language, graphic imagery, and overall look and feel of all communications materials. In its essence, the brand celebrates the dualities of Nevada and the maverick spirit of her residents.

Using this as a benchmark, TravelNevada adopted a marketing slogan that aptly describes the state's travel experience. "Don't Fence Me In" conveys the spirit of freedom – geographical, philosophical and industrial – that sets Nevada apart from all other states. This break-free attitude is celebrated across Nevada, and it's with this call that visitors are invited to the state. The "Don't Fence Me In" spirit breaks barriers, exceeds expectations and erases pre-conceived ideas. "Don't Fence Me In" is more than a marketing tagline; it's a challenge to residents and visitors to reach for boundless creativity, explore new ways of doing traditional activities, and find energy and passion every day.

### THE BRAND POSITIONING STATEMENT HELPS BRING ALL COMPONENTS UNDER ONE OVERARCHING DECLARATION AND DELIVERABLE PROMISE:

From the incomparable excitement and glitz of Las Vegas to the accessible abundance of its many natural treasures, Nevada is rich in diverse experiences and unexpected adventures that are waiting to be discovered by travelers who consider themselves participants, not tourists, who want to experience a place, not simply see it.

### NEVADA SPEAKS

TO WEEKEND WANDERERS  
AND LONG-HAUL PONDERERS,

GUARDIANS OF TRADITION  
AND BUCKERS OF TRENDS,

WHO STAND OUT IN CROWDS, OR  
TRADE THEM FOR THE WIDE-OPEN ROAD.

BOULEVARDS SHIMMERING  
WITH MILES OF NEON,

AND DARK SKIES DANCING  
ON A STARLIGHT STAGE

ALL-ENCOMPASSING,  
ONE VAST PLAYGROUND.

THE ROAD MIGHT END...  
BUT THE SPIRIT OF NEVADA NEVER DOES.

WHERE WILL YOUR STORY TAKE YOU?





## Visitor Stats & Economic Impact

TravelNevada measures the impact of travel and tourism in a number of ways. The most important gauge is the impact of travel on driving revenue to the state and to the local communities. This measure is conducted by Tourism Economics, an organization that utilizes a highly successful and specific model for determining travel economic impact. The latest research measures the economic impact for Nevada in 2017, which showed a continued expansion of the industry. For example, direct spending and employment have increased 14.5% and 5.1%, respectively, since 2013. Throughout this period, the travel industry has been the single most important industry in the state in terms of employment, tax revenue and gross domestic product.

### SPENDING:

Direct travel spending increased by 2.4% in current dollars from 2016. Lodging sales (\$7.28 billion) increased by 4.7% from 2016 to 2017. Lodging sales have increased by 4.5% per year since 2013.

### EMPLOYMENT:

Total travel-generated employment increased by 1.1% in 2017. The 458,780 total jobs generated by travel spending in 2017 represents 27% of all employment in the state. Visitors generated about \$20.1 billion in income for these employees as well.

### TAX RECEIPTS:

Total state and local tax receipts generated by travel spending, calculated on a fiscal year basis, increased by about 4.4% from fiscal year 2016 to fiscal year 2017. These tax revenues (\$4.7 billion) represent nearly \$4,600 of tax generation per Nevada household.

## Statutory Authority

The Nevada Division of Tourism (known publicly as TravelNevada), an agency within the Department of Tourism and Cultural Affairs, is the chief consumer marketing agency for the State of Nevada. Through a dynamic sales and marketing program, the Division promotes the state to potential leisure and business travelers in the U.S. and throughout the world. The Division also is the brand steward of – Nevada: A World Within. A State Apart. – a statewide brand that was launched in April 2013.

The Division of Tourism is given its authority to function as a state agency through NRS 231.260 requiring the agency to:

Promote this State so as to increase the number of domestic and international tourists.

Promote special events and exhibitions, which are designed to increase tourism.

Develop a State Plan to Promote Travel and Tourism in Nevada.

Develop a comprehensive program of marketing and advertising, for both domestic and international markets, which publicizes travel and tourism in Nevada in order to attract more visitors to this State or lengthen their stay.

Provide and administer grants of money or matching grants to political subdivisions of the State, to fair and recreation boards, and to local or regional organizations which promote travel and tourism, to assist them in:

- A Developing local programs for marketing and advertising which are consistent with the State Plan.
- B Promoting specific events and attractions in their communities.
- C Evaluating the effectiveness of the local programs and events.
  - 1 Each recipient must provide an amount of money, at least equal to the grant, for the same purpose, except, in a county whose population is less than 55,000, the Division of Tourism may, if convinced that the recipient is financially unable to do so, provide a grant with less than equal matching money provided by the recipient.

Coordinate and assist the programs of travel and tourism of counties, cities, local and regional organizations for travel and tourism, fair and recreation boards, and transportation authorities in the State. Local governmental agencies, which promote travel and tourism, shall coordinate their promotional programs with those of the Division of Tourism.

Encourage cooperation between public agencies and private persons who have an interest in promoting travel and tourism in Nevada.

Compile or obtain by contract, keep current and disseminate statistics and other marketing information on travel and tourism in Nevada.

Prepare and publish brochures, travel guides, directories and other materials, which promote travel and tourism in Nevada.

Publish or cause to be published a magazine to be known as the Nevada Magazine. The Nevada Magazine must contain materials which educate the general public about this State and thereby foster awareness and appreciation of Nevada's heritage, culture, historical monuments, natural wonders and natural resources.

Ensuring these mandates are met and exceeded, the Division of Tourism operates as a dynamic, results-driven marketing organization, developing and executing sales and marketing programs that promote the state to both domestic and international visitors.



A photograph of a canyon with a bright blue sky visible through the opening. The canyon walls are rugged and brownish-orange. The text "Key Initiatives" is centered in the sky area.

## Key Initiatives



## 1 Evolve the Brand

### A. RESEARCH-DRIVEN INTEGRATED MARKETING

The research program provides the basis for all strategic marketing decisions and monitors the tourism environment for the entire state of Nevada. The research program effectively runs several studies throughout the year and shares the results with stakeholders to ensure that TravelNevada is knowledgeable on travel behavior and travel decision-making mediums.

On a quarterly basis, TravelNevada releases **Discover the Facts**, a publication that highlights the different indicators of tourism within the state. Research also monitors and provides general tourism industry and consumer brand research, then provides the information to help TravelNevada remain at the forefront of destination marketing strategy. In FY18, TravelNevada completed several studies that assisted in developing and maintaining growth in brand development. The **Domestic Visitor Study** measures topics such as traveler demographics, trip spending, trip purpose, planning and booking tools used, and more to gain critical insight on the traveler to Nevada. The **Nevada Integrated Marketing Communication Effectiveness Study** measures the effectiveness of ads in raising awareness, intent to visit, image rating and more. The **Web Usability Study** assesses the design, functionality, content, features and effectiveness of the site as a tourism promotion tool.

#### IME Study

TravelNevada was one of the first tourism agencies to implement an integrated marketing effectiveness study. The Nevada Integrated Marketing Communication Effectiveness Study measures paid advertising, owned media and earned public relations coverage, and how the three work together to accomplish marketing goals. The study uses three key measures to judge the effectiveness of marketing efforts:

- ▶ Advertising awareness
- ▶ Intent to visit
- ▶ Image rating

In FY18, of those who are aware/exposed, 80% are likely to visit Nevada overnight in the future versus just 48% for those who were unaware/unexposed to TravelNevada's advertising. Further, those who were aware of the ads gave a better rating of Nevada on many features that were tested, with the largest gains coming from:

- ▶ I would post about traveling here on my social media
- ▶ Offers winter/sports activities
- ▶ A destination that is truly different from other places

#### Other Stats

Travel and tourism (including hospitality and gaming) continues to be Nevada's leading economic engine. In 2017, more than **56 million** travelers visited Nevada. Washoe County and other counties (outside of Clark County and Washoe County) saw the largest increase in visitor volume when compared to 2016, with increases of 5.2% and 8.3%, respectively.

The direct GDP impact of the travel industry in Nevada was about **\$23.0 billion** in 2017, which is an increase of about 1.8% over 2016.

Total travel spending in Nevada was about \$63.7 billion in 2017, a year-over-year increase of about **\$2 billion**.

Tourism affects the entire state, not just metropolitan areas. Total lodging taxes collected statewide in FY18 were nearly **\$886 million** according to the Nevada Department of Taxation's NRS Recap. This is an increase of about 8.5% from FY17.

*Lodging taxes help to support many important community aspects throughout the state including support for schools, parks and recreation budgets, police and fire departments, economic and community development, and many more important community functions which increase the quality of life for Nevadans.*



## B. PAID ADVERTISING/CREATIVE DEVELOPMENT (DOMESTIC)

TravelNevada launched a successful campaign around the meaning of "Don't Fence Me In" (DFMI) starting in 2013, and it has evolved over the years to continue to inspire travelers to explore Nevada. The agency and Fahlgren Mortine developed the creative from phase two in FY16, which created an emphasis on the characters embodying DFMI spirit, to phase three in FY17, putting authentic stories front and center. The broadcast creative captured the story of an authentic Nevadan: Aurel Baker, a wilderness athlete, and was filmed in the Ruby Mountains. Three authentic Nevadans, representing adventure, the arts and state parks, were featured on the website, in digital ads and in print. In FY18, a second broadcast spot was developed, featuring Nevada State Park ranger David Low at Spring Mountain Ranch State Park in southern Nevada.

### Paid Advertising

Though the broadcast spots and supporting digital assets reflected a seasonal approach creatively, TravelNevada has shifted to an "always on" paid media platform. As a result, we saw more consistent traffic to our website over the course of the year and significant higher volume. Overall, the campaign exceeded key benchmarks, which aligned with our strategy to focus less on clicks and more on engagement metrics. By implementing this connections strategy, we were able to:

- ▶ Ensure that messaging and CTAs capitalize on micro-moments the audience is currently experiencing and push them through the travel planning phases appropriately
- ▶ Utilize OTA partnerships to drive more traffic to booking and planning pages within the OTA site, utilizing creative with a CTA to encourage booking
- ▶ Incorporate partners with the ability to target audiences who are actively searching for a vacation in Nevada or competitive states, but have not converted, in order to increase their likelihood to book
- ▶ Partner with dreaming partners like top-tier Adventure Travel and Lifestyle publishers to ensure that the TravelNevada message is seen by the right audience and while that audience is consuming relevant content
- ▶ Build frequency for the TravelNevada message with the target audience, and keep Nevada top of mind through the use of streaming audio
- ▶ Layer on social placements that are high impact and engaging, in order to capture the attention of the audience and educate them about what Nevada has to offer, in a place they are spending significant time

### Integrated Marketing

In FY18, we sought out a "big idea" that would elevate the TravelNevada brand across consumer, sales and media efforts. Through Fahlgren Mortine, TravelNevada worked with Groove Jones to produce a 360° video to highlight points of interest throughout Nevada, in which a user could experience these spots via visual virtual reality. These videos were launched in target markets in the Bay Area, Los Angeles and San Diego, and included consumer booths at events as well as a media and sales mission in San Diego. Ahead of the events, these target markets received social media, radio and email promotions to compel them to come experience Nevada virtually in their area. New consumers signed up for our database when they entered to win a number of Nevada giveaways graciously donated by our partners. Our database was grown moderately, but the brand elevation was compelling and, anecdotally, reactions by those who experienced the video were highly impressive.



The 360° video experience was then implemented as part of our paid media efforts, with Pandora's execution driving record results for their company, resulting in a 92% activity completion rate for TravelNevada. Additionally, the VR headset experience was utilized in sales and media missions and events, including International Pow Wow (IPW), the travel industry's premier international marketplace and the largest generator of travel to the U.S.

Expanding on our efforts to better integrate Tourism's sister agencies within DTCA, we pursued opportunities to highlight Nevada's arts, culture and heritage offerings. In partnership with Meredith Media, TravelNevada produced the inaugural Nevada Arts, Culture and Heritage Guide. With support from the Nevada Arts Council, the guide was polybagged and distributed with Midwest Living Magazine. Additionally, the Division of Tourism has distributed the guide locally and in West Coast urban shopping areas and through the Nevada Museum locations. The guide is enhanced with an augmented reality cover and a website experience.



### C. DIGITAL DEVELOPMENT

Throughout FY18, TravelNevada.com was enhanced to best support the objectives laid out in paid media and to enrich the user experience. Most of the improvements were developed on the back end, including changing algorithms for more accurate search results, updating meta data, and better integrating the website and the mobile app experience. Additionally, the My Favorites tool and Preferences were enhanced, allowing for future website personalization opportunities.

On the partner side, improvements were made to the Partner Portal, in efforts to encourage industry partners to more easily utilize this tool. Along with the technical updates, hands-on training was offered to partners and territory members, leading to dozens of new partner accounts being opened.

### D. PUBLIC RELATIONS

Knowing that TravelNevada's target audience values stories, public relations plays an important role in the agency's strategy. Earned media enables the brand to dive into niche interests and reach target markets in ways that establish third-party credibility for Nevada experiences that appeal to the psychographics of our audiences. The public relations group, along with Fahlgren Mortine and The Abbi Agency, works with media to craft stories that educate, inspire and excite travelers.

#### Press Tours

To continue to showcase some of Nevada's best kept secrets and to encourage travel beyond the major markets of Reno and Las Vegas, TravelNevada developed additional road trips for visitors to experience, and has invited media to explore these routes as well.

In early FY18, TravelNevada hosted writers with the San Francisco Chronicle and Climbing Magazine, as well as influencers with more than 100,000 followers on a "Grit & Gravel" adventure to experience activities just outside of Las Vegas. This press trip generated thousands of social media impressions and continues to generate coverage in outlets and blogs.



As media continue to ask for more customized experiences to tell better stories, TravelNevada has seen an increased interest in individual press trips, in addition to group press trips. To accommodate this request and meet its objectives, TravelNevada hosted a "Choose Your Own Adventure" press trip that followed the Reno-Tahoe Loop route. Media on this trip represented Park City Magazine, The DownLo, and other outlets and blogs that reached the target audience.

### In-Market Events and Desk sides

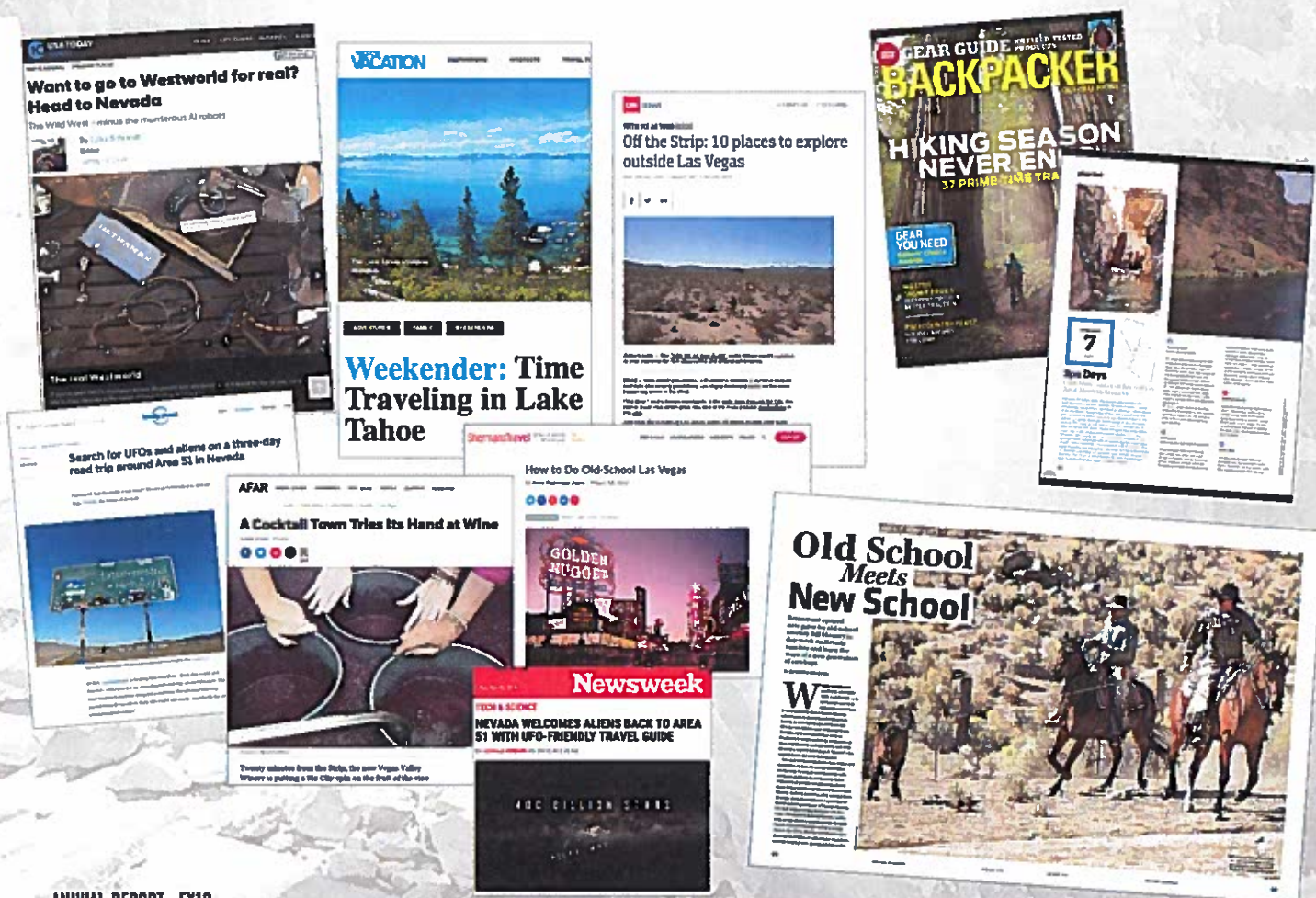
An effective tool to reach journalists in a target market is hosting a media night in the market where TravelNevada can showcase many of its tourism partners who otherwise may not have the resources to reach that market.

In September 2017, TravelNevada launched its 360° video with an activation in three California cities. To accompany this effort, the public relations team also invited regional journalists to an event in San Diego and a desk-side media mission in Los Angeles. The team connected with media at outlets like the Los Angeles Times, Thrillist and Los Angeles Parent.

Because most of our top-tier media outlets are based in New York City, that market remains an important one to connect with journalists. In April 2018, the TravelNevada team hosted a lunch reception for nearly 20 journalists from outlets like CNN Travel and Travel + Leisure.

### Top-Tier Coverage

Among the key performance indicators for public relations is coverage in top-tier magazines, newspapers and websites. Through strategic media outreach around nationally relevant topics in FY18, TravelNevada earned coverage in Jetsetter, USA Today, Afar, Lonely Planet, Newsweek, Thrillist, Travel Channel, Food + Wine, Backpacker Magazine, Family Circle, CNN, Budget Travel and more.



## Organic & Paid Social Media

In FY18, TravelNevada's focus on driving social media engagement with potential and current Nevada visitors continued to generate results. Through strategic content development and creative execution, the agency was able to not only increase its social audience and reach, but also build deeper interactions with consumers, sparking additional social conversation and buzz from visitors themselves.

In addition to generating results, FY18 was also a year of deeper analysis of social media results with new reporting and measurement tools to better evaluate the performance of social content and its ability to drive traffic to a site.

Overall, TravelNevada's social media channels generated more than **50 million impressions**, **2.1 million engagements** and **1.7 million clicks** in FY18. Some other key metrics for FY18 include:

- ▶ 35% increase in Facebook page likes
- ▶ 30% increase in Instagram followers
- ▶ Nearly 250,000 engagements with the #DFMI hashtag on Instagram
- ▶ 48% video view rate for Twitter video campaigns

Our paid and organic social media advertising efforts realized a number of simultaneous goals:

- ▶ Served daily content to followers, consistent with monthly editorial themes, seasonal initiatives, and events
- ▶ Provided a platform for ad hoc content that arose from timely events and partner re-share requests
- ▶ "Dark" content targeted specific audiences
  - ▶ Echoed and amplified monthly editorial initiatives, served to out-of-market audiences, broken down by demographic and geographic, that mirrored audiences across other marketing channels\*
  - ▶ Subject or activity-specific content served to corresponding audiences who may engage with our content year-round

*\*Millennials, Families, Baby Boomers, Fans in NV, Fans in the USA (but not in NV), Nevadans who do not follow our social channels.*

## Facebook

Budgeted: \$40K  
Spend: \$39,560  
New Posts: 1,927  
Engagements: 2,021,451  
Reactions: 276K  
Comments: 15.9K  
Shares: 64K  
Clicks: 1.7 Million  
Page Views: 41,061

## Instagram

New Followers: 10.9K  
Engagements: 264,109  
Video Views: 7,124  
Top Hashtag: #DFMI 247.8K

## Twitter

Impressions: 3.3 Million  
Link Click Rate\*: 7.01%  
Link Clicks: 181,251  
Engagement Rate\*: 7.13%  
Engagements: 10,458  
Video View Rate\*: 8.12%  
Video Views: 243,125

*\*For campaigns optimized for those objectives.*





### **Discover Your Nevada**

The Discover Your Nevada program is an annual effort to educate Nevadans about their own state and encourage in-state travel. The program has evolved year to year, and in FY18 TravelNevada implemented a greater focus on education. TravelNevada partnered with the Nevada Department of Education for the second year in a row to host an essay contest. Eighth-grade students in Nevada were invited to write about their favorite Nevada travel memory – or about a place they've always wanted to visit.

A review committee read and judged 90 essays and selected a winner from Eagle Valley Middle School in Carson City. She was awarded a "field trip" to Tonopah and an overnight stay in the Clown Motel, the subject of her essay.

The essay contest and campaign received statewide media coverage. The impact on in-state visitation has not yet been measured, as it is part of a long-term research program, but the media goals were met.

### **International Visitation & Sales**

Leads generated in FY18 were up by 75% from the previous year. This was largely due to the addition of new shows and events to the travel calendar. In September, staff attended Travel Industry Exchange, a networking conference with pre-scheduled travel agent appointments. Additional shows and events included Mark Travel Summit, an invitation-only event to specific suppliers to meet and network with agents of Mark Travel.

TravelNevada hosted a sales mission in Boise, Idaho embracing the "Don't Fence Me In" motto. Although the agency has held events in other feeder markets, this was the first in this market. Nearly 20 Nevada partners were able to network with 44 participating agents.

TravelNevada's international strategy also includes sales missions. One notable mission was to the United Kingdom with stops in Glasgow, Manchester and London, where the team brought a contingent of representatives from throughout the state. The mission began in Glasgow, Scotland, with a blogger/influencer breakfast followed by a consumer event featuring the Nevada VR experience at the Barrhead Travel Agency in the Silverburn Mall. That event was followed up by a travel agent evening training mixer with over 50 travel agents from the Glasgow area in attendance. The next destination on the mission was Manchester, England, where TravelNevada hosted a travel agent training event for more than 45 agents. The final destination on our itinerary was London, England, where the team had one-on-one meetings with the top product managers in London, giving partners an opportunity to meet with the primary decision makers of their respective travel companies.

The Governor's Trade Mission to South America was an opportunity for partners to join TravelNevada staff with sales calls, one-on-one trade appointments and presentations, and media interviews in Panama, Colombia and Chile. This mission alone generated 85 leads.

In FY18, TravelNevada participated in the Brand USA Sales Mission to India. This was a three-city mission that included Mumbai, Chennai and Delhi. The mission involved primarily one-on-one appointments with trade and media and networking evening functions.





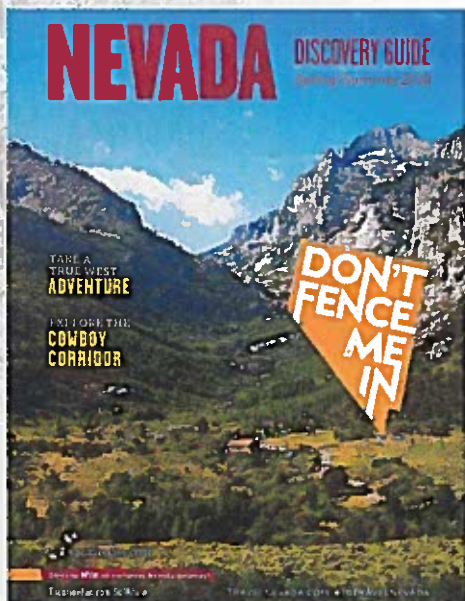
## 2 Enhance Partnerships

### A. URBAN SPONSORSHIPS

TravelNevada's Urban Sponsorship program seeks to provide support for urban events that demonstrate not only out-of-state visitorship, but also attract a variety of audiences, have strong marketing programs and add to the quality of life in the region.

In FY18, TravelNevada funded \$100,000 in urban sponsorships. Among them were legacy events, including the Reno Air and Balloon Races, both community standouts as prestigious events with national recognition.

More unique events, such as the Men's Curling World Championships, the Red Rock Rendezvous and the Audi Championship Golf Tournament, capture particular audience segments through sports events.



### B. COOPERATIVE MARKETING

In FY18, the TravelNevada cooperative marketing program, led by Madden Media, offered advertising opportunities within newspaper advertorial inserts in major markets as well as amplified storytelling hubs and site retargeting to industry partners throughout the state.

#### Fall Insert - November 2017

- Advertisers included Great Basin, Reno Tahoe USA, Carson City, Cowboy Country Territory, Lake Tahoe VA, Nevada Museum of Art, Western Folklife Center, The Row Reno and Elko. This insert yielded a total of 56,391 leads, an average of 5,126 per advertiser.
- Media Cost = \$62,544.58
- Nevada partner match = \$15,346.35

#### Spring Insert - May 2018

- Advertisers included Boulder City, Cowboy Country Territory, Elko, Great Basin, Lake Tahoe VA, Lander County, Nevada Museum of Art, Nevada Northern Railway Museum, Pershing County, Pony Express Territory, Reno Tahoe USA, The Row Reno, Terry Lee Wells discover museum, Visit Carson Valley and White Pine County. This insert yielded a total of 94,621 leads, an average of 8,602 per advertiser.
- Media Cost = \$91,336
- Nevada partner match = \$20,794.46



#### Mandarin Insert - June 2018

- ▶ Advertisers included California Trail Interpretive Center, Carson City, Cowboy Country Territory, Lake Tahoe VA, Lander County, Pershing County and Reno Tahoe Territory. Rather than go for leads this year, the agency built a Mandarin content hub where each partner had presence.
- ▶ Media Cost = \$63,231.57
- ▶ Nevada partner match = \$12,175.70



#### C. TRAVELNEVADA.BIZ

TravelNevada.biz is the agency's industry-facing site that offers tourism partners a resource for news, reports, assets and partnering opportunities. In FY18, there was ongoing development and maintenance of the TravelNevada Industry Partners website, including the design and development of a new TravelNevada Grants Database System. The new system features an improved user interface and submission process, improved functionality for managing submissions and generating reports, new functionality to simplify creation grant cycles, and improved stability.

#### D. INDUSTRY PARTNER PORTAL

FY18 saw 128 tourism entities sign up for partner accounts and dozens more reclaim or reactivate stagnant ones that were launched during a previous iteration of the Partner Portal program. While most of these accounts are single tourism business entities managing a single tourism destination or marketing staff for a company managing listings for multiple properties/businesses within a portfolio, several are entities serving as "point person" for a group of businesses, or even an entire community, such as City of Henderson or Visit Virginia City. In addition to building new or claiming existing "place" pages for their destinations, partners built out listings for 99 events around Nevada.

### 3 Advocates for the Industry

As the overall economy of Nevada continues to change, the Department of Tourism and Cultural Affairs also has shifted to meet the changing dynamic of travelers. TravelNevada's "Advocates for the Industry" initiative was refined to specifically highlight the quality of life benefits that the travel and tourism industry brings to the state.

#### EVOLVING STORIES IN TOURISM

TravelNevada has achieved proven results in driving tourism throughout Nevada. Providing a series of strategic programs and activities to support these efforts as well as those undertaken by in-state partners, the state has realized increased traveler visits year-over-year through rural grant programs, integrated marketing and public relations campaigns, comprehensive and interactive social media campaigns, and through the development of tools and resources designed to attract both domestic and international visitors.

The Division chose to continue telling this story through the campaign brand of "Tourism Means More." Since its inception, the brand and campaign have been evaluated and evolved to ensure they are delivering the information needed to stakeholders to make informed decisions regarding tourism. The Tourism Means More plan is recreated annually, and the formation of this plan meets the Division's Strategic Plan KPI of creating an individual reputation management action plan and executing as outlined.

Throughout the fiscal year, based upon the real Don't Fence Me In stories of Nevadans, TravelNevada sought to gather stories from those leading the tourism industry forward as well as those being

impacted by it throughout the state. This exercise turned into a series of Tourism Means More videos featuring individuals and entities such as Bill Boyd, Stephen Ascuaga, Pahrump Valley Winery, Pershing County Economic Development and the Red Lion Hotels. Each shared personal stories and the impact TravelNevada has had on their organization, as well as the ability each has to increase employment and impact on the economy due to steady tourism increases consistently in the past several years.

Influence over the choice to travel to a state or destination is driven by many complex issues including geopolitical affairs, weather phenomena and changing technology. In order to address many of these issues, TravelNevada chose to create a "Welcome to Nevada" video that featured locals from across the state saying "Welcome" in multiple languages. This video was distributed to the Division's marketing agencies worldwide for sharing across all channels. Comments on the video were all positive in nature, reinforcing Nevada as an accepting place for all.

### COMMUNICATING TOURISM'S SUCCESS

Increasing communication to stakeholders became of increasing importance throughout the most recent Tourism Means More campaign and plan. In order to reach the KPIs outlined in the Strategic Plan surrounding communication, the following items were completed: develop FY18-19 legislative session Tourism Means More plan and execute as outlined, develop and distribute a Commissioner-focused report each month, and develop and distribute an annual report.

To ensure ongoing communications, the Division created a dedicated Tourism Means More webpage and posts continuous updates on social media channels for the Division.

The "Advocate for the Industry" initiative is designed to continue increasing communication in order to heighten awareness of travel and tourism as the state's leading economic engine by helping all stakeholders understand the importance of the tourism industry and its capacity to create jobs, drive the economy, generate a global brand for the state and enhance the quality of life for all Nevadans.

As TravelNevada continues its evolution, it will continue to focus on increasing tourism activities that positively affect the economy, add to the general fund and increase the quality of life for all, whether directly employed by the industry or not.

## 4 Engage Stakeholders

### GRANTS

In an effort to support Nevada's rural towns and regions, TravelNevada manages the Rural Marketing Grant Program each year. In FY18, the agency had a total of 302 grant requests totaling \$2,662,409 and awarded 251 of the grants for a total of \$1,650,000. The grant requests ranged from event marketing to print advertising and website optimizations.

Another grant program managed by TravelNevada, the Projects Related to Tourism grant program, closed January 19, 2018. Projects Related to Tourism grants are designed to develop property, facilities and infrastructure within Nevada to support and attract visitors to this state. More than 30 organizations submitted 35 applications for a total of \$477,538.00, and 22 grants were awarded for a total of \$200,000.00. Several of the grants awarded were for banners, visitors' centers and welcome signs. Examples of other projects funded were the Big Cat Exhibit at the Safe Haven Wildlife Sanctuary and a statue commemorating the Centennial of the Genoa Candy Dance.

TravelNevada also hosted more than 200 tourism volunteers and professionals from across the state at the 28th annual Rural Roundup held in Tonopah, Nevada. Attendees had the opportunity to explore Tonopah's many hidden treasures including the Historic Tonopah Mining Park, the Tonopah Cemetery, the Mizpah

Hotel and the Belvada. Educational sessions included tips on interacting with elected officials to boost tourism, responsible drone photography, geotourism, social media and more. Keynote speaker Bodine Balasco impressed the audience with his "Vision Created Reality" presentation, which included interactive comedy and magic.

### INDUSTRY CONFERENCES

TravelNevada stayed true to plan with participation in shows with a proven track record. Go West has always delivered premium buyers who represent both the domestic and international markets. This year was no different with staff having 50 pre-scheduled appointments.

Additionally, TravelNevada participated in the National Tour Association's Travel Exchange, scheduling one-on-one meetings with U.S. and Canadian operators. Several partners throughout the state also are encouraged to attend this event and book additional appointments with operators.

TravelNevada also attended the International Pow Wow (IPW) again this year, as the event is one of the most attended in the industry for tour operators. It is the largest event held in the U.S. that has a focus of international inbound tourism. Although the agency attends each year, FY18 was the first year that members of each department of TravelNevada collaborated to design a significant Nevada booth at the show. The end result offered an excellent combination of visual and video components and new brochure materials to share, impressing buyers and other Nevada partners. The larger booth enabled TravelNevada to increase its appointments with buyers and operators from 77 to 103 and to expand the awareness of Nevada with travel buyers.

TravelNevada's participation in international markets also contributed to the growth in lead generation. TravelNevada continued to have presence in the European market by participating at World Trade Market in London, ITB Berlin and USA Travel Show in Denmark. To reach the Latin American market, TravelNevada also attended La Cita in FY18, meeting with key industry operators.

### AIR SERVICE

In June of 2018, TravelNevada began attending the Regional Air Service Corporation meetings as voting members, with a \$50,000 contribution. The committee supports the Reno-Tahoe Airport Authority in efforts to maintain and grow air service and to promote the Reno-Tahoe area as a year-round travel destination. The purpose of the corporation is to bring together public and private organizations with marketing dollars and expertise with the singular goal of positioning the Reno-Sparks-Lake Tahoe region as one destination, to identify national and international markets, to increase air service to and from the Reno-Tahoe International Airport and to target tourism and business industry goals for cooperative action.

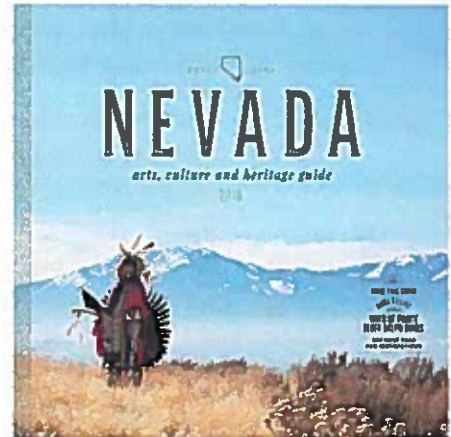


## SISTER AGENCY INTEGRATION

TravelNevada's support of the other agencies within the department extends beyond administration. In FY18, the TravelNevada marketing department oversaw the following programmatic developments for sister agencies:

- ▶ Designed and developed a new website platform for the Nevada Division of Museums and History. Eight websites received new designs, updated navigation, updated imagery and content, improved exhibit showcases, a new events interface, and other features important to each museum director.
- ▶ Created a "School Field Trip Request & Bus Transportation Reimbursement" portal for each museum website to satisfy new legislation requirements.
- ▶ Migrated all DTCA websites to improved Amazon AWS website hosting platform. Laid the foundation for improved hardware infrastructure to improve site load times and stability and allow for scalability.
- ▶ Oversaw the design of a new Nevada Magazine website. Created a new layout and improved interface that will facilitate online subscriptions, additional revenue streams and access to 100+ years of past issues. Undertook content migration and digitizing past issues for searchability and accessibility on the new site.

A singular achievement was the creation of a Nevada Arts, Culture and Heritage guide, the first of its kind targeting the cultural traveler. In a partnership with Meredith Media, 200,000 guides were distributed to the readership of Midwest Living, and an additional 15,000 were distributed through the state museum system and at industry shows and events.



## 5 Run an Effective Business

### NEVADA MAGAZINE

Nevada Magazine is the publishing arm of the Nevada Department of Tourism and Cultural Affairs and produces many publications for both the agency and outside clients. The premier publication, Nevada Magazine, as well as Events & Shows, is delivered to subscribers and retail customers six times a year.

#### Editorial

The magazine's editorial calendar runs January to December, so FY18 included parts of two annual series. The first three issues of the fiscal year (July/Aug., Sept./Oct. and Nov/Dec. 2017), or the last three issues of 2017, continued the series on Nevada State Parks and ancient Nevada, with stories covering fossils, plants and animals, and geology. Along with the magazine's regular features – Visions, Up Front, City Limits, Wide Open, Cravings, and Events and Shows – each issue also included additional stories about topics like Burning Man, the Pinball Hall of Fame, a Basque road trip and photo tours.

The last three issues of the fiscal year (Jan/Feb., Mar/Apr. and May/June 2018), or the first three issues of 2018, started the magazine's year of trains. Because trains are a significant part of Nevada's history, all six of the 2018 issues will have stories and photos of trains leading up to next year's 150th anniversary of the laying of the Golden Spike at Promotory Point, Utah. Other stories included Reno's Chinatown, Las Vegas magic shows, Snowshoe Thompson and Tonopah's revival.

### Events and Shows

Though the number of Events and Shows produced was decreased to manage print costs, they are more strategically distributed at visitor bureaus and certified folder locations. These magazines have information on events all over the state, encouraging readers to travel throughout Nevada.

### Other Publications

The team also produced a Bridal Guide in partnership with the Las Vegas Wedding Chamber of Commerce, a Rides Guide and the Mesquite Visitors Guide.

### Picture and Scavenger Hunt Events

As a result of the popularity of the magazine's Great Nevada Picture Hunt, the photo submissions and sponsors continue to grow. Winners receive prizes like photo packages from Shooting the West, Eagles & Agriculture and Nevada Northern Railway.

The FY18 theme of the Silver State Scavenger Hunt was trains and more trains. Participants were given specific train locations where they had to go and take a selfie with Nevada Magazine. The prizes were provided by Range Rover.

### Photographers Symposium

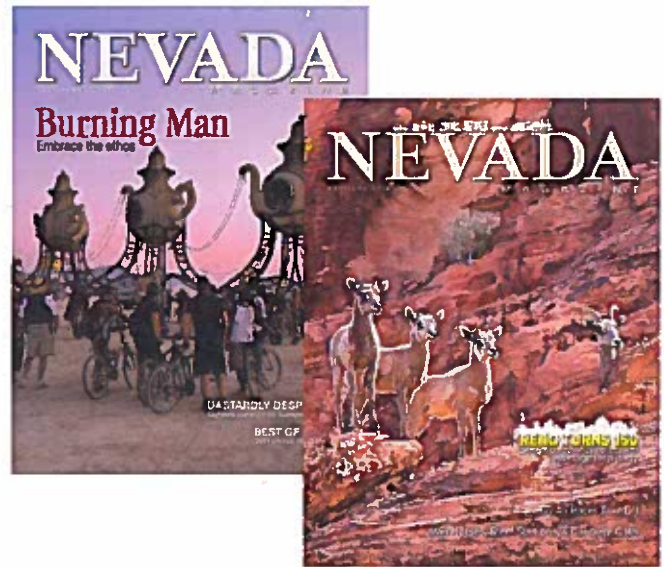
Nevada Magazine held two Photographers Symposiums in FY18. These symposiums have elevated the magazine's reputation, establishing a stronger connection with photographers who submit their work to the publication. This has resulted in the magazine providing photos for the new veterans affairs residence in Reno, all of which were donated by these photographers.

### Our 2017 Nevada Press Association Awards

Nevada Magazine continues to earn recognition with the Nevada Press Association. The publication competes with 17 other magazines in the state including Las Vegas, Luxury Las Vegas and Edible Reno-Tahoe Magazine. In FY18, Nevada Magazine received the General Excellence award, the top prize of the competition, as well as eight other first place awards and a myriad of second and third places.

### Social Media

Nevada Magazine currently has 12,579 followers on Facebook, an increase of 8% over 2016. Though the majority of that audience is in the U.S., there is representation of 44 countries total. On Twitter, Nevada Magazine has 17,300 followers, a 10% increase over 2017, with significant engagement on tweets about ghost towns, wild horses and Hoover Dam.





## FY18 Nevada Commission on Tourism

### LIEUTENANT GOVERNOR

**Mark Hutchison** (Chair)

### COMMISSIONERS

**Cindy Carano** (Vice Chair)

**Julia Arger**

**Richard Arnold**

**Bob Cashell**

**Phil DeLone**

**Brian Krollicki**

**Denice Miller**

**Bob Morse**

**Don Newman**

**Rossi Ralenkotter**

**Herb Santos, Jr.**

**Bob Stoldal**

**Mike Vaswani**

## Nevada Division of Tourism (TravelNevada)

### LEADERSHIP TEAM

**David Peterson**  
*Interim Director*

**Brenda Nebesky**  
*Interim Deputy Director*

**Bethany Drysdale**  
*Chief Communications Officer*

**Janet Geary**  
*Publisher, Nevada Magazine*

**Mary Ellen Kawchack**  
*Chief Marketing Officer*

**Teri Laursen**  
*Director of Sales & Industry Partners*

**Angie Mathiesen**  
*Operations & Finance Manager*

**Ron Webster**  
*Systems Administrator*

### ADMINISTRATION

**Dee Chekowitz-Dykes**  
*Executive Assistant*

**James Franco**  
*Management Analyst II*

**David McDowell**  
*IT Technician III*

**Alexandra Whalen**  
*Administrative Assistant II*

**Zacharia White**  
*IT Technician V*

### SALES AND INDUSTRY PARTNERS

**Yennifer Diaz**  
*International Sales & PR Specialist*

**Mary Hummel**  
*Administrative Assistant II*

**David Lusvardi**  
*Market Manager - Latin America, Canada and Australia*

**Christian Passink**  
*Market Manager - UK, France & Germany*

**Sylvia Welsh**  
*Market Manager - China & India*

### MARKETING

**Steven Brooks**  
*Marketing Coordinator*

**Devon Blunden**  
*Content Strategist*

**Sydney Martinez**  
*Content Manager*

**Susan Mowers**  
*Art Director*

**Kyle Shulz**  
*Research Manager*

### COMMUNICATIONS

**Guy Clifton**  
*Public Relations Specialist*

**Angela Froelich**  
*Administrative Assistant III*

**Kaitlin Godbey**  
*Social Media Strategist*

**Chris Moran**  
*Public Relations Manager*

### NEVADA MAGAZINE

**Eric Cachinero**  
*Associate Editor*

**Jody Cory**  
*Senior Graphic Designer*

**Adele Hoppe**  
*Sales & Marketing Manager*

**Janet Kinney**  
*Accountant Technician II*

**Margaret Mueller**  
*Editor*

**Carrie Roussel**  
*Circulation Manager*

**Kippy Spilker**  
*Art Director*



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**2019  
NEVADA COMMISSION ON TOURISM**

**FULL COMMISSION  
PROPOSED MEETING SCHEDULE**

March 13, 2018, 1:00 p.m.

June 19, 2018, 1:00 p.m.

September 18, 2018, 1:00 p.m.

December 11, 2018, 1:00 p.m.

**MARKETING COMMITTEE  
PROPOSED MEETING SCHEDULE**

Proposed dates for the Marketing Committee meeting will  
be determined after the first of the year.

