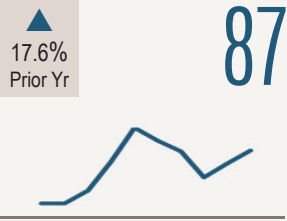


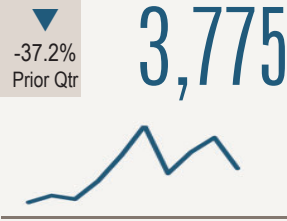
# QUARTERLY PERFORMANCE REPORT

Q4 2018

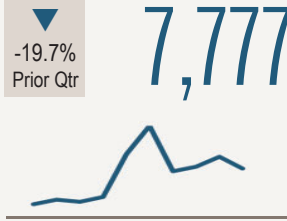
NUMBER OF  
ASSISTED COMPANIES  
2018



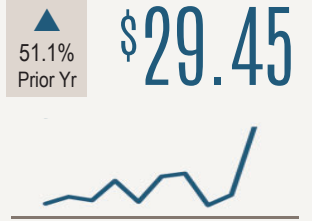
INITIAL JOBS FROM  
ASSISTED COMPANIES  
2018



NUMBER OF  
BUILD OUT JOBS  
2018



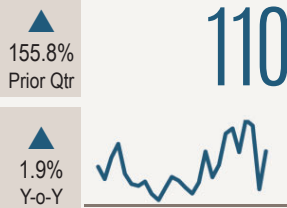
AVERAGE WAGE PAID BY  
ASSISTED COMPANIES  
2018



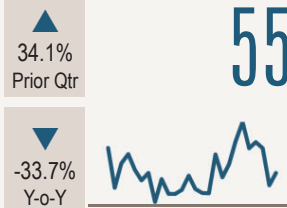
ASSISTED COMPANY  
INVESTMENTS  
2018



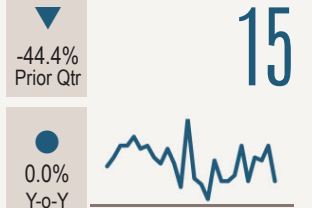
NUMBER OF LEADS  
Q4 2018



NUMBER OF PROSPECTS  
Q4 2018

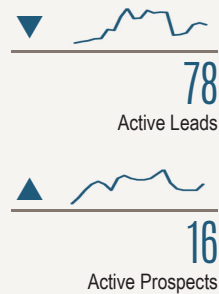


NUMBER OF WINS  
Q4 2018



## DIVISIONS

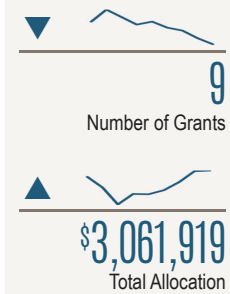
Q4 2018  
GLOBAL  
ENGAGEMENT



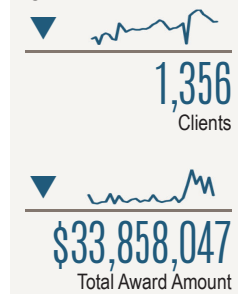
JAN - JUN 2018  
EMERGING  
SMALL BUSINESS  
PROGRAM



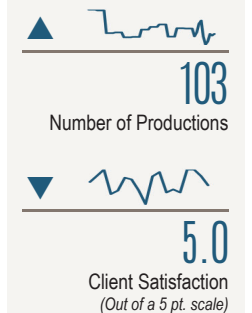
2018  
COMMUNITY  
DEVELOPMENT  
BLOCK GRANTS



Q2 FY19  
PROCUREMENT  
TECHNICAL  
ASSISTANCE  
CENTER



Q2 FY19  
NEVADA  
FILM OFFICE



### JOBS ANNOUNCED BY ASSISTED COMPANIES

In the fourth quarter, 15 companies added 459 jobs to Nevada's economy. This brings the annual total to 3,775 additional jobs brought on-line by 87 companies. Once these companies are fully staffed, the build-out job estimate is 7,777.

For the year, 38 percent of the assisted companies were manufacturers followed by logistics and operations (23 percent), and information technology (17 percent). The remaining 22 percent were evenly split between the aerospace, healthcare, tourism, mining, natural resource, and finance sectors.

### WAGES PAID BY ASSISTED COMPANIES

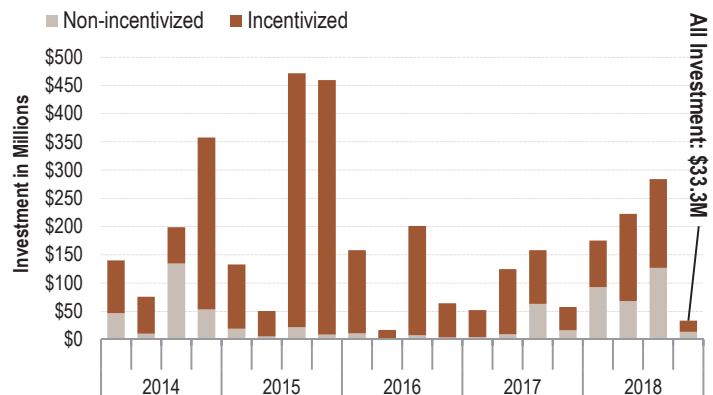
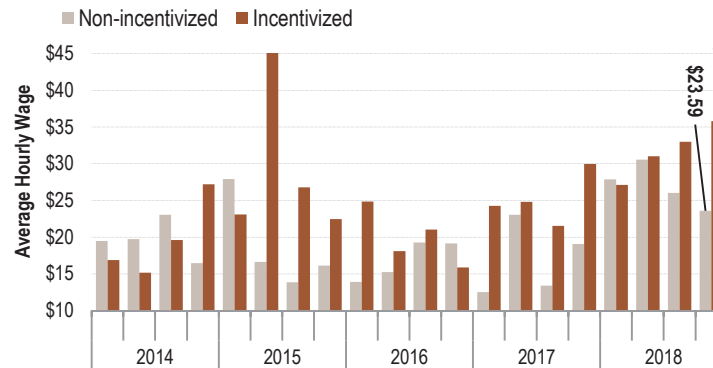
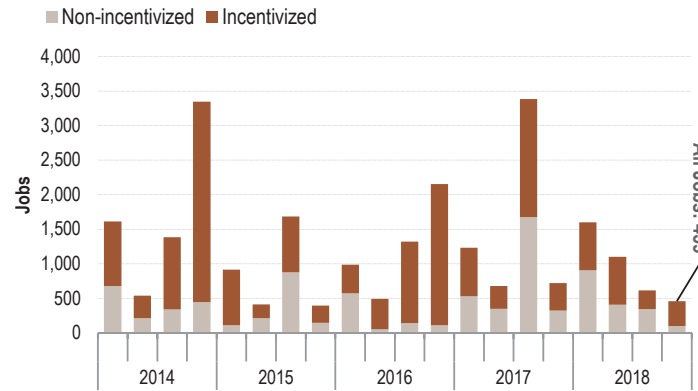
The average hourly wage paid by assisted companies in the fourth quarter was \$33.15. This reflects a \$4.08 hourly increase from the previous quarter, and \$8.08 from a year ago. Worker pay for companies receiving incentives was \$35.79 per hour as compared to non-incentivized company pay of \$23.59 an hour.

The average hourly wage for all assisted companies in 2018 was \$29.44.

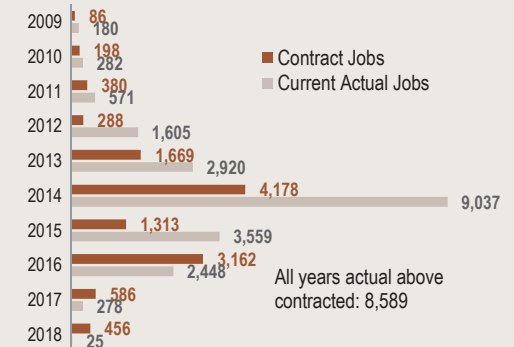
### ASSISTED COMPANY INVESTMENT

Capital investment by assisted companies came in at \$33.3 million in the fourth quarter. This reflects a \$250.5 million, or 88.3 percent decline from the third quarter. For the year, total capital investment was \$714.5 million, an 82.3 percent increase over the \$392.0 million reported last year.

Note: Excludes large scale projects like Boulder Solar Power (\$1B), Apple (\$1B), Tesla (\$5B), or companies that qualified for Aviation or Data Center abatements.

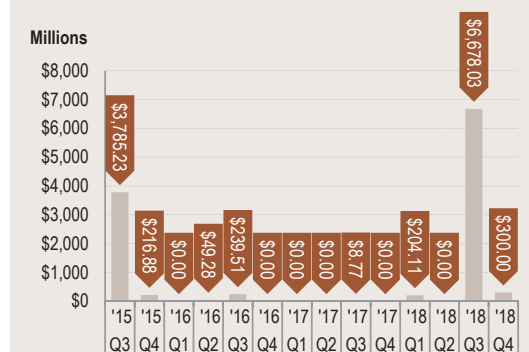


### CONTRACT AND ACTUAL JOBS BY NEW INCENTIVIZED COMPANIES



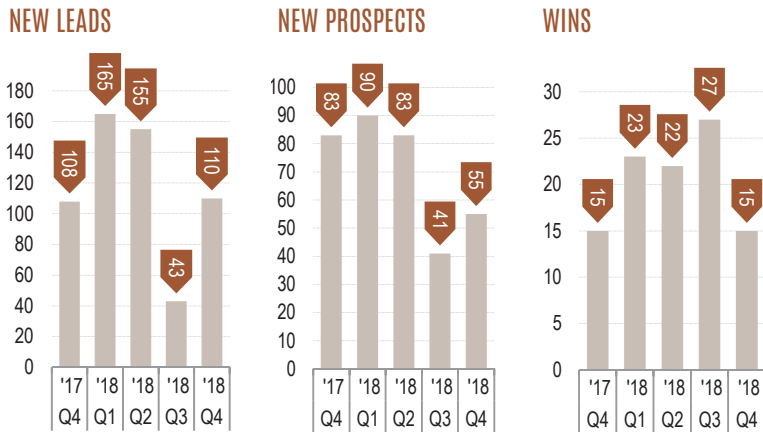
As new incentivized companies add staff, the number of actual jobs has exceeded those that were contracted.

### CAPITAL INVESTMENT BY ASSISTED AVIATION AND DATA CENTER COMPANIES



In 2018 there were two Data Centers and five Aviation companies that received abatements. Total capital investment by these seven companies stands at \$7.2 billion.

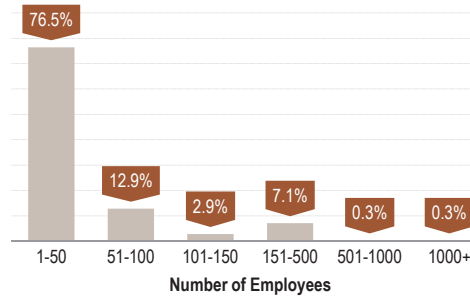
RECRUITMENT ACTIVITY: 2017 Q4 -2018 Q4



There were 15 wins in the fourth quarter of 2018. This represents a 44.4 percent decrease from the third quarter, but the same amount as reported last year.

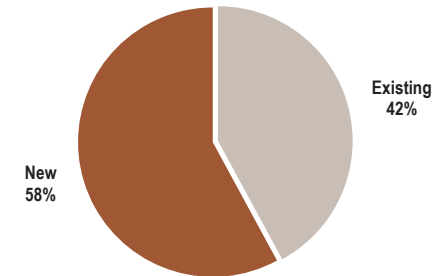
Activity in the earlier stages of the recruitment pipeline during the fourth quarter was mostly positive. When compared to the third quarter, Leads were up by 155.8 percent and Prospects by 34.1 percent. When compared to last year, Leads were up by 1.9 percent, but Prospects were down by 33.7 percent.

SIZE OF COMPANY ASSISTED



Nevada's official definition of a small business are those which employ fewer than 150 employees and 92.2 percent of companies assisted by economic development over the past six years fit that definition. Less than 1 percent employ 500 or more workers.

NEW AND EXISTING INCENTIVIZED COMPANIES



Of the assisted companies receiving incentives since 2012, 58 percent are new companies who have relocated to the state and 42 percent are existing Nevada businesses expanding their operations.

ANNUAL ASSISTED COMPANY STATISTICS

Year	ALL COMPANIES				INCENTIVIZED COMPANIES				NON-INCENTIVIZED COMPANIES						
	COMPANIES	INITIAL JOBS	BUILD-OUT JOBS	AVERAGE WAGE	CAPITAL INVESTMENT	COMPANIES	INITIAL JOBS	BUILD-OUT JOBS	AVERAGE WAGE	CAPITAL INVESTMENT	COMPANIES	INITIAL JOBS	BUILD-OUT JOBS	AVERAGE WAGE	CAPITAL INVESTMENT
2012	76	2,835	3,214	\$21.57	\$2,243,920,118	25	1,477	1,841	\$23.17	\$2,149,669,007	51	1,358	1,373	\$19.83	\$94,251,111
2013	110	4,685	10,118	\$18.48	\$636,703,460	51	3,049	8,208	\$18.66	\$502,983,385	59	1,636	1,910	\$18.13	\$133,720,075
2014	97	6,880	14,700	\$22.19	\$12,071,696,217	32	5,203	12,294	\$23.08	\$11,827,951,641	65	1,677	2,406	\$19.43	\$243,744,576
2015	86	3,406	7,350	\$22.62	\$5,116,142,613	53	2,056	5,629	\$27.15	\$5,061,620,607	33	1,350	1,721	\$15.71	\$54,522,006
2016	60	4,956	8,070	\$17.99	\$728,622,702	33	4,080	6,381	\$18.52	\$706,798,202	27	876	1,689	\$15.52	\$21,824,500
2017	74	6,014	9,681	\$19.48	\$400,746,189	35	3,137	5,866	\$23.56	\$307,922,272	39	2,877	3,815	\$15.03	\$92,823,917
2018	87	3,775	7,777	\$29.44	\$7,896,679,224	48	2,017	5,123	\$30.79	\$7,596,181,322	39	1,758	2,654	\$27.89	\$300,497,902

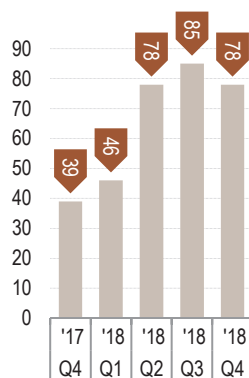
## GLOBAL RECRUITING: Q4 2018

In the fourth quarter, there were an additional 26 leads and eight prospects added to the Global Recruiting Pipeline.

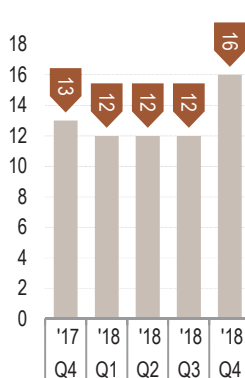
After removing those which have become inactive, the current inventory of all active global leads and prospects now stands at 78 and 16, respectively.

There were three technology company wins in the fourth quarter.

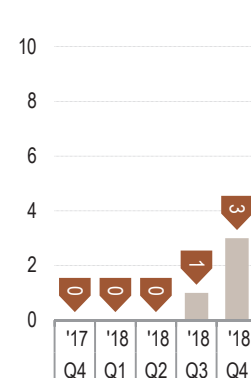
### ACTIVE LEADS



### ACTIVE PROSPECTS



### WINS



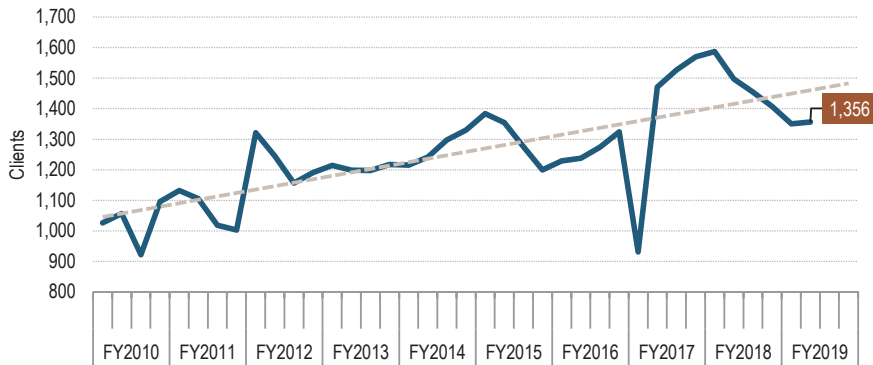
### INTERNATIONAL FUNDED EDUCATION AND GOVERNMENT AGREEMENTS

FOREIGN PARTNER	AMOUNT
Polish Institute of Aviation and The Nevada Institute for Autonomous Systems	\$480,000
Province of Lubelskie Poland and Nevada GOED (Nevada Global)	\$262,000
Warsaw School of Economics and The University of Nevada Reno	\$207,000
Province of Mazowieckie Poland and Nevada GOED (Nevada Global)	\$50,000

## INTERNATIONAL TRADE

- › Last year Nevada Global, a statewide international recruitment platform with multiple Nevada partners, was launched. At that time negotiations with Poland began and resulted in the first acceleration program focusing on high growth, foreign companies looking for soft-landing opportunities in the U.S.
  - › To date, 35 competitively selected international companies from Central Europe, Eastern Europe, and Italy participated in structured bootcamp programs in both Northern and Southern Nevada.
  - › Five Nevada Global companies are now members of Nevada Chambers of Commerce; two have active projects with UNLV and WNC, and three are moving their international headquarters to Nevada.
  - › Another acceleration program between GOED and the Mazovian Voivodship Provincial Office in Poland was prepared in December, 2018. The first innovative European scaleups will be selected in June and will take part in a Nevada immersion program beginning in November of this year.
  - › Through Nevada Global, the International Division has also attracted prospective investors from the Czech Republic including an innovative battery producer.
- › During the period, the International Division successfully promoted joint drone testing between the Nevada Institute of Autonomous Systems (NIAS), NASA, and the Polish Institute of Aviation. The Polish Institute of Aviation has since become a major foreign partner with NIAS.
- › Beginning last June, GOED took an active role in developing a grant application between the UNR College of Business and the Warsaw School of Economics, which was finalized in October. This grant for \$207,000 will support over 30 faculty and startup exchanges, as well as joint economic development symposiums. The first symposium was held in Reno last December.
- › The International Division also administers the State Trade Expansion Program (STEP) Grant in cooperation with the U.S. Small Business Administration. The STEP Grant helps Nevada Eligible Small Businesses with financial assistance to expand into international markets. Sixteen companies were awarded \$98,520 in grant funding over the third and fourth quarter with the most recent being announced in January.

**PROCUREMENT TECHNICAL ASSISTANCE CENTER**



	PRIME CONTRACT AWARDS				SUBCONTRACT AWARDS		
	CLIENTS	NO.	AMOUNT	AVERAGE	NO.	AMOUNT	AVERAGE
FY 2014	1,271	395	\$56,083,310	\$141,983	47	\$6,030,228	\$128,303
FY 2015	1,303	338	\$67,021,273	\$198,288	31	\$7,260,074	\$234,196
FY 2016	1,266	366	\$42,579,799	\$116,338	38	\$9,634,197	\$253,532
FY 2017	1,375	662	\$129,047,457	\$194,936	43	\$4,326,685	\$100,621
FY 2018	1,486	1309	\$328,285,762	\$250,791	57	\$14,701,162	\$257,915
FYTD 2019	1,353	832	\$127,138,532	\$152,811	13	\$4,286,539	\$329,734

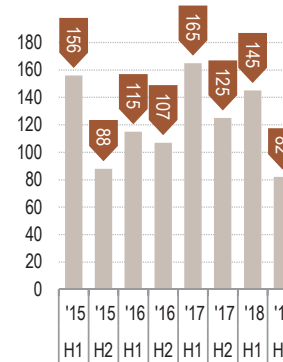
PROCUREMENT TECHNICAL ASSISTANCE CENTER

**OVERVIEW FYTD2019**

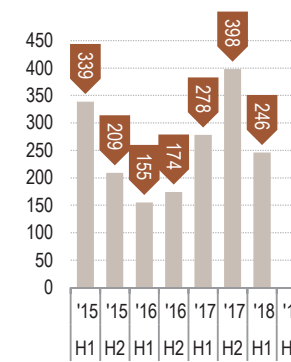
- » The Nevada Procurement Technical Assistance Center (PTAC) reported the highest number of contracts and the second highest contract amount in the first half of this fiscal year than for the same period in all previous years on record. The number of clients slipped slightly, but is still well above historical counts.
- » Consistent growth in PTAC metrics persist as the division continues its one-on-one counseling sessions as clients pursue local, state, and federal government-related contracts in Nevada and across the country. Counseling, in part, includes help with solicitation document review, draft proposal review, and contract administration guidance. The PTAC also provides free outreach events such as small business matchmakers.

**EMERGING SMALL BUSINESS PROGRAM**

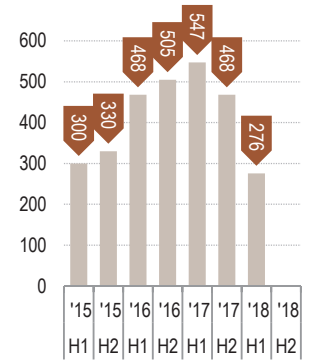
**BUSINESSES CERTIFIED**



**BUSINESSES SOLICITED**



**CONTRACTS AWARDED**



	BUSINESSES	BUSINESSES	CONTRACTS		
	CERTIFIED	SOLICITED	NUMBER	AMOUNT	AVERAGE
January - June 2015	156	339	300	\$2,059,812	\$6,866
July - December 2015	88	209	330	\$2,897,894	\$8,781
January - June 2016	115	155	468	\$3,671,437	\$7,845
July - December 2016	107	174	505	\$5,721,589	\$11,330
January - June 2017	165	278	547	\$4,497,936	\$8,223
July - December 2017	125	398	468	\$5,635,403	\$12,041
January - June 2018	145	246	276	\$3,950,738	\$14,314
July - December 2018	82	NA	NA	NA	NA

EMERGING SMALL BUSINESS PROGRAM

**OVERVIEW**

- » The current number of Emerging Small Businesses (ESB's) that have been certified has expanded by 19.9 percent since the end of last year to a total of 1,366.
- » Local government agencies have until the end of March to report solicitation and contract metrics. Soon after those are received, the complete annual ESB activity report of both state and local agencies will be sent to the Governor's Office, the Legislative Council Bureau, and posted to the GOED website.

**NEVADA FILM OFFICE**

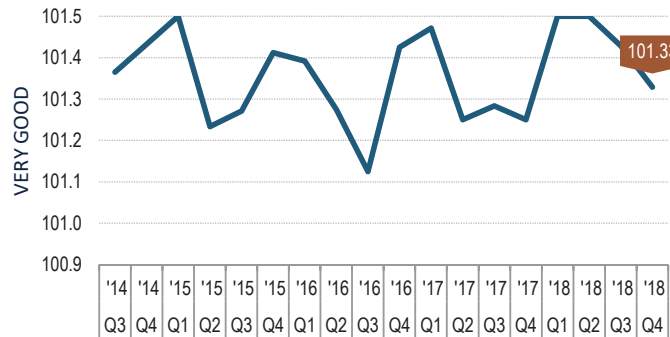
NEVADA FILM OFFICE  
**ANNUAL PRODUCTION REVENUE\***

FISCAL YEAR	NUMBER OF PRODUCTIONS	REVENUE*
2005	789	\$120,208,978
2006	776	\$102,945,418
2007	425	\$113,748,400
2008	436	\$82,727,400
2009	361	\$91,900,600
2010	367	\$81,130,250
2011	479	\$102,525,600
2012	520	\$88,783,700
2013	559	\$67,571,708
2014	370	\$58,716,755
2015	500	\$65,159,732
2016	495	\$73,160,712
2017	501	\$40,134,588
2018	333	\$50,066,857
2019YTD	200	\$9,131,284

\*Revenue to Nevada, i.e. local production expenditures.

**CLIENT SATISFACTION INDEX\***

100=AVERAGE



VERY GOOD = 101.5-100.9 | GOOD = 100.9-100.3 | AVERAGE = 100.3-99.7 | POOR = 99.7-99.1 | VERY POOR = 99.1-98.5

Customer responses to the Nevada Film Office Client Satisfaction Survey slipped slightly over the past two quarters, but is still well within the “very good” range of 101.5 and 100.9.

\*The Index is an aggregate measure on how customers rated their experience on availability, responsiveness, knowledge, willingness to help, and overall level of service. Since inception in 2014, client responses to the Nevada Film Office’s Satisfaction Survey have consistently been very good.

**SIGNIFICANT PROJECTS\* FY2019 YTD**

PROJECT	PROJECT TYPE
Evel Live	TV Special
Flip or Flop Vegas Season 3	TV Series
iHeart Radio Music Festival	Other
The Grand Tour RV	TV Series
The Zen Speaker: Breaking the Silence	Documentary
Sarkar	Feature Film
Ladies Night	TV Series
The Oath: Outbreak	Web Series

\*More than \$300,000 in local production expenditures.

**COMMUNITY DEVELOPMENT BLOCK GRANTS**

**2018 GRANTS**

- » Fourteen grants totaling \$3,524,603
- » Rural Nevada: Nine grants with a total allocation of \$3,061,919
- » Carson City (Urban): Five grants with a total allocation of \$462,684

**RURAL COMMUNITY DEVELOPMENT BLOCK GRANTS**

YEAR	NUMBER OF GRANTS	ALLOCATION	AVERAGE GRANT AWARD	PERCENT ECONOMIC DEVELOPMENT
2011	32	\$2,612,161	\$81,630	17%
2012	27	\$2,170,726	\$80,397	13%
2013	22	\$2,445,704	\$111,168	9%
2014	24	\$2,439,168	\$101,632	22%
2015	20	\$2,544,500	\$127,225	84%
2016	18	\$2,759,320	\$153,296	61%
2017	13	\$3,044,377	\$234,183	69%
2018	9	\$3,061,919	\$340,213	70%

**RURAL GRANT PROGRESS**

- » During the fourth quarter, \$755,971 was paid to three rural counties and four rural cities.
- » CDBG staff closed four grants in three rural communities representing \$448,160 in CDBG funds. These projects contributed an additional \$269,013 in leveraged funds.
- » Closed grants in the quarter assisted 6,865 Nevadans; 6,467 (94.2 percent) were considered Low to Moderate Income.
- » There are currently 32 open grants: 3 from 2016, 15 from 2017, and 14 from the 2018 program funds. Federal budgets were not approved until May of 2018, delaying the allocation process.

**URBAN COMMUNITY DEVELOPMENT BLOCK GRANTS**

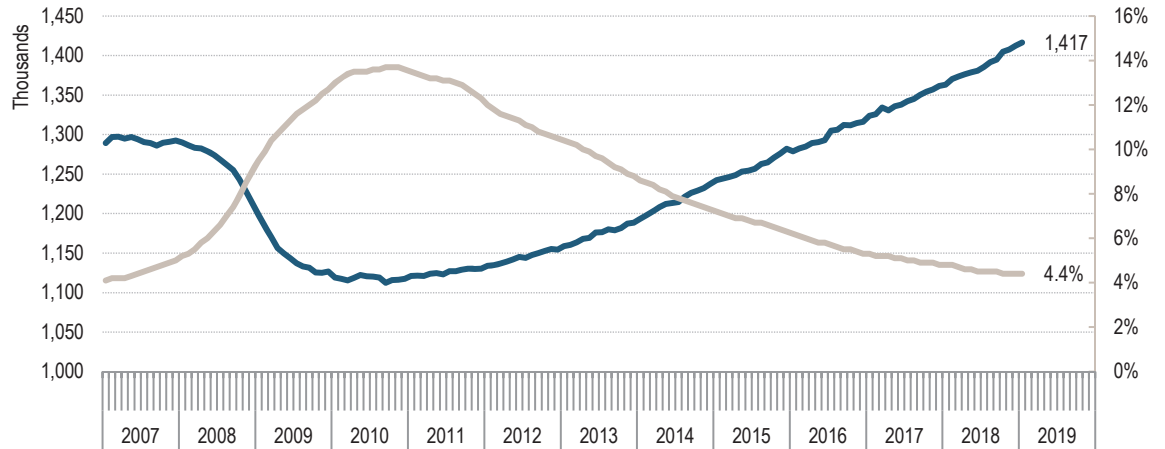
- » Carson City reverted to the state’s CDBG program in 2017 receiving \$459,890 in HUD allocation to fund six projects. Carson City’s focus is urban with different priorities than GOED’s existing rural programs.
- » Future urban project recommendations for funding will be reviewed to award grants with greater economic development impact.

### NEVADA JOBS AND UNEMPLOYMENT

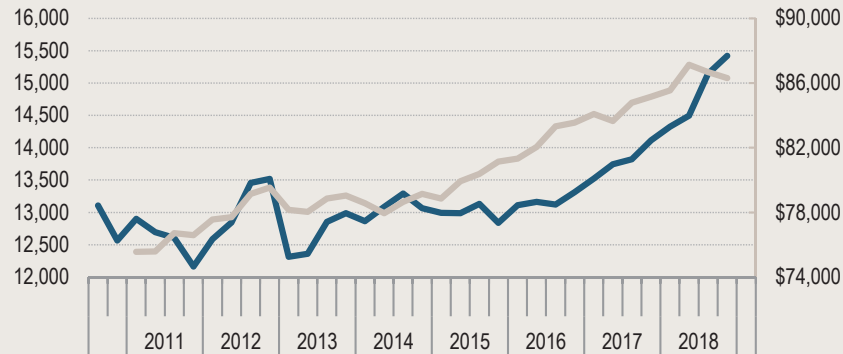
The number of workers in Nevada's economy continues to set record levels and currently stands at 1,416,500. This reflects a gain of 304,100 jobs since the recessionary low and 119,200 above the pre-recession high. Annual job growth is currently 3.9 percent and more than double the current U.S. growth rate of 1.9 percent.

The unemployment rate currently stands at 4.4 percent; a 0.4 percentage point improvement from this time last year and 9.3 points below the recessionary high of 13.7 percent. The prerecession unemployment low was 3.9 percent.

— Jobs (in thousands) — Unemployment Rate

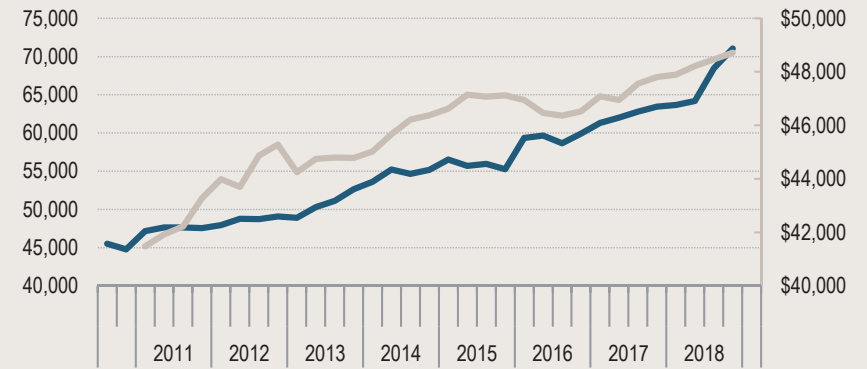


### AEROSPACE AND DEFENSE



With the addition of 280 jobs, there are currently 15,400 workers employed in Nevada's Aerospace and Defense sector. Average annual earnings were essentially flat, slipping by \$380 to \$86,300 per year. When compared to last year, there has been a 9.2 percent increase in jobs and a 1.3 percent increase in earnings.

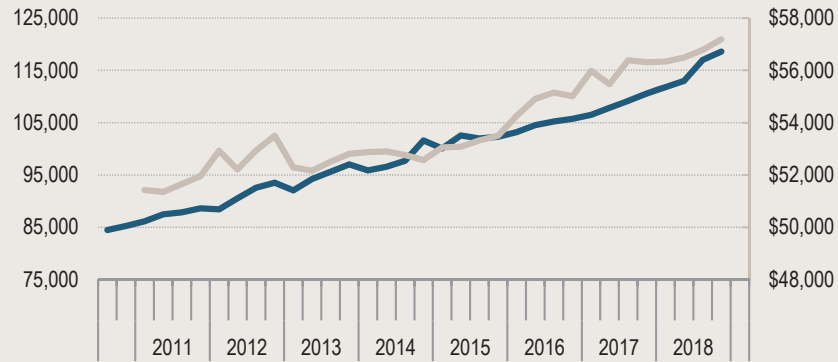
### BUSINESS INFORMATION TECHNOLOGY



The number of jobs in Nevada's Business Information Technology sector expanded by 2,580 in the current quarter to a total of 71,100 workers in the sector. Average annual earnings were essentially unchanged with only a slight improvement of \$250 per year and now stand at \$48,700. For the year, job counts have improved by 12.0 percent and earnings by 1.9 percent.

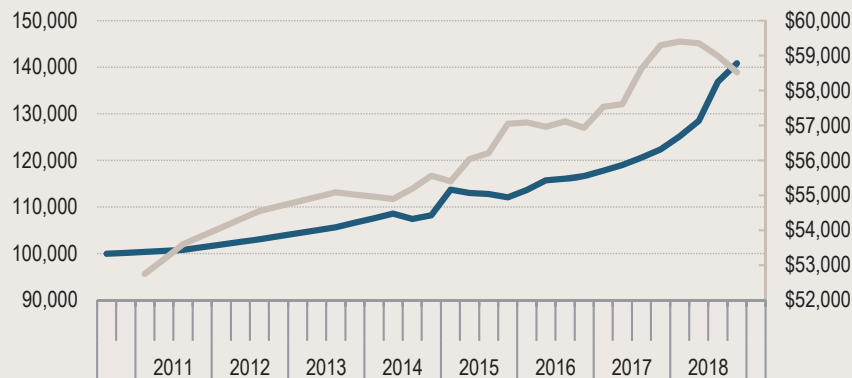
— Jobs — Average Earnings per Job

### HEALTH AND MEDICAL



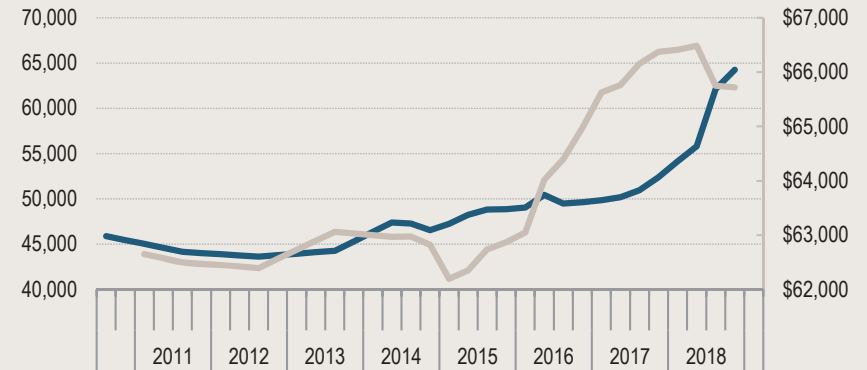
When compared to last quarter, an additional 1,590 jobs were added to Nevada's Health and Medical sector for a total of 118,600 workers employed. The sector also realized a \$400 per year bump in annual earnings which now stands at \$57,200. When compared to last year, job counts in Nevada's healthcare sector have expanded by 7.2 percent and earnings by 1.6 percent.

### MANUFACTURING AND LOGISTICS



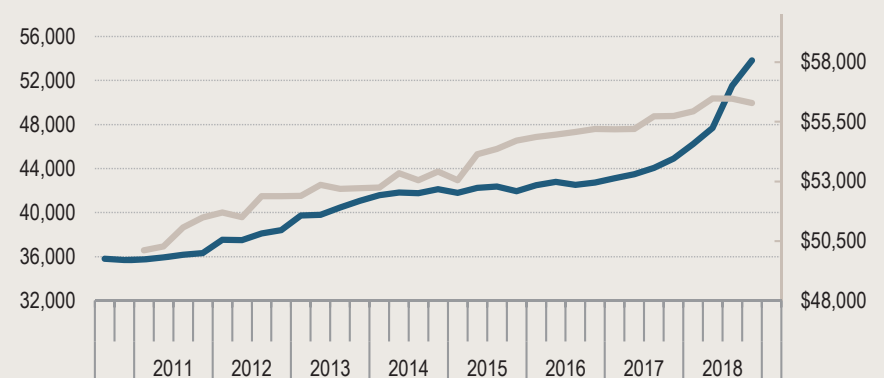
There was a drop of \$460 in average annual earnings in Nevada's Manufacturing and Logistics sector which now stands at \$58,500. This decline was driven largely by the addition of a large number of entry level positions. In total, job counts improved by 3,970 workers bringing total employment in the sector to 140,800. For the year, jobs have grown by 15.1 percent with an earnings decline of 1.0 percent.

### NATURAL RESOURCE TECHNOLOGIES



There are currently 64,300 workers in Nevada's Natural Resource Technologies sector with the addition of 2,100 jobs in the current quarter. Average annual earnings have been unchanged and currently stand at \$65,700. When compared to last year, job counts have improved by 22.6 percent while earnings have slipped by 1.0 percent.

### MANUFACTURING



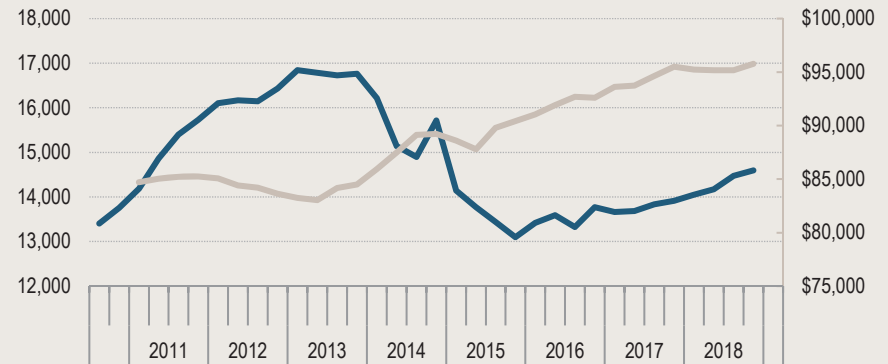
Growth has been strong in Nevada's Manufacturing sector with the addition of 2,300 workers in the fourth quarter. Currently there are 53,800 workers employed in the sector making, on average, \$56,300 per year. Since last year, job counts have grown by 19.9 percent and average annual earnings by 1.0 percent.

— Jobs — Average Earnings per Job



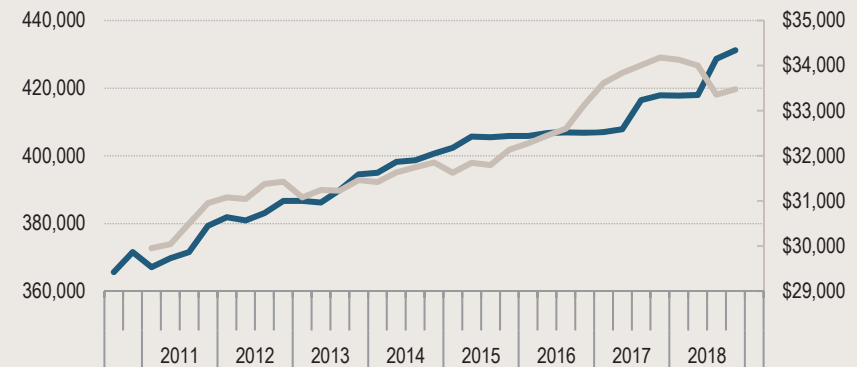
## MINING

Job counts in Nevada's Mining sector bumped up slightly in the fourth quarter with the addition of 120 workers for a total of 14,600 employed in the industry. Average annual earnings also improved by \$600 and now stands at \$95,800. When compared to last year, job counts have improved by 4.9 percent and earnings by 0.3 percent.



## TOURISM, GAMING, AND ENTERTAINMENT

Job counts in Nevada's Tourism, Gaming, and Entertainment sector grew by 2,600 positions in the current quarter bringing total employment in Nevada's largest sector to 431,200. Annual earnings were essentially flat with a slight increase of \$118 to a total of \$33,476. For the year, jobs have grown by 3.2 percent with an earnings decline of 2.1 percent.



— Jobs — Average Earnings per Job