



TRPA Operations & Governance Committee

December 13, 2023

Call to Order and Determination of Quorum



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 1

Approval of Agenda



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 2

Approval of Minutes



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 3

Election of Chair and Vice Chair

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 3

Election of Chair & Vice Chair

Committee

Comments/Questions

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 3

Election of Chair & Vice Chair

Public Comment



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 3

Election of Chair & Vice Chair

Public Comment



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 3

Motion to elect _____ to serve as Chair
and _____ to serve as Vice Chair of the
Operations & Governance Committee



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 4

*Recommend Approval of
November Financials*

TRPA Operations & Governance Committee

December 13, 2023

Highlights

- Revenue at 44% of budget
 - State Funds in
 - Base planning fees at 38% of budget
- Expenditures tracking
 - Comp at 35%, # payrolls 38%
 - Contracts always lag, at 16%
 - Debt Service payment in December



12/13/2023

TRPA Operations & Governance Committee

December 13, 2023

Actuals vs. Budget

Fiscal YTD November 2023

Revenue	Budget	YTD	Remaining	%
State Revenue	8,479,456	8,094,659	384,797	95%
Grants	14,069,747	1,406,013	12,663,734	10%
Fees for Service	4,069,663	2,055,861	2,013,803	51%
Local Revenue	150,000	150,000		100%
Rent Revenue	329,623	149,043	180,580	45%
TRPA Rent Revenue	688,980	287,075	401,905	42%
Other Revenue	100,000	121,282	21,282	121%
Revenue Total	27,887,469	12,263,932	15,623,537	44%

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TRPA Operations & Governance Committee

December 13, 2023

Actuals vs. Budget

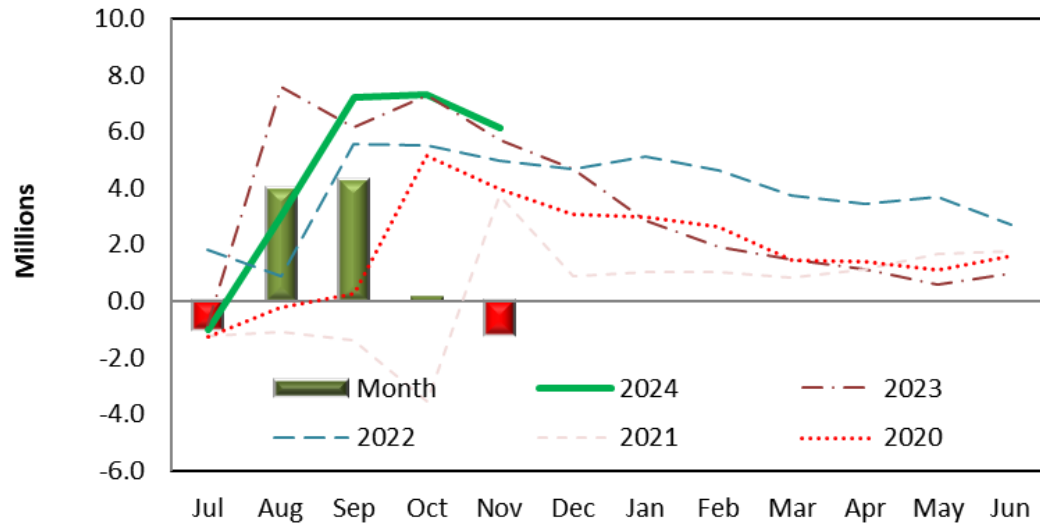
Fiscal YTD November 2023

<i>Expenses</i>	Budget	YTD	Remaining	%
Compensation	8,901,175	3,122,627	5,778,547	35%
Contracts	16,618,623	2,739,910	13,878,713	16%
Financing	620,260	34,357	585,903	6%
Rent	788,525	311,534	476,990	40%
Other	1,293,388	482,027	811,361	37%
A&O/Transfers	13,838	171	13,666	1%
Expenses Total	28,208,133	6,690,285	21,517,848	24%
TRPA Net	(320,664)	5,573,647	(5,894,311)	

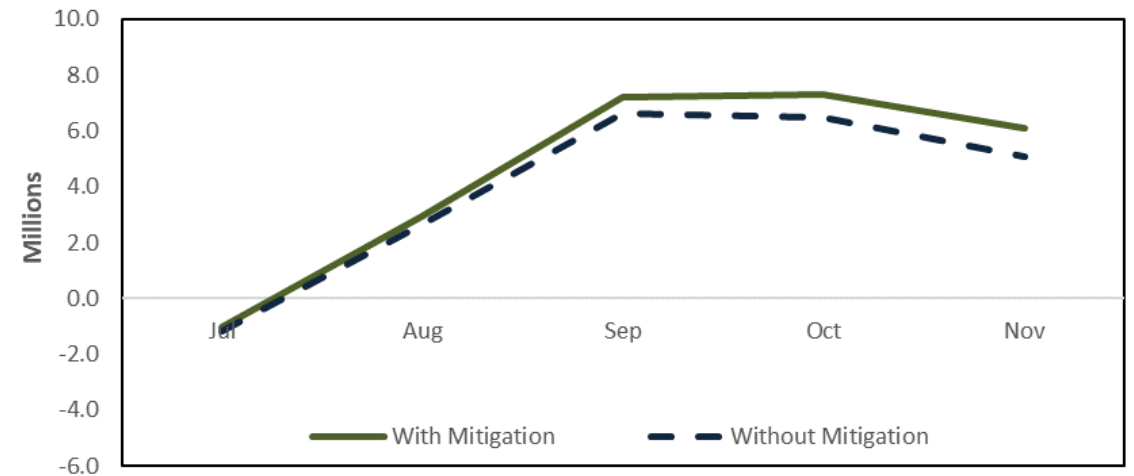
TRPA Operations & Governance Committee

December 13, 2023

Monthly/Cumulative Cash Flow



Cash Flow with and w/out Mitigation Funds



Received \$1.1M in mitigation funds YTD, with \$0.1M of disbursements

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TRPA Operations & Governance Committee

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Agenda Item No. 4

Monthly Financials

Committee

Comments/Questions

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 4

Monthly Financials

Public Comment



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 4

November Financials

Motion to recommend to the
Governing Board to approve the
November Financials

December 13, 2023

Agenda Item No. 5

Recommend Approval of Fiscal Year 2023 Audited Financial Statements

TRPA Operations & Governance Committee

December 13, 2023

Davis Farr LLP has been TRPA's auditor since 2015 when they split off from Meyer Hoffman & McCann, our previous auditor.

- Specialize in Government audits
- Won competitive RFPs in 2015 and 2020
- Overall relationship dates back to 2010
- TTD's auditor

Key staff:

- Partner: Marc Davis
- Manager: Jeff Ball



TAHOE
REGIONAL
PLANNING
AGENCY

Presentation of Results of Audit



December 13, 2023

Discussion Topics

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- ❑ Scope of Audit
- ❑ Management Responsibilities
- ❑ Auditor Responsibilities
- ❑ Results of Audit

Scope of Engagement

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- ❑ Annual financial audit of TRPA
- ❑ Single Audit
- ❑ El Dorado County LTF
- ❑ El Dorado County STA
- ❑ Placer County LTF
- ❑ Tahoe Science Advisory Council (TSAC)
- ❑ Proposition 1B

Management Responsibilities

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- ❑ Preparation and fair presentation of financial statements, including notes
- ❑ Prepared in accordance with generally accepted accounting principles
- ❑ Design, implement and maintain a system of internal control
- ❑ Financial statements free from material misstatement, whether due to fraud or error

Auditor Responsibilities

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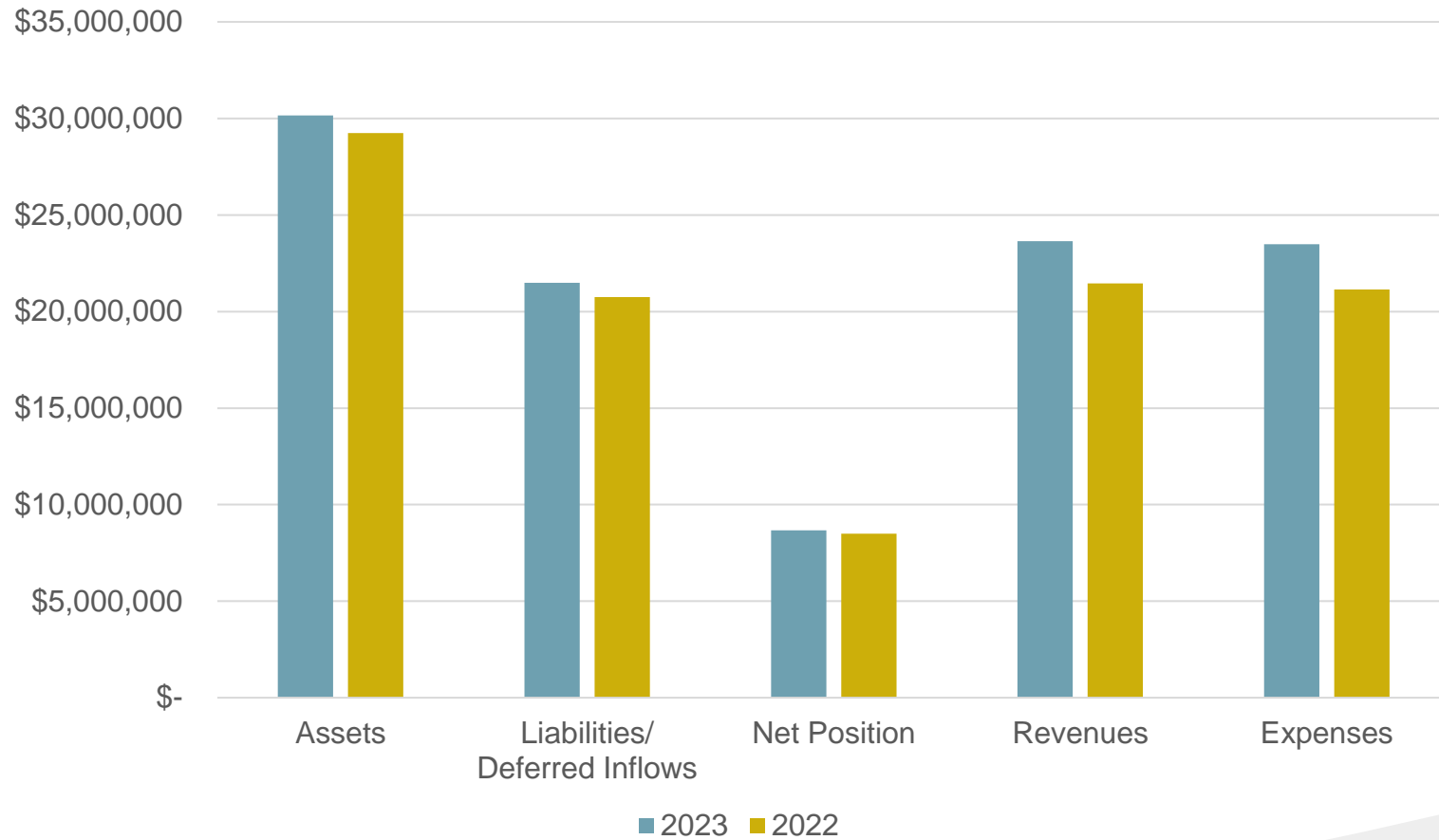
- ❑ Express opinion on financial statements
- ❑ Conduct audit in accordance with generally accepted auditing standards and *Government Auditing Standards*
 - ❑ Plan and perform audit to obtain reasonable, not absolute assurance, that financial statements are free from material misstatement
- ❑ Procedures performed based on auditor's judgment

Results of Audit

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- ❑ Initial communication in November 2023
- ❑ Timing
 - ❑ Interim – June 2023
 - ❑ Final – October 2023 through December 2023
- ❑ Draft reports – November 2023
- ❑ Final reports – December 2023
- ❑ Unmodified opinion issued

Results of Audit



Results of Audit

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- ❑ TDA Audits
 - ❑ El Dorado County LTF and STA
 - ❑ Need to submit financial statements timely

Results of Audit

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- ❑ Single Audit
 - ❑ \$6.6 million in federal expenditures
 - ❑ Two Major Programs
 - ❑ Fish and Wildlife Coordination Assistance (\$2.1 million)
 - ❑ Highway Planning and Construction (\$1.2 million)
 - ❑ No findings

Results of Audit

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- ❑ TSAC, Prop 1B
 - ❑ No adjustments or findings

Results of Audit

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- ❑ Implementation of GASB 96, *Fiduciary Activities*
 - ❑ Subscription-Based Information Technology Arrangements
 - ❑ Management identified 14 IT arrangements, none of which met criteria
 - ❑ Less than 12 months
 - ❑ Can cancel anytime
 - ❑ As-needed services

Results of Audit

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- ❑ Estimates in preparing statements
 - ❑ Useful lives of assets
 - ❑ Accruals for goods/services received for which invoices have not been received
 - ❑ Employee usage of accumulated vacation and/or compensatory leave
 - ❑ All found to be reasonable and have a sound basis

Results of Audit

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- ❑ No disagreements with management
- ❑ Management provided representations to us at the end of the audit
- ❑ No consultations with other accountants
- ❑ We remain available as a resource throughout the year



Questions



December 13, 2023

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 5

FY 2023 Audited Financial Statements

Committee

Comments/Questions

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 5

FY 2023 Audited Financial Statements

Public Comment



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 5

FY 2023 Audited Financial Statements

Public Comment



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 5

FY 2023 Financial Statements

Motion to recommend
acceptance of the Fiscal Year 2023
Audit.



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 6

Procurement Policy Update

TRPA Operations & Governance Committee

December 13, 2023

Revisited based on your comments in October

Proposed Changes:

- Structural change to split this into a board approved policy and staff implementation manual.
- Update the approval levels for micro-purchases, small procurements, full RFPs
- Specifies where contracts can be handled through negotiation, instead of an RFP
- Retains most current rules and procedures

TRPA Operations & Governance Committee

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Procurement Levels

CA & NV	Current TRPA	Proposed TRPA	2 CFR Part 200
\$5,000	\$5,000	\$10,000	\$35,000
\$25,000	\$25,000	\$50,000	\$800,000
> \$25,000	> \$25,000	>\$50,000	>\$800,000

Type of Procurement

Micro Purchase. No quotes required

Small Purchase, multiple quotes required

Formal procurement (RFP)

- State's have not updated their rules to reflect current OMB guidelines
- We will propose increased levels in each category, but not as high as USG

TRPA Operations & Governance Committee

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New or Revised Authorization for Negotiated Procurements:

- When the Agency has made a joint proposal for funding with partner entities and the distribution of work between the partners was set out in the proposal.
- When the contemplated procurement is funded by a third party, or parties, and the Agency and funding party, or parties, agree in writing to waive the normal bidding requirements when such a waiver is reasonable and prudent.
- When the Agency has established an ongoing strategic partnership with another Governmental Entity to handle specific areas of work that the Agency itself does not perform. The Governing Board will review and approve all such arrangements at least once every five years.
- When supplies or service can only be obtained from one person, firm, or Agency. This includes technical services in connection with the assembly, installation, or servicing of equipment or software of a highly technical or specialized nature. This explicitly includes websites and online services.

TRPA Operations & Governance Committee

December 13, 2023

When the Agency has made a joint proposal for funding with partner entities and the distribution of work between the partners was set out in the proposal.

This covers the situation where we are teaming with other entities and submitted a joint proposal to the funder.

We would not conduct an RFP for subcontractors who were part of the original proposal. Selection of partners was handled when we submitted our proposal.

TRPA Operations & Governance Committee

December 13, 2023

When the contemplated procurement is funded by a third party, or parties, and the Agency and funding party, or parties, agree in writing to waive the normal bidding requirements when such a waiver is reasonable and prudent.

This comes up periodically when funding is intended for a specific purpose.

One immediate example is the USFS money (\$5M per year)

TRPA Operations & Governance Committee

December 13, 2023

- USFS/TRPA Lake Tahoe Restoration Act (LTRA) Agreements
 - 2022, USFS and TRPA entered into an agreement to pass LTRA funding from USFS to TRPA.
 - This agreement provided efficiencies for several reasons:
 - USFS budgetary restraints require funding to be expended within the fiscal year (use it or lose it).
 - TRPA capacity in terms of contracting and project management.
 - USFS and TRPA collaboratively determined which non-federal projects should be funded for watersheds/water quality and Forest Health using the LTRA EIP priority project lists.
 - These sub-recipients did not follow our standard procurement policies

TRPA Operations & Governance Committee

December 13, 2023

When the Agency has established an ongoing strategic partnership with another Governmental Entity to handle specific areas of work that the Agency itself does not perform. The Governing Board will review and approve all such arrangements at least once every five years.

Based on your feedback:

- Governing Board (Ops Committee) will approve these relationships
- We will review these strategic relationships with the committee every five years.
- These relationships will be managed and reviewed by staff continuously.
- May choose to go to RFP at any time.

TRPA Operations & Governance Committee

December 13, 2023

- Tahoe RCD Prevention Program and Contracting
 - Tahoe RCD has been our trusted strategic partner since program inception (2008)
 - Offers efficiencies in staff capacity that do not exist at TRPA
 - TRPA does not have the capacity to foster a new partner that will maintain the same protection
 - Tahoe RCD is a government entity whose mission is to protect the Lake Tahoe Basin, formed in 1974 under the California Public Resources Code
 - Proven technical and institutional expertise
 - Considered a resource to all AIS programs throughout the West
 - Helped develop protocols and equipment that are the model for prevention
 - Other States have tried private enterprise that were more expensive than public employees and struggled to ensure dedication to the goals and purpose of AIS programs
 - TRPA staff review the program budget on an annual basis and direct cost saving practices and opportunities to retain qualified staff
 - An RFP can be utilized in the future if necessary

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TRPA Operations & Governance Committee

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- Spooner Mobility Hub and Permanent AIS Inspection Station (w/TTD)
 - TRPA and TTD have a shared goal in providing services to the public at the project site, and a shared need for consultant services
 - TTD has project management expertise of consultants in design and development of facilities
 - Significantly more efficient to partner, rather than pursue separate consultants
 - TRPA and TTD are working together on selection of contractor services
 - TRPA staff are ensuring needs, timelines, and budgets are met

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 6

TRPA Procurement Policy

Committee

Comments/Questions

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 6

Procurement Policy Update

Public Comment



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 6

Procurement Policy Update

Public Comment



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item 5

Procurement Policy Update

Motion to recommend adoption
of the TRPA Procurement Policy



TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 7 Upcoming Topics

TRPA Operations & Governance Committee

December 13, 2023

January Ops

- Briefing by Principal Group Investment Advisor
- Finalize Procurement Policy



TRPA Operations & Governance Committee

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Agenda Item No. 8

Committee Member Comments

TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 9

Public Interest Comments



TRPA Operations & Governance Committee

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Agenda Item No. 9

Public Interest Comments





TRPA Operations & Governance Committee

December 13, 2023

Agenda Item No. 10

Adjournment