

TAHOE REGIONAL PLANNING AGENCY

Financial Statements

Year Ended June 30, 2022

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TAHOE REGIONAL PLANNING AGENCY

Financial Statements

Year Ended June 30, 2022

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Independent Auditor's Report

Board of Directors
Tahoe Regional Planning Agency
Stateline, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tahoe Regional Planning Agency (TRPA) as of and for the year June 30, 2022, and the related notes to the financial statements, which collectively comprise TRPA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of TRPA, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

During the year ended June 30, 2022, TRPA implemented Governmental Accounting Standards Board (GASB) Statement No. 87: Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TRPA's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and the *budgetary comparison schedules for the General Fund and each major special revenue fund* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an

appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited TRPA's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 14, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise TRPA's basic financial statements. The *combining and individual nonmajor fund financial statements* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the *combining and individual nonmajor fund financial statements* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022 on our consideration of TRPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering TRPA's internal control over financial reporting and compliance.



Irvine, California
December 30, 2022

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The Tahoe Regional Planning Agency (TRPA) was created in 1969 by a compact between the states of Nevada and California and ratified by the United States Congress, to protect and restore the environment of the Lake Tahoe watershed and enhance the communities that reside within it. The first bi-state planning agency of its kind, TRPA is charged with regional planning, development and redevelopment oversight, regulatory enforcement, and implementation of environmental protection and restoration programs for the Lake Tahoe Region.

TRPA operates in the context of the Tahoe Region which has global reach and impact. Considered a precious natural resource to the states of California and Nevada, and the driver of the area's \$5 billion economy, Lake Tahoe has faced extraordinary challenges in recent years. Upheavals in the local economy, wildfire and other climate change impacts from record visitation, and skyrocketing housing costs continue to affect the region's present and its future. Amid these cascading challenges, there is a renaissance underway in pockets around the lake. This positive trend helps strengthen the agency's resolve to protect and restore Lake Tahoe—a comprehensive undertaking which is labor-intensive and costly.

The Lake Tahoe Region, and TRPA's jurisdiction, is a 500 square mile watershed. Approximately 90 percent of the land area is held by the USDA Forest Service and various other state and local entities. Portions of five counties and an incorporated city share Lake Tahoe's shoreline and environs, creating a patchwork of jurisdiction and unique community values that TRPA was created to meld into a cohesive regional planning framework. Over 50,000 people live in the region, and the most recent estimates of visitation top 15 million annually. That is nearly three times the number of visitors as Yosemite National Park, but within just one-quarter of the land area. The lake has been designated an Outstanding National Resource Water under the Federal Clean Water Act—making it not only the crown jewel of the Sierra Nevada Mountain range, but also a national treasure.

The adoption of environmental standards called "thresholds," first set for the Region in 1982, were established by TRPA to answer its mandate. The compact directs the agency to establish a Regional Plan with management measures that meet and maintain the thresholds and authorizes it to collaboratively work through a variety of means including land use regulations, growth management, capital improvement programs, and resource management plans. TRPA coordinates the 80+ organizations who collectively and collaboratively implement the management measures, programs, and plans to achieve the compact's requirements.

Using the Annual Report

The discussion and analysis of the financial performance of TRPA provides a review of the organization's overall financial activities for the fiscal year ended June 30, 2022. This annual report consists of a series of basic financial statements and notes to those statements. These statements are organized to assist the reader in understanding the agency as a financial whole and an entire operating entity. The statements also provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities comprise the agency-wide financial statements and provide information about the activities of the whole agency, presenting both an aggregate and long-term view of the organization's finances. Fund financial statements provide the next level of detail. These statements show how services were financed in the short-term as well as what remains for future spending for governmental funds. The fund financial statements also look at the

TAHOE REGIONAL PLANNING AGENCY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2022

agency's most significant funds—the General Fund, the Transportation Fund, and the Aquatic Invasive Species (AIS) Fund, with all other non-major funds presented in total in one column.

The Notes to the basic financial statements provide more detail.

TRPA Highlights

During Fiscal Year 2022 (FY 2022), the Lake Tahoe Region bore calamity and unprecedented challenges. In August 2021, the watershed faced an existential threat when the 221,000-acre Caldor Fire swept into the basin, causing the evacuation of 30,000 residents for more than a month and threatening to destroy entire communities. Thanks to a change in the weather, the heroic efforts of firefighters, and years of forest fuel reduction and defensible space work, Lake Tahoe was spared. Not a single home was lost in the Tahoe Basin even though nearly 10,000 acres of forest in the Southern portion of the basin burned. Throughout weeks of heavy smoke, evacuation, and emergency recovery, the agency continued to operate and provide support to partner agencies and the public.

The agency continued to operate in a predominantly virtual work environment that provides a high-level of customer service and makes strides on major strategic initiatives set by the Governing Board. Notable progress and improvements were made in the areas of transportation, forest fuel reduction and wildfire protection, water quality and aquatic invasive species management, science and monitoring, and encouraging more workforce housing.

Helping property owners and local government partners keep projects moving has been a priority for TRPA. The agency remained open to customers through appointments, email, and telephone and video conferencing. The volume of project applications received in FY 2022 continued to break records. TRPA planners kept pace, receiving 1,132 applications. Forestry staff also processed 1,341 permits to improve defensible space and complement forest fuel reduction work by public agencies.

TRPA planners helped local government partners to streamline permitting and encourage environmental redevelopment through local area plans. The Governing Board approved the Washoe County Area Plan in May to integrate local and regional plans, building codes, and zoning, and to create incentives for environmental redevelopment projects. The Washoe County Area Plan will encourage reinvestment and environmental improvements in the town center of Incline Village and streamline permitting for property owners in that portion of the basin.

Forest Health and Wildfire

TRPA helped form the Tahoe Fire and Fuels Team (TFFT) in 2008 to increase the pace and scale of forest fuel reduction and wildfire protection work. TRPA has helped TFFT partners complete more than 70,000 acres of fuel reduction treatments in and around Tahoe neighborhoods since the devastating Angora Fire of 2007.

In August 2021, the 221,000-acre Caldor Fire put wildfire preparedness at Tahoe to the test. The fire underscored the importance of investing in water infrastructure and continuing fuel treatments throughout Tahoe's overstocked forests. It also sparked intensive restoration and data collection initiatives to prepare Tahoe for future extreme fire events. In February 2022, TRPA approved a pivotal code change to allow mechanized forest-thinning equipment on steeper slopes. This change allows

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

partners to utilize modern technology that can thin forests within challenging terrain while protecting the watershed from erosion.

Water Quality and Aquatic Invasive Species

The fight to protect Lake Tahoe from aquatic invasive species (AIS) grew stronger this fiscal year with improvements to the watercraft inspection program and progress on projects to control existing aquatic weed infestations. TRPA and our watercraft inspection partners marked another successful season with zero new invasions of AIS. AIS inspectors intercepted 132 boats with invasive species, 28 of which had invasive mussels on board, marking the most invasive species ever intercepted in one season.

In FY 2022, TRPA directed Lake Tahoe Restoration Act (LTRA) funding to the AIS Control Program's highest priority projects. In January 2022, the TRPA Governing Board approved the Tahoe Keys Control Methods Test, following years of collaborative project development and completion of a comprehensive Environmental Impact Statement. Implementation began in May and is the major milestone in determining a long-term strategy to control the biggest weed infestation in the lake.

TRPA and the USDA Forest Service, with funding support from LTRA, the Tahoe Fund, and the U.S. Army Corps of Engineers, also broke ground on the Taylor Tallac Ecosystem Restoration Project. This 17-acre invasive weed removal project is within the Tahoe Basin's largest functioning wetland and its restoration is critical in building resiliency in the wake of climate change. In total, partners completed 24 acres of weed treatments lake-wide.

The basin continues to make advances in reducing stormwater pollution to Lake Tahoe to improve lake clarity. In FY 2022, Tahoe Basin partners achieved the 10-Year Total Maximum Daily Load (TMDL) milestone. Together, partners have accomplished a 23% reduction in fine sediment particles from 2004 baseline levels, surpassing the 2021 reduction goal of 21%.

Outreach

Throughout the Caldor Fire and its aftermath, the External Affairs Team provided communications support to the emergency operations center and provided timely and consistent information to staff, the Governing Board, and members of the public. In FY 2022, the team published two regular issues of the agency's award-winning environmental newspaper, Tahoe in Depth. A special Caldor Fire issue of the paper was published within two months of the event, offering a concise collection of the environmental and social aspects of one of the largest wildfires in California's history.

The team continued to support public education, outreach, and community engagement to help the agency achieve its mandate. External Affairs staff maintained a leadership role in the 25th annual lake Tahoe Summit by assisting U.S. Senator Alex Padilla (D, Calif.) and partners host a hybrid event and provided bilingual support. The team also received a Bronze Spike Award from the Sierra Nevada Chapter of the Public Relations Society of America for the Tahoe Commemorative Coin program, included in the FY 2021 report, which celebrated TRPA's 50th anniversary and raised \$100,000 in environmental education funds.

Transportation and Climate Action

Alleviating Tahoe's traffic and transportation problems and taking immediate actions to reduce climate-harming emissions is a top priority for TRPA. The 2020 Regional Transportation Plan was adopted in FY

TAHOE REGIONAL PLANNING AGENCY
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2022 and is the blueprint for Tahoe's sustainable future. The plan prioritizes adding more frequent, reliable transit services, using technology to connect people to transportation options, connect and complete more trails, and bringing plan elements together with a corridor planning framework connecting workers to jobs, visitors to recreation, and residents to town centers, housing, and recreation. The agency also completed a Greenhouse Gas emissions inventory for the Tahoe Basin, initiated the Tahoe Trails Plan to improve and connect hiking and mountain biking trails, and continued implementing and fulfilling existing corridor plans to address traffic, pedestrian, and transit challenges in Tahoe's main recreation corridors like Emerald Bay and State Route 28 along the East Shore. The 2020 Regional Transportation Plan also includes a funding plan to ensure the projects listed in the plan are built.

Sustainable Recreation and Tourism

TRPA has convened dozens of agencies and organizations involved in recreation and visitation to share information and resources and chart a sustainable future for tourism in the Tahoe Basin. In February, agency leaders joined a workshop that helped launch Summer 2021 priority actions including on-site ambassador programs with more than eighty trained staff members, securing over \$400,000 in funding for the Clean Tahoe litter abatement expansion to North Lake Tahoe, formation of a data working group, and creation of a multi-stakeholder summer recreation playbook. The partnership also contracted with the Center for Responsible Tourism (CREST) to begin development of a regional vision, mission, and roadmap for the future of sustainable recreation and tourism for the Tahoe Region.

Science & Monitoring

TRPA continued to engage agency partners and the Tahoe Science Advisory Council and the Threshold Update Initiative Stakeholder Working Group to improve the threshold monitoring plan and to recommend updates to the threshold standards to reflect the latest science, the future needs to adapt to changing climate effects, and the significant values in the Lake Tahoe Region. During the fiscal year, TRPA presented an outline for revised threshold standards to the Tahoe Interagency Executive Steering Committee, the TRPA Governing Board, and the Advisory Planning Commission. The proposed threshold standard outline reflects the integrated conservation approach of the EIP and reorganizes the forty-year-old threshold category structure to better reflect current management strategies. With the support of the Tahoe Science Advisory Council and EIP partners, TRPA is now developing the outline into a set of revised threshold standards and performances measures for consideration for TRPA adoption in 2023.

Housing and Community Revitalization

TRPA leads the Tahoe Living Working Group to reduce barriers to developing affordable workforce housing in the Tahoe Region. In response to the urgent need to increase access to affordable and achievable housing, in FY 2022 the agency worked on projects of every scale. TRPA worked with developers, local governments, and non-profits to approve a 248-unit, deed-restricted affordable housing project in South Lake Tahoe and moved recommendations forward to allow accessory dwelling units (ADUs) for residents and workers on thousands more properties than had previously been allowed. The recommended code updates include money saving incentives for ADUs in walkable neighborhoods and near town centers and improve the ability for hotels and motels to be converted to residential use.

Operations

TRPA continued a hybrid work model that captures the benefits of both in-person collaboration and remote work and harnesses efficiencies TRPA has gained by the new work model. The agency continues

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to expand online permitting which reduces the need for applicants to travel to TRPA offices for business and expanded the offering of remote virtual permitting consultation appointments. This will be a major advantage for North Shore and West Shore residents and property owners who are part-time residents who live outside the basin. The agency is moving forward on deferred maintenance and necessary building repairs with funds from the refinancing last fiscal year of TRPA's long-term debt.

TRPA Organization

TRPA is organized to reflect the three core functions it performs: planning, implementation, and research & analysis in a "Plan, Do, Check" adaptive management or continuous improvement framework.

The Long Range and Transportation Planning Department plans. The Permitting and Compliance and Environmental Improvement Departments work with partners to implement the plans. The Research and Analysis Department continually monitors and checks for desired outcomes and recommends adjustments to respond to emerging trends and achieve priority goals. The TRPA Governing Board annually reviews agency priorities to "adjust" the focus of the annual Operations Work Program and Annual Budget.

The roles and responsibilities of the Departments are:

- The Long Range and Transportation Planning Department updates plans and regulations to ensure they are achieving and maintaining environmental thresholds. Additionally, the team leads and supports key strategic initiatives which help to further the goals and policies of the Regional Plan and Regional Transportation Plan. The team builds, maintains, and convenes multi-sector partnerships to collaborate for desired results across all levels of government and the private sector. TRPA is the federally designated Tahoe Metropolitan Planning Organization (TMPO) and the California designated Regional Transportation Planning Agency (RTPA) for authorization and receipt of federal and state transportation planning and project implementation funding. Primary activities include reviewing local area plans submitted by local jurisdictions as well as periodic revisions of the Tahoe Regional Plan, Regional Transportation Plan (RTP) and Transportation Improvement Program (TIP). Long Range Planning and Transportation Department's key programs are:
 - Transportation (MPO/RTPA)
 - Long Range Planning
 - Housing
 - Climate Change/Sustainability
- The Permitting and Compliance Department works with many private property owners and partner agencies to review project applications that further environmental improvement and economic investments in Lake Tahoe communities. Customer service and timely review of projects is a top priority for this Department to facilitate efficient project implementation by the public and private sectors. Streamlining permit processing needed to make redevelopment more feasible and successful in reaching the goals of the Regional Plan is a top priority. Permitting and compliance staff ensure all projects meet TRPA Code of Ordinances and environmental standards. Primary responsibilities include:
 - Code enforcement, inspection of permitted projects.

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- Monitoring of memorandum of understanding (MOU) partners, and
- Inspection and enforcement of best management practices to reduce stormwater pollution. The Department also manages Shoreline Plan permitting and compliance.
- TRPA's Environmental Improvement Department leads the Lake Tahoe Environmental Improvement Program (EIP). The EIP is an unparalleled partnership working to achieve the environmental goals of the Tahoe Region. Local, state, and federal agencies, private entities, scientists, and the Washoe Tribe of Nevada and California have collaborated for more than 20 years to restore the environmental health of Lake Tahoe. The Department's key programs include managing:
 - The Lake Tahoe EIP, the region-wide, multi-sector capital investment strategy to conduct a multitude of restoration programs and projects designed to implement the adopted Regional Plan and address environmental concerns in the Tahoe Region.
 - The Lake Tahoe AIS program including preventing new species introduction, treatment to control existing invasive species, as well as lake-wide monitoring and emergency response to new infestations.
 - The stormwater program to reduce polluted stormwater runoff from urban areas and roads is a foundation of the EIP's water quality focus area. Area-wide solutions offer opportunities for the public and private sectors to partner and meet stormwater infiltration and erosion control requirements, generate funding for system maintenance, implement the Lake Tahoe Total Maximum Daily Load (TMDL) Program, and achieve other community goals.
 - The Forest Health program, including collaborative planning and permitting of forest fuel reduction projects to reduce the risk of destructive wildfires and promote the restoration of the forest resources in and across the region's boundaries.
- The Research and Analysis Department continuously tracks the progress and effectiveness of implementing the region's plans, programs, and strategies by monitoring hundreds of environmental threshold standards, performance measures, and management actions. The Research and Analysis Department collaborates with the science community and provides the best possible information for policy decisions, operations, and accountability. Research and Analysis coordinates the 4-year Threshold Evaluation to report on progress toward threshold attainment, directs the agency's development of the LakeTahoInfo.org platform and leads the Measuring What Matters: Thresholds and Monitoring Update strategic initiative in coordination with the bi-state Tahoe Science Advisory Council to bring the region's thresholds and monitoring systems current with the last 30 years of evolving scientific knowledge. The Department is transforming the agency's services to a "digital first" strategy.

In addition to these operational Departments, TRPA has staff departments to support the Department roles and responsibilities listed above. The support activities are the backbone to the general operations of the agency. These include Executive, Legal, External Affairs, Finance, Human Resources, and Information Technology.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Financial Highlights

Agency Revenues

TRPA revenues for FY 2022 totaled \$21.4 million. The State of California's annual commitment was \$5.0 million, and the State of Nevada's commitment was \$2.1 million. State and local annual commitments represent 35% of total revenues. In addition to these annual commitments, various departments, and agencies of the two states and local organizations contribute to specific projects through grant funding.

Directly funded programs (grants) totaled 43% of revenues, amounting to \$9.3 million from local, state, and federal sources. Major federal contributors include the Department of the Interior, Department of Transportation, Department of Agriculture, and Environmental Protection Agency. State entities include CalTrans, NDOT, California Water Quality Control Board (Lahontan Region), Nevada Department of Environmental Protection, California Energy Commission, California State Lands, California Tahoe Conservancy, CalFire, California Department of Boating and Waterways, Nevada Department of State Lands, California Office of Emergency Services, and others.

Fees for services amounted to \$4.8 million or 23% of the agency's revenues. This includes Planning Fees and reimbursed costs from applicants as well as Watercraft Inspection Fees supporting the AIS program and Shoreline fees. It also includes rent revenue from tenants in the TRPA office building.

Agency Expenditures

Total expenditures for FY 2022 were \$20.8 million. Staff costs accounted for \$7.3 million or 35% of the total. Contracts comprised \$12.4 million or 60% of the total. Financing costs related to interest and principal payments on the bonds for the TRPA office building amounted to \$0.4 million or 2% of total expenditures. Other costs comprise the \$0.7 million balance.

TRPA works closely with other governmental entities in the basin to fund and execute various environmental initiatives. During FY 2022, TRPA passed through:

- \$2.2 million in funding to the Tahoe Transportation District.
- \$1.0 million to Placer County for implementation of transportation projects and operation of transit systems throughout the basin.
- \$1.2 million to the Tahoe Resource Conservation District, a unit of El Dorado County, California for roadside inspections of watercraft as part of the Aquatic Invasive Species program.
- \$0.8 million in mitigation funds were passed on to local jurisdictions to fund projects designed to offset the environmental impact of development.

Fund Balances

The TRPA General Fund Balance increased by 17% or \$1.0 million during FY 2022. Mitigation funds increased by \$1.3 million during the year. Those funds are held for environmental improvement projects in the basin and are not available for TRPA use. Other portions of the General Fund saw a reduction of \$0.3 million.

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Key Operational Accomplishments in FY 2022

Long Range and Transportation Planning Department:

Long Range and Transportation Planning (LRTP) Department maintains regional plans and coordinates management strategies to implement those regional plans. TRPA operates under multiple transportation planning mandates, including serving as the Tahoe Metropolitan Planning Organization (TMPO). Funding for the Department includes TRPA General Funds and transportation grants. TRPA received \$5.3 million in grants from the Federal Government and the states of California and Nevada to support these activities. Almost \$4.0 million of this funding was passed on to transit operators, Placer County, and the Tahoe Transportation District. TRPA incurred \$1.2 million in personnel costs and \$1.5 million in contract and operating costs related to LRTP.

Key 2022 contributions of the LRTP Department include:

- Produced the Transportation Action Plan through a multi-sector partnership working on the development of new sustainable revenue sources for transportation.
- Reviewed or approved local government area plans to implement the Regional Plan for Douglas County and Washoe County, Nevada. LRTP is assisting with several area plan amendments to the Tourist Core Area Plan in the City of South Lake Tahoe, California; the South Shore Area Plan in Douglas County, Nevada; and Placer County, California.
- Convened the Tahoe Living Working Group to address regional affordable housing shortages and to implement the regional housing work plan.
- Received funding to develop a Climate dashboard module of Laketahoeinfo.org. Continued to convene the multi-stakeholder destination stewardship partnership for the Tahoe Basin to address recreation visitation trends and pressures.
- Advanced the Tahoe-Truckee Plug-In Electric Vehicle Readiness Plan's infrastructure installations.
- Continued development and adoption of code amendments in support of Regional Plan effectiveness and policy changes.

Permitting Compliance Department:

Permitting and Compliance maintained its record of permit review efficiency. The Department received 1,132 permit applications during FY 2022 and issued 833 permits. Reviews were completed on 94% of all applications within 120 days of receiving a complete application meeting TRPA's Code of Ordinances and internal operations performance measure. Permits were processed, on average, in 41.4 days from receipt of a completed application to issuing a permit. Fees for services totaled \$2.7 million during the fiscal year. TRPA spent \$1.8 million on personnel costs and \$0.5 million on contracts and operating costs in the Permitting and Compliance Department. Field inspectors performed 782 project inspections during the year, and 1,251 tree removal reviews. Project inspections resulted in the resolution and return of 127 project securities totaling \$0.5 million. An additional \$0.2 million of non-cash securities were also released. The Permitting and Compliance team is funded through planning fees.

Implementation of the shoreline program approved by the Governing Board in October 2018 continues. Phase 1 of the mooring program, which began during FY 2020, continued for property owners with existing moorings using the registration and permitting system on the Lake Tahoe Info website. During FY 2022, TRPA processed 64 registrations for 231 mooring buoys, 218 slips, and 29 boat lifts. Since the

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beginning of the mooring permitting and registration program, TRPA has permitted 1,213 existing mooring buoys and registered 3,892 mooring buoys, 984 boat slips, and 443 boat lifts. Staff handled renewal payments for those moorings registered annually and to date has achieved a compliance rate of 98.5%. During FY 2022, TRPA received 91 applications for additional mooring buoys allocated through Phase 2 of the mooring program.

Environmental Improvement Department:

TRPA provides strategic leadership of the Lake Tahoe Environmental Improvement Program (EIP) partnership to achieve the environmental goals of the region. The Environmental Improvement (EIP) Department coordinates 80+ organizational partners to implement the varied programs of the EIP. The partnership is governed by the cross-sector Tahoe Interagency Executive Steering Committee (TIESC) and associated multi-stakeholder working groups. These committees and work groups set project priorities, develop collaborative funding strategies, and guide project implementation. The EIP Department is also responsible for tracking all EIP expenditures and accomplishments basin wide. The EIP Department received \$4.0 million in grants, \$0.8 million in State Funds, and \$1.0 million of fees for services. Including General Funds, the Department spent \$1.1 million on compensation and \$5.5 million on contracts and other expenditures. These numbers include the Aquatic Invasive Species and Stormwater numbers called out separately below.

Despite many obstacles of the COVID-19 pandemic ongoing throughout 2022, EIP partners achieved significant milestones:

- **Caldor Fire Cooperation:** More than 30,000 people safely evacuated the South Shore during the fire. Land managers, emergency management, law enforcement, fire agencies, and utility companies closely aligned to battle the flames without losing a single primary home in the basin.
- **Forest Health Funding:** The Caldor Fire increased the urgency to expand fuels reduction projects and invest in water infrastructure. Tahoe Fire and Fuels Team (TFFT) partners were awarded more than \$45 million from the Southern Nevada Public Land Management Act, and \$38 million from the State of California to complete high-priority forest health projects.
- **Destination Stewardship:** Partners came together to organize a new collaborative partnership to chart a new course for Tahoe on recreation and tourism.
- **Tackling Aquatic Invasive Species:** The program continued to increase pace and scale, treating the most acres yet in one year: 24.2 acres.
- **Building Resiliency to a Changing Climate:** Tahoe partners came together to identify and prioritize funding needs to make the basin more resilient to climate change. The Tahoe Climate Resilience Action Strategy now serves as the basin's roadmap for climate adaptation.
- **Engaging Communities:** The Tahoe Network of Fire Adapted Communities helped seven neighborhoods receive fire preparedness national recognition from Firewise USA®. This brings the total number of recognized communities in the Tahoe Basin to 15.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The AIS Program continued implementation of the nationally recognized watercraft inspection program, to prevent infestation of new invasive species. TRPA also oversaw watercraft inspections performed by Tahoe Resource Conservation District (TRCD) inspectors at three roadside stations in the Tahoe Basin during the primary boating season and at two launch ramps during the winter months. Trained personnel inspect boats prior to launch at fifteen (15) launch facilities. In 2022, TRCD performed 7,438 boat inspections and decontaminated 4,013 boats. AIS inspectors intercepted 132 boats with invasive species, 28 of which had invasive mussels on board, marking the most invasive species ever intercepted in one season. TRPA leads highly successful outreach that prepares most boaters to arrive at an inspection station clean, drained, and dry. The states of Nevada and California have contributed funding in the amount of \$0.8 million to support the AIS prevention program. TRPA collected \$0.9 million in inspection fees. TRPA also received \$3.9 million in grants to pay for invasive species control programs. TRPA incurred \$0.4 million in personnel costs and \$5.5 million in contract and operating costs related to the AIS Program.

Invasive species prevention is coupled with actions to control existing AIS in the lake, this year completing over 24 acres of treatments in Lake Tahoe. Using Lake Tahoe Restoration Act funds, TRPA prioritized work to address the region's largest area of weed infestation in the Tahoe Keys lagoons. The TRPA Governing Board approved the Tahoe Keys Control Methods Test after years of collaboration with stakeholders and completion of a comprehensive Environmental Impact Statement. TRPA also continued weed control work just outside of the Tahoe Keys to help control and limit the spread of the infestation into greater Lake Tahoe. These projects are all implemented in partnership with other entities such as TRCD, the League to Save Lake Tahoe, and the University of Nevada Reno.

TRPA's Stormwater Management Team supports work regionwide to complete water quality retrofit improvements on all developed properties in the Lake Tahoe region. TRPA issues permits either directly or by delegation for all BMP retrofit with private homeowners, commercial property owners, and several public entities (local jurisdictions and USDA Forest Service) in the Tahoe Region to implement water quality Best Management Practices (BMPs). In 2022, TRPA issued 219 BMP certificates: 206 for single-family residential parcels, 6 for multi-family residential parcels, and 7 additional permits for commercial parcels. Funding for this activity included \$0.1 million from grants from the U.S. Environmental Protection Agency passed through the Nevada Department of Environmental Protection, local funding, and fees. TRPA spent \$0.1 million in personnel and costs during the fiscal year. The Stormwater Program Manager's salary is paid for out of the TRPA general fund.

In FY 2022, Tahoe Basin partners achieved the 10-Year Total Maximum Daily Load (TMDL) milestone. Together, partners have accomplished a 23% reduction in fine sediment particles from 2004 baseline levels, surpassing the 2021 reduction goal of 21%. TRPA supports implementation of the TMDL by facilitating implementation of Best Management Practices and area-wide stormwater treatment infrastructure.

TRPA's Forest and Ecosystem Health Program Manager works with the cross-sector Tahoe Fire and Fuels Team (TFFT) partnership (including the USDA Forest Service, state agencies, and local fire districts in the basin) to implement Lake Tahoe's Forest Action Plan and ensure forest health projects are designed and permitted expeditiously in line with the TRPA code of ordinances. TRPA is a founding member of the Tahoe Fire and Fuels Team, which coordinates the Forest Health focus area of the EIP.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

2021 was one of the worst wildfire years on record, scorching more than 1 million acres in the Sierra Nevada, more than double the previous record set in 2018. Fires burned all around us in 2021— 68,000 acres at the Tamarack Fire near Markleeville, and nearly 1 million acres at the Dixie Fire to our north. The Caldor Fire burned approximately 10,000 acres in the Tahoe Basin, including an area containing some of the region's most popular trails. Fire damage scarred the landscape. Through a strong public-private partnership with non-profits like the Tahoe Area Mountain Biking Association, the USDA Forest Service was able to quickly remove hazard trees and repair bridges to reopen trails to the public. Planning is underway to rehabilitate the landscape, restore the trail network, and re-establish meadow and wildlife habitat with an estimated cost of \$15 million.

TFFT continued public education campaigns to teach residents how to prevent as well as prepare for wildfire. TFFT partners completed a record 6,534 defensible space inspections across jurisdictions. Agencies have also built new partnerships with the Lake Tahoe Community College and the California Conservation Corps to increase the capacity in the basin to complete forest restoration work. Since the 2007 Angora Fire, the TFFT has completed over 68,000 acres of treatment to reduce hazardous fuels. These restoration projects improve the vitality of the basin's forests to withstand the increasing threats of drought and other extreme weather events. Despite the hardships of implementing field projects in 2022, TFFT completed 1,988 acres of fuels reduction treatment in the basin.

In FY 2022, TRPA approved 1,341 permits to cut 6,378 trees in the region to help achieve defensible space on private parcels. TRPA issued all permits electronically. Tree-cutting permits to help achieve defensible space on private parcels.

Research and Analysis Department:

The Research and Analysis Department (R&A) reports on TRPA's planning and implementation programs and regional progress toward threshold attainment. During Fiscal Year 2022, R&A coordinated the agency's Measuring What Matters: Thresholds and Monitoring Update is to comprehensively evaluate updating both regional goals and threshold standards as well as the suite of performance measures used to assess project, program, and plan effectiveness. Also, during FY 2022, the R&A Department started projects under TRPA's Digital First innovation initiative to update the agency's permitting software for permit process efficiencies and better customer service and started a multi-year project to digitize the agency's paper old paper records by creating permanent electronic records.

R&A's ongoing activities include managing and organizing TRPA's data, maps, and information systems—including Lake Tahoe Info—to improve the public transparency and openness of regional programs and activities, engaging with the scientific community and Tahoe Science Advisory Council, and providing efficient and timely analysis to support TRPA staff and Governing Board decision making.

R&A received \$0.5 million in revenue during the fiscal year almost entirely state contributions to the Tahoe Science Advisory Council (TSAC). General funds were used to support long-term monitoring of lake clarity and fund the integration of Tahoe Total Maximum Daily Load (TMDL) information management tools into the LakeTahoInfo.org platform. During FY 2022, expenses included \$1.0 million in personnel and \$1.2 million in contract and operating costs. The Tahoe Science Advisory Council spent an additional \$0.4 million.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Administrative Financial Highlights

TRPA continued implementing its strategic plan through staffing and organizational adjustments to achieve goals in an efficient and effective manner. Most TRPA services are now available through online processes. Public meetings, including the TRPA Governing Board and Advisory Planning Commission are now hybrid, accessible with in-person, on-line, or phone-in options for broad accessibility.

Long term risks have been addressed and funded to the extent possible. There are only two significant long-term liabilities. These are accrued employee paid time off that has not yet been taken and the lease revenue bonds used to finance the building (addressed below). TRPA's retirement plan is a defined contribution plan and is fully funded. All benefit plans are fully funded. There are no known unfunded future liabilities not addressed in these statements. TRPA is periodically subject to lawsuits whose outcome cannot be predicted. There are three permit-related lawsuits in process currently, but we do not expect any financial liabilities to arise from it. Applicants typically indemnify TRPA against the costs of defending a permit.

TRPA's Governing Board approved the FY 2022 budget in June of 2021. Budgets were adopted for the General Fund and certain Special Revenue Funds. The budgets for the Transportation Development Act funds including El Dorado County State Transit Assistance Fund, El Dorado County Local Transportation Fund and Placer County Local Transportation Fund are adopted by the respective counties.

TRPA continued scheduled debt service payments for Series A and B Lease Revenue Bonds in the amount of \$0.3 million in interest expense. In June of 2020, these bonds were refinanced through a private placement with Heritage Bank of Nevada, a subsidiary of Glacier Bancorp. The new debt issue carries a lower interest rate and provided \$0.5 million of financing for deferred maintenance on the building.

Overview of the Financial Statements

Government-wide Financial Statements - Statement of Net Position and the Statement of Activities

The government-wide financial statements are designed to provide readers with a broad overview of TRPA finances in a manner like a private-sector business.

The Statement of Net Position presents information on all of TRPA's assets and liabilities, with the difference between the two reported as Net Position. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the agency is improving or deteriorating.

The Statement of Activities presents information showing how TRPA's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., revenue earned but not received).

The government-wide financial statements report functions of TRPA that are principally supported by taxes and intergovernmental revenues, including federal and state grants, as governmental activities.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The governmental activities of TRPA include administrative services, support services, legal services, environmental improvement, planning, long-range and transportation, and research and analysis.

Reporting the Agency's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of TRPA's general government operations. Governmental fund information is useful in evaluating the government's financial resources that can be spent in the near future to finance programs.

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

TRPA maintains twelve individual governmental funds. TRPA has combined the 128 Market Street Building fund, Shoreline fund, Settlement fund, and Permitting Services fund into the General fund for presentation purposes. The General fund, Transportation fund, and Aquatic Invasive Species fund are each considered major Governmental funds and are presented separately. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the Required Supplementary Information elsewhere in the report.

Custodial Funds

Fiduciary Fund Statements provide information about the financial relationships in which TRPA assesses fees that other entities utilize to mitigate the environmental impact of development and are not reflected in the government-wide financial statements.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TRPA as a Whole

The Statement of Net Position provides the perspective of TRPA. Table 1 provides a summary that compares the agency's Net Position from FY 2022 to FY 2021.

Table 1 - Summary of Statement of Net Position

	2022	2021	Change	%
Assets				
Current & Other Non-Current Assets	20,876,517	17,513,505	3,363,012	19%
Capital Assets	8,372,678	8,794,885	(422,207)	-5%
Total Assets	<u>29,249,195</u>	<u>26,308,390</u>	<u>2,940,805</u>	11%
Liabilities				
Current Liabilities and Other	11,346,541	9,127,590	2,218,951	24%
Unearned Revenue	618,752	549,357	69,395	13%
Long Term Liabilities	8,159,848	8,464,149	(304,301)	-4%
Total Liabilities	<u>20,125,141</u>	<u>18,141,096</u>	<u>1,984,045</u>	11%
Net Position				
Net Investment in Capital Assets of Debt	647,585	1,246,755	(599,170)	-48%
Restricted	2,564,570	1,373,111	1,191,459	87%
Unrestricted	5,289,510	5,547,428	(257,918)	-5%
Total Net Position	<u>8,501,665</u>	<u>8,167,294</u>	<u>334,371</u>	4%

Assets:

Current and Other Noncurrent Assets increased by \$3.4 million from \$17.5 million on June 30, 2021, to \$20.9 million on June 30, 2022. Cash and equivalents increased by \$1.5 million. The largest component was an increase in Mitigation accounts of \$1.3 million. Other areas increased cash by the remaining \$0.2 million. Due from other Governments increased by \$1.1 million, reflecting outstanding reimbursement requests. Due from other funds increased by \$0.2 million. The implementation of GASB 87 for lease accounting added \$0.6 million to current assets. Increases and decreases in other funds account for the balance.

Capital Assets decreased by \$0.4 million or 5%, from a balance of \$8.8 million on June 30, 2021, to a balance of \$8.4 million on June 30, 2022. This is due to depreciation.

Liabilities:

Current Liabilities increased by \$2.2 million or 24% from \$9.1 million on June 30, 2021, to \$11.3 million on June 30, 2022. Accounts Payables increased by \$1.4 million, mostly in AIS. Deposits Payable increased

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

by \$0.7 million, mostly reflecting GASB 87 adjustments to account for leases. Other accounts increased a combined \$0.1 million.

Unearned Revenue increased by \$0.1 million, from a balance of \$0.5 million as of June 30, 2021, to \$0.6 million as of June 30, 2022. This is attributable to outstanding invoices.

Long-Term Liabilities decreased \$0.3 million from 2021. This includes \$0.2 million of next year's principal payments on our outstanding debt moving into Current Liabilities and other minor account changes.

Net Position:

Net Investment in Capital Assets net of debt decreased by \$0.6 million from \$1.2 million as of June 30th, 2021, to \$0.6 million on June 30th, 2022. This is due to depreciation of \$0.4 million and \$0.2 million of long-term debt moving to current liabilities.

Restricted – Restricted Net Position increased by \$1.2 million from \$1.4 million as of June 30, 2021, to \$2.6 million as of June 30th, 2022. This is primarily due to an increase in Mitigation funds of \$1.3million. Other small variations reduced that by \$0.1 million.

Unrestricted – Unrestricted Net Position decreased by nearly \$0.3 million from \$5.5 million on June 30, 2021, to a balance of \$5.3 million on June 30, 2022. This reflects the cumulative effect of all the changes addressed above.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Table 2 shows the changes in Net Position for fiscal year 2021 and 2022.

Table 2 - Revenue, Expenses, Changes in Net Assets				
	2022	2021	Change	%
Revenues				
Program Revenues				
Charges for Services	4,845,329	5,003,812	(158,483)	-3%
Grants and Contributions	9,493,399	7,330,434	2,162,965	30%
General Revenues				
State Revenue	7,106,422	7,226,339	(119,917)	-2%
Local Revenue	150,000	149,999	1	0%
Investment Earnings - Unrestricted	(122,252)	(1,178)	(121,074)	
Miscellaneous	8,111	1,001	7,110	710%
Total Revenues	<u>21,481,009</u>	<u>19,710,407</u>	<u>1,770,602</u>	<u>9%</u>
Program Expenses				
General Government	2,818,919	2,835,296	(16,377)	-1%
Env. Planning & Implementation	17,838,506	13,947,027	3,891,479	28%
Building Operations	162,373	143,890	18,483	13%
Interest and Debt Service	326,634	303,802	22,832	8%
Total Expenses	<u>21,146,432</u>	<u>17,230,015</u>	<u>3,916,417</u>	<u>23%</u>
Increase (Decrease) in Net Assets	<u>334,577</u>	<u>2,480,392</u>	<u>(2,145,815)</u>	

Program Revenues:

Charges for Services – Charges for Services Revenue decreased by \$0.2 million, or 3%, from \$5.0 million for the year ended June 30, 2021, to \$4.8 million for the year ended June 30, 2022. Most of the changes came in the Permitting and Compliance area. Settlements and reimbursed expenses were down \$0.1 million each.

Grants and Contributions - Grants and Contributions Revenue increased by \$2.1 million, or 30%, from \$7.3 million for the year ended June 30, 2021, to \$9.5 million for the year ended June 30, 2022. The AIS program saw grant increases of \$2.3 million, largely due to Lake Tahoe Restoration Act (LTRA) funding, much of it spent on the Tahoe Keys Demonstration Project. EIP grants were down \$0.3 million due to the completion of an LTIMP monitoring grant.

General Revenues - State and local revenues declined \$0.1M between FY 2021 and FY 2022 due to the expiration of one-time funding from the state of Nevada to support the Threshold Evaluation in FY 2021. Investment Earnings decreased by \$0.1 million due to interest rate changes. Miscellaneous earnings were unchanged.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Program Expenses:

The cost of all Program Expenses increased by \$3.9 million, or 23% from \$17.2 million for the year ended June 30, 2021, to \$21.1 million for the year ended June 30, 2022. The largest changes were in contracting. Some of the key factors that resulted in the increase include:

- AIS expenditures were up \$2.8 million largely due to LTRA spending.
- Transportation spending was up \$1.4 million
- EIP Expenditures were down \$0.2 million
- Several other areas dropped \$0.4 million but none that stand out.

Fund Balances:

Table 3 provides a summary of the Fund Balances and changes from the prior year.

Table 3 - Summary of Fund Balances				
	2022	2021	Change	%
General Fund	6,587,562	5,630,570	956,992	17%
Aquatic Invasive Species Fund	1,059,212	1,393,988	(334,776)	-24%
Transportation Fund	591,658	491,866	99,792	20%
Other Nonmajor Governmental Funds	620,440	781,493	(161,053)	-21%
Total Fund Balance	8,858,872	8,297,917	560,955	

TRPA’s governmental funds report a combined fund balance of \$8.9 million as of June 30, 2022, an increase of \$0.6 million from last year. The General Fund balance increased by \$1.0 million due to \$1.3 million in increased mitigation fund receipts. Separating that out, the rest of the General Fund saw a decrease of \$0.3 million in fund balance. The AIS fund decreased by \$0.3 million fees did not fully cover the cost of providing services, but we maintain a healthy reserve. Other non-major governmental funds decreased \$0.1 million.

General Fund Budgeting Highlights

The following discussion is limited to the General Fund only, not the total agency financials.

TRPA adopted the FY 2022 budget in June of 2021. The budget contained the following assumptions concerning revenues and expenses:

- California’s contribution was unchanged.
- Nevada’s contribution was set as the first year of the Nevada Biennium Budget approved in 2021.
- The Planning Fund fee for service revenue was budgeted at \$2.2 million, consistent with the prior year’s actual revenues plus a fee increase.

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The budget to actual comparison for the General Fund for the year ended June 30, 2022, includes the following items:

- Revenues were \$0.6 million higher than budgeted due to higher fees for services.
- Overall expenditures were \$0.7 million below budget. Selected details include:
 - Planning services were \$0.4 million below budget due staff shortages
 - Research and Analysis expenditures were \$0.5 million lower due to staff shortages and deferred monitoring activity for the upcoming Threshold Evaluation.
 - Long Range Planning and Agency Management expenditures exceeded budget by \$0.2M.

Capital Assets

For the year ended June 30, 2022, TRPA had \$8.4 million invested in capital assets. Table 4 shows June 30, 2022, balances compared to June 30, 2021.

Table 4 - Summary of Capital Assets Net of Depreciation				
	2022	2021	Change	%
Land	1,640,247	1,606,706	33,541	2%
Buildings & Improvements	10,775,610	10,775,610	-	
Boats, Equipment and Furniture	1,725,144	1,780,033	(54,889)	-3%
Software	321,149	978,606	(657,457)	-67%
Capital In Process	-	-	-	
Accumulated Depreciation	(6,089,472)	(6,346,070)	256,598	-4%
Total Capital Assets - Net	8,372,678	8,794,885	(422,207)	-5%

Overall capital assets decreased by \$0.4 million or 5%, from \$8.8 million for the year ended June 30, 2021, to \$8.4 million for the year ended June 30, 2022. We deleted \$0.7 million of assets during the year (mostly software – our on-premises Accela software was shut down), all of which were fully depreciated. That is why Depreciation shows a reduction of \$0.3 million instead of increasing by the actual annual depreciation of \$0.4 million.

Long Term Debt

Table 5 - Summary of Long Term Debt				
	2022	2021	Change	%
Lease Revenue Bonds	8,198,000	8,298,000	(100,000)	-1%
Compensated Absences	780,733	796,926	(16,193)	-2%
Total Long Term Debt	8,978,733	9,094,926	(116,193)	-1%

TAHOE REGIONAL PLANNING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TRPA's debt considered a liability of governmental activities, decreased by \$0.1 million for the year ended June 30, 2022. This was due to a \$0.1 million principal payment on our Lease Revenue Bonds. Compensated absences changed by an immaterial amount.

Factors bearing on TRPA's Future

TRPA receives significant funding from the states of California and Nevada. The compact calls for funding to be split two-thirds California and one-third Nevada. Actual funding can vary depending on each State's budget process. Funding for FY 2023 is secured, and the agency is working with California on the Fiscal Year 2024 budget and with Nevada for the upcoming FY 2024/2025 biennium.

The key assumptions in the General Fund revenue and expenditure budget for FY 2022 were:

1. The California appropriated budget was finalized in June of 2021. TRPA has already received these funds for FY 2022.
2. The Nevada appropriated budget was approved by the Legislature in June of 2021, as part of the biennial budget process. TRPA has received its 2022 allocation from Nevada.
3. The local support from the counties is fixed at \$150,000 per the Tahoe Regional Planning Compact.
4. Development filing fees and permitting revenues are subject to fluctuations in the real estate and construction economies of the Lake Tahoe Basin. TRPA's budget for FY 2022 assumed a similar level to FY 2021. TRPA's Governing Board approved an increase in filing fees at the meeting on October 26, 2021. Fees collected may not equal budgeted totals and represent the biggest near-term risk to General Fund Revenues.

Contacting TRPA

This financial report is designed to provide a general overview of the Tahoe Regional Planning Agency's finances for those interested and to demonstrate the agency's accountability for the money it receives. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Tahoe Regional Planning Agency, Finance Office, P.O. Box 5310, Stateline, Nevada 89449.

BASIC FINANCIAL STATEMENTS

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TAHOE REGIONAL PLANNING AGENCY

Statement of Net Position

June 30, 2022

(with comparative prior year information)

	Governmental Activities	
	2022	2021
Assets:		
Cash and investments (note 2)	\$ 17,049,066	15,540,386
Cash and investments with fiscal agent (note 2)	21	20
Receivables:		
Accounts	202,073	122,279
Interest	44,202	38,642
Leases (note 4)	629,615	-
Due from other governments	2,660,999	1,593,253
Prepaid items and deposits	290,541	218,925
Capital assets not being depreciated (note 5)	1,640,247	1,606,706
Capital assets, net of accumulated depreciation (note 5)	6,732,431	7,188,179
Total assets	29,249,195	26,308,390
Liabilities:		
Accounts payable	2,728,891	1,366,965
Accrued payroll and benefits	149,878	447,603
Interest payable	27,093	27,397
Due to other governments	1,334,801	1,054,888
Due to claimants	2,845	7,190
Unearned revenue	618,752	549,357
Deposits payable	6,284,148	5,592,770
Long-term liabilities (note 6):		
Due within one year	818,885	630,777
Due in more than one year	8,159,848	8,464,149
Total liabilities	20,125,141	18,141,096
Deferred inflows of resources		
Lease related	622,389	-
Net position:		
Net investment in capital assets	647,585	1,246,755
Restricted for:		
Environmental implementation	1,673,416	1,336,466
Long range and transportation planning	891,154	36,645
Unrestricted	5,289,510	5,547,428
Total net position	\$ 8,501,665	8,167,294

See Notes to the Basic Financial Statements

TAHOE REGIONAL PLANNING AGENCY

Statement of Activities

**Year Ended June 30, 2022
(with comparative prior year information)**

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:					
General government:					
Administrative services	\$ 1,258,359	(460,716)	-	74,507	-
Support services	2,763,080	(1,011,630)	3,227	-	-
Legal services	425,677	(155,851)	102,874	-	-
Environmental planning, implementation, and research and analysis:					
Environmental implementation	6,495,892	255,662	918,582	4,246,327	-
Planning services	1,786,492	1,004,711	3,464,779	-	-
Long range and transportation planning	6,133,848	338,138	39,489	5,092,942	24,655
Research and analysis	1,794,077	29,686	-	54,968	-
Building and rental activities	162,373	-	316,172	-	-
Interest and fiscal charges	326,634	-	-	-	-
Total governmental activities	<u>\$ 21,146,432</u>	<u>-</u>	<u>4,845,123</u>	<u>9,468,744</u>	<u>24,655</u>

General revenues:

State revenue

Local revenue

Investment earnings (loss), unrestricted

Miscellaneous

Total general revenues

Changes in net position

Net position, beginning of year

Net position, end of year

Net (Expense) Revenue and
Changes in Net Position

<u>2022</u>	<u>2021</u>
(723,136)	(786,309)
(1,748,223)	(1,673,048)
(166,952)	(174,482)
(1,586,645)	(965,514)
673,576	1,010,426
(1,314,900)	(754,232)
(1,768,795)	(2,229,147)
153,799	182,841
<u>(326,634)</u>	<u>(329,677)</u>
<u>(6,807,910)</u>	<u>(5,719,142)</u>
\$ 7,106,422	6,966,405
150,000	149,999
(122,252)	(1,178)
8,111	7,931
<u>7,142,281</u>	<u>7,123,157</u>
334,371	1,404,015
<u>8,167,294</u>	<u>6,763,279</u>
<u>\$ 8,501,665</u>	<u>8,167,294</u>

See Notes to the Basic Financial Statements

**TAHOE REGIONAL PLANNING AGENCY
Governmental Funds**

Balance Sheet

June 30, 2022

(with comparative prior year information)

	Special Revenue Funds			Non-Major Governmental Funds	Totals	
	General	Transportation Fund	Aquatic Invasive Species		2022	2021
<u>Assets</u>						
Cash and investments	\$ 14,860,365	181,300	1,329,440	677,961	17,049,066	15,540,386
Cash and investments with fiscal agent	21	-	-	-	21	20
Receivables:						
Accounts	37,954	23	-	-	37,977	50,976
Interest	44,202	-	-	-	44,202	38,642
Leases	629,615	-	-	-	629,615	-
Due from other governments	20,359	765,269	1,820,896	54,475	2,660,999	1,593,253
Due from other funds (note 3)	183,815	-	-	-	183,815	71,303
Prepaid items	288,141	-	2,400	-	290,541	218,925
Total assets	\$ 16,064,472	946,592	3,152,736	732,436	20,896,236	17,513,505
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>						
Liabilities:						
Accounts payable	\$ 622,623	275,423	1,782,463	48,382	2,728,891	1,366,965
Accrued payroll and benefits	149,878	-	-	-	149,878	447,603
Due to other funds (note 3)	-	-	-	19,719	19,719	-
Due to other governments	1,334,801	-	-	-	1,334,801	1,054,888
Due to claimants	-	-	-	2,845	2,845	7,190
Unearned revenue	436,804	79,511	102,437	-	618,752	549,357
Deposits payable	6,284,148	-	-	-	6,284,148	5,592,770
Total liabilities	8,828,254	354,934	1,884,900	70,946	11,139,034	9,018,773
Deferred inflows of resources:						
Unavailable revenues	26,267	-	208,624	41,050	275,941	196,815
Lease related	622,389	-	-	-	622,389	-
Total deferred inflows of resources	648,656	-	208,624	41,050	898,330	196,815
Fund balances:						
Nonspendable:						
Prepaid items	288,141	-	2,400	-	290,541	218,925
Restricted for:						
Environmental implementation	-	-	1,056,812	340,663	1,397,475	1,775,372
Long range and transportation planning	-	591,658	-	299,496	891,154	885,527
Debt service	21	-	-	-	21	20
Building improvements	500,000	-	-	-	500,000	500,000
Unassigned	5,799,400	-	-	(19,719)	5,779,681	4,918,073
Total fund balances	6,587,562	591,658	1,059,212	620,440	8,858,872	8,297,917
Total liabilities, deferred inflows of resources, and fund balances	\$ 16,064,472	946,592	3,152,736	732,436	20,896,236	17,513,505

TAHOE REGIONAL PLANNING AGENCY

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position**

June 30, 2022

Fund balances of governmental funds	\$ 8,858,872
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.	
Capital assets	14,462,150
Accumulated depreciation	(6,089,472)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities consist of the following:	
Compensated absences	(780,733)
Lease revenue bonds	(8,198,000)
Interest expenditures are recognized in the governmental funds when due. Interest expense is recorded on the accrual basis in the government- wide financial statements, and therefore these statements reflect a liability for accrued interest payable.	(27,093)
Revenue is unavailable in the governmental funds when it is not received soon enough after the year-end to be considered available. The availability criteria does not apply to the government-wide financial statements and, therefore, the revenue is not unavailable.	<u>275,941</u>
Net position of governmental activities	<u>\$ 8,501,665</u>

See Notes to the Basic Financial Statements

TAHOE REGIONAL PLANNING AGENCY
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2022
(with comparative prior year information)

	Special Revenue Funds			Non-Major Governmental Funds	Totals	
	General	Transportation Fund	Aquatic Invasive Species		2022	2021
Revenues:						
Federal grants	\$ -	1,571,668	3,741,873	98,445	5,411,986	3,725,911
State government grants and contracts	6,356,422	341,539	917,129	3,393,147	11,008,237	10,625,659
Local government grants and contracts	225,452	51,103	13,200	-	289,755	355,202
Charges for services	3,451,874	-	918,582	-	4,370,456	4,455,212
Fines and forfeitures	124,000	-	-	-	124,000	230,000
Rental income	311,384	-	-	-	311,384	318,600
Investment income (loss)	(125,424)	-	-	3,172	(122,252)	(1,178)
Miscellaneous revenues	8,111	-	-	-	8,111	1,001
Total revenues	<u>10,351,819</u>	<u>1,964,310</u>	<u>5,590,784</u>	<u>3,494,764</u>	<u>21,401,677</u>	<u>19,710,407</u>
Expenditures:						
Current:						
General government:						
Administrative services	1,254,818	-	-	-	1,254,818	1,346,396
Support services	1,698,372	-	-	-	1,698,372	1,453,042
Legal services	425,677	-	-	-	425,677	476,768
Interfund reimbursements	(583,365)	-	-	-	(583,365)	(439,103)
Environmental planning, implementation and research and analysis:						
Environmental implementation	599,196	-	6,024,698	102,466	6,726,360	4,038,114
Planning services	2,791,203	-	-	-	2,791,203	2,503,342
Long range and transportation planning	764,103	1,871,788	-	3,483,277	6,119,168	4,884,161
Research and analysis	1,712,724	-	-	81,353	1,794,077	2,519,603
Building and rental activities	162,373	-	-	-	162,373	143,890
Capital outlay	-	14,680	-	-	14,680	-
Debt service:						
Principal payment	100,000	-	-	-	100,000	-
Bond issuance costs	-	-	-	-	-	(11,263)
Interest and fiscal charges	326,938	-	-	-	326,938	315,065
Total expenditures	<u>9,252,039</u>	<u>1,886,468</u>	<u>6,024,698</u>	<u>3,667,096</u>	<u>20,830,301</u>	<u>17,230,015</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,099,780</u>	<u>77,842</u>	<u>(433,914)</u>	<u>(172,332)</u>	<u>571,376</u>	<u>2,480,392</u>
Other financing sources (uses):						
Transfers in (note 3)	-	21,950	99,138	11,279	132,367	135,032
Transfers out (note 3)	(142,788)	-	-	-	(142,788)	(135,032)
Total other financing sources (uses)	<u>(142,788)</u>	<u>21,950</u>	<u>99,138</u>	<u>11,279</u>	<u>(10,421)</u>	<u>-</u>
Net changes in fund balances	956,992	99,792	(334,776)	(161,053)	560,955	2,480,392
Fund balances, beginning of year	<u>5,630,570</u>	<u>491,866</u>	<u>1,393,988</u>	<u>781,493</u>	<u>8,297,917</u>	<u>5,817,525</u>
Fund balances, end of year	<u>\$ 6,587,562</u>	<u>591,658</u>	<u>1,059,212</u>	<u>620,440</u>	<u>8,858,872</u>	<u>8,297,917</u>

TAHOE REGIONAL PLANNING AGENCY

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

Year Ended June 30, 2022

Net change in fund balances - total governmental funds	\$ 560,955
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense or allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:</p>	
Depreciation	(455,748)
Capital asset additions	33,541
<p>The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.</p>	
Principal payments for lease revenue bonds	100,000
<p>Interest on noncurrent liabilities is not accrued in governmental funds, but rather is recognized as an expenditure when due. The net change is reported on the Statement of Activities.</p>	
	304
<p>Compensated absences reported on the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The net change is reported on the Statement of Activities.</p>	
	16,193
<p>Revenue is unavailable in the governmental funds when it is not received soon enough after year-end to be considered available. The availability criteria does not apply to the government-wide financial statements and, therefore, the revenue is not unavailable.</p>	
	<u>79,126</u>
Change in net position of governmental activities	<u>\$ 334,371</u>

See Notes to the Basic Financial Statements

**TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds**

Statement of Fiduciary Funds Net Position

**June 30, 2022
(with comparative prior year information)**

	Custodial Funds	
	2022	2021
Assets:		
Cash and investments	\$ 14,876,974	13,611,574
Receivables:		
Interest	38,360	10,390
Due from other governments	222,180	138,500
Total assets	15,137,514	13,760,464
Liabilities:		
Accounts payable	60,961	74,574
Due to other funds	164,096	71,303
Total liabilities	225,057	145,877
Net position:		
Restricted for:		
Water Quality	2,974,007	3,100,888
Stream Environment Zone	1,158,725	1,142,977
Air Quality	1,492,505	1,621,787
Operations and Maintenance	1,686,290	1,635,053
Unrestricted	7,600,930	6,113,882
Total net position	14,912,457	13,614,587
Total liabilities, deferred inflows of resources, and net position	\$ 15,137,514	13,760,464

**TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds**

Statement of Changes in Fiduciary Funds Net Position

**June 30, 2022
(with comparative prior year information)**

	Custodial Funds	
	2022	2021
Additions:		
Federal grants	\$ -	143,416
State government grants and contracts	425,869	322,228
Charges for service	2,359,609	3,472,607
Investment income (loss)	(121,733)	2,987
Other	10,421	-
Total additions	2,674,166	3,941,238
Deductions:		
Environmental implementation	1,376,296	3,254,176
Total deductions	1,376,296	3,254,176
Net increase in fiduciary net position	1,297,870	687,062
Net position, beginning of year	13,614,587	12,927,525
Net position, end of year	\$ 14,912,457	13,614,587

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

Year Ended June 30, 2022

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

The 91st Congress consented to the creation of the Tahoe Regional Planning Agency (TRPA) (PL 91-148) by the states of California and Nevada in 1969. The purpose of TRPA, as outlined in the state legislation, is to maintain equilibrium between the region's natural endowment and its man-made environment, and to preserve the scenic beauty and recreational opportunities of the region.

(b) Financial Statement Presentation

The basic financial statements of TRPA are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of TRPA. These statements report governmental activities, which normally are supported by taxes and intergovernmental revenues. TRPA does not have any business-type activities, which rely to a significant extent on fees and charges for support. Eliminations have been made in the statement of activities so that certain allocated expenses are recorded only once (by the function to which they were allocated).

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The underlying accounting system of TRPA is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

Fund financial statements for TRPA's governmental funds are presented after the government-wide financial statements. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

(c) Major Funds

Major funds are defined as funds that have assets, liabilities, revenues or expenditures equal to at least ten percent of their fund-type total and at least five percent of the grand total of all fund types. The General Fund is always a major fund. TRPA may also select other funds it believes should be presented as major funds.

TRPA reports the following major governmental funds:

- General Fund – The General Fund is the general operating fund of TRPA and is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue include monies provided by the State of California, monies provided by the State of Nevada, and fees for services rendered.
- Transportation Special Revenue Fund – This fund is used to account for revenues received from federal and state grants for transportation planning for the entire Lake Tahoe basin.
- Aquatic Invasive Species Special Revenue Fund – This fund is used to account for revenue from federal, state and private funding sources utilized towards the detection, control and prevention of aquatic invasive species in the Lake Tahoe region.

Additionally, TRPA reports the following fund type:

Fiduciary Funds

TRPA's fiduciary funds are custodial funds and are used to account for assets held by TRPA in a trustee capacity or as an agent for individuals, private organizations or other governments. The financial statements include the following custodial funds:

- California Tahoe Regional Planning Agency (CTRPA) Tahoe Keys Fund – This fund was established during the existence of the CTRPA, a political subdivision of the State of California, exercising responsibility for the development and enforcement of plans for land and resource development in the Lake Tahoe region of California. This fund holds environmental mitigation fees that are collected on behalf of the Lahontan Regional Water Quality Board. These fees are paid by property owners with projects located in the geographical area known as the "Tahoe Keys". Disbursements from this fund are made by TRPA subject to approval of the Lahontan Regional Water Quality Board to fund water quality projects beneficial to the Tahoe Keys.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

- CTPRA Indirect Source Fund – This fund was established during the existence of CTRPA to collect environmental mitigation fees paid by projects directly affecting air quality within the Lake Tahoe Basin. Disbursements from this fund are made by TRPA on behalf of the California Resources Agency with concurrence of the Attorney General to fund air quality projects beneficial to the Lake Tahoe region of California.
- Excess Coverage Mitigation Fund – This fund was established to hold environmental mitigation fees collected on behalf of the States of California and Nevada as an offsetting effect to expected impacts on land coverage. The mitigation fees are paid by project applicants in lieu of a reduction of land coverage. Disbursements from this fund are made to the States of California and Nevada to fund land purchases.
- Custodial Funds – This fund was established to collect mitigation fees on behalf of various Lake Tahoe basin jurisdictions as an offsetting effect to expected impacts of certain projects within the Lake Tahoe Basin. The mitigation fees are paid by project applicants and grouped into air quality, water quality and stream zone environment. Disbursements from this fund are made to Lake Tahoe basin jurisdictions to fund eligible projects that serve to mitigate impacts of development.
- Science Advisory Council – The states of California and Nevada established the Tahoe Science Advisory Council (TSAC) in December 2015 by a memorandum of understanding to ensure the best available science informs public policy decisions at Lake Tahoe. The agreement between the Secretary of the California Natural Resources Agency and the Director of the Nevada Department of Conservation and Natural Resources set up an independent group of scientists to work together in an advisory capacity to promote and enhance the use of the best available scientific information on matters of interest to both states. Twelve voting members of TASC include representatives of various California and Nevada research institutions along with the US Geological Survey and the US Forest Service Pacific Southwest Research Station. An Executive Committee oversees the Council and meets annually.

(d) Measurement Focus and Basis of Accounting

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

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, TRPA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants for which the availability period is 120 days. Expenditures generally are recorded when a liability is incurred; however, principal and interest expenditures on long-term debt and compensated absences of governmental funds are recorded only when payment is due. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include fuel taxes collected and held by the State at year-end on behalf of TRPA, intergovernmental revenue, and interest revenue. In applying the susceptible-to-accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to TRPA; therefore, revenues are recognized based upon expenditures incurred. In the other, moneys are virtually unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

The custodial funds, a fiduciary fund type, are also reported using the economic resources measurement focus and the accrual basis of accounting.

(e) Cash and Investments

Investments are reported in the accompanying financial statements at fair value. The fair value is determined based upon market closing prices. The fair value of mutual funds is stated at share value.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings and changes in fair value. Interest earned on investments is allocated to the General Fund, certain nonmajor funds and agency funds in accordance with policies established by TRPA's management.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

(f) Fair Value Measurements

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in markets that are inactive;
 - Inputs other than quoted prices that are observable for the asset or liability; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect TRPA’s own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include TRPA’s own data.

(g) Prepaid Items

Certain payments to vendors reflecting costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

(h) Leases

TRPA is a lessor for leases as detailed in note 4. TRPA recognizes a lease receivable and a deferred inflow of resources in the financial statements. At the commencement of the lease, TRPA initially measures the lease receivable at the present value of payments expected to be received and paid during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term.

Key estimates and judgments include how TRPA determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts. TRPA uses the estimated return on its investments as the discount rate for leases. The lease term includes the noncancellable period of the lease.

TRPA monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

(i) Interfund Transactions

During the course of operations, numerous transactions occur between individual funds involving goods provided or services rendered. There are also transfers of revenues from funds authorized to receive the revenue to funds authorized to expend it. Outstanding interfund balances are reported as due from/to other funds.

(j) Capital Assets

Capital assets are defined by TRPA as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed capital assets are valued at their estimated acquisition value at the date of the contribution. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

TRPA depreciates its capital assets over their estimated useful lives using the straight-line method. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the Statement of Net Position. The range of lives used for depreciation purposes for each capital asset class is as follows:

<u>Item</u>	<u>Useful Life</u>
Buildings and improvements	10-40 years
Boats and equipment	3-12 years
Furniture and fixtures	3-12 years
Software	3 years

(k) Deferred Outflows and Inflows of Resources

The Statement of Net Position and the Governmental Funds Balance Sheet will sometimes report a separate section for deferred outflows of resources. This financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until that time. TRPA currently does not have any items that qualify for reporting in this category.

The Statement of Net Position and the Governmental Funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. TRPA has two types of items which qualify for reporting in this category. One of the items is lease related which is presented on the Statement of Net Position and the Governmental Funds Balance Sheet. The other item is unavailable revenue, which is reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from accounts, taxes and grant. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

(l) Unearned Revenue

Unearned revenue represents amounts received prior to the incurrence of eligible expenditures for intergovernmental revenue that is in a form substantially equivalent to reimbursement grants. For these intergovernmental revenues, TRPA does not become entitled to the revenues until it has first incurred expenditures for the projects specified for these funds.

(m) Compensated Absences

Compensated absences include accumulated vacation and other compensatory leave balances that are accrued as earned. The employees' entitlement to these balances is attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement. Compensated absences are generally liquidated in the General Fund.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

(n) Long-Term Obligations

In the government-wide financial statements, long-term debt is reported as long-term liabilities in the governmental activities. Bond discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are recorded net of the bond discount.

In the fund financial statements, governmental fund types recognize bond discounts and bond issuance costs during the current period. The face amount of the debt issued is reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures when incurred.

(o) Fund Balances

Fund balances are reported in the fund statements in the following classifications:

- Nonspendable – includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).
- Restricted – includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. If the Board action limiting the use of funds is included in the same action (legislation) that created (enables) the funding source, then it is restricted.
- Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the Board. It includes legislation (Board action) that can only be overturned by new legislation requiring the same type of voting consensus that created the original action. Therefore, if the Board action limiting the use of the funds is separate from the action (legislation) that created (enabled) the funding source, then it is committed, not restricted. For TRPA, a resolution is the highest level of decision-making authority that is used to establish a commitment of fund balance.
- Assigned – includes amounts that are designated or expressed by the Board, but does not require a formal action like a resolution or ordinance. The Board has delegated the ability to assign uses of specific funds, for specific purposes to the Executive Director and the Finance Director.
- Unassigned – includes the remaining spendable amounts which are not included in one of the other classifications.

It is TRPA's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned and unassigned resources, in the absence of a formal policy adopted by the Board.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies (Continued)

(p) Net Position

In the government-wide financial statements, net position represents the difference between assets and liabilities and deferred inflows and outflows and is classified into three categories:

- Net investment in capital assets – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – represents the net position that is not accessible for general use because their use is subject to restrictions enforceable by third parties.
- Unrestricted net position – represents those assets that are available for general use.

When both restricted and unrestricted resources are available for use, it is TRPA's policy to use restricted resources first.

(q) Use of Estimates

The preparation of basic financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

(r) Prior Year Data

Selected information from the prior years has been included in the accompanying financial statements in order to provide an understanding of changes in TRPA's financial position and operations. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with TRPA's financial statements for the year ended June 30, 2021, from which this selected financial data was derived. Certain minor reclassifications of prior year data have been made in order to enhance its comparability with current year figures.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments

Cash and investments as of June 30, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 17,049,066
Cash and investments with fiscal agent	21
Fiduciary Funds:	
Cash and investments	<u>14,876,974</u>
Total cash and investments	<u>\$ 31,926,061</u>

Cash and investments as of June 30, 2022 consist of the following:

Deposits with financial institutions	\$ 4,473,791
Investments	<u>27,452,270</u>
Total cash and investments	<u>\$ 31,926,061</u>

Investments Authorized by the California Government Code, Nevada Revised Statutes and TRPA's Investment Policy

The table below identifies the investment types that are authorized for TRPA by the California Government Code, Nevada Revised Statutes and TRPA's investment policy. The table also identifies certain provisions of the California Government Code, Nevada Revised Statutes, or TRPA's investment policy, if more restrictive, that address interest rate risk, credit risk and concentration of credit risk.

Investment Types <u>Authorized by State Law</u>	Authorized by Investment <u>Policy</u>	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer*
Local agency bonds	Yes	5 years	40%	None
U.S. Treasury obligations	Yes	5 years	75%	None
Federal agency securities	Yes	5 years	50%	30%
Banker's acceptances	Yes	180 days	20%	30%
Commercial paper	Yes	180 days	15%	10%
Negotiable certificates of deposit	Yes	5 years	25%	None
Repurchase agreements	Yes	90 days	None	None
Medium-term notes	Yes	5 years	20%	10%
Mutual funds	Yes	N/A	10%	10%
Money market mutual funds	Yes	N/A	20%	10%
County pooled investment fund	Yes	N/A	None	None
State investment pools	Yes	N/A	None	None

* Based on state law requirements or investment policy requirements, whichever is more restrictive.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments (Continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by the fiscal agent is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code, Nevada Revised Statutes or TRPA’s investment policy. As of June 30, 2022, there was \$21 in a cost of issuance fund. These funds are to be held by the Trustee in trust and applied to the cost of issuance for the 2020 Lease revenue Refunding Bonds.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One way that TRPA manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities. A portion of the portfolio is always maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for TRPA’s operations. In addition, the investment policy limits purchase of securities to those with maturities of five years or less.

Information about the sensitivity of the fair value of TRPA’s investments (including investments held by fiscal agent) to market interest rate fluctuations is provided by the following table that shows the distribution of TRPA’s investments by maturity.

	<u>Total</u>	<u>Maturities (in Months)</u>		
		<u>12 or less</u>	<u>13-24</u>	<u>25-36</u>
Treasury Securities	\$ 8,960,835	8,517,092	344,509	99,234
Medium Term Notes	1,758,398	719,619	845,563	193,216
Local Agency Investment Fund (LAIF)	14,538,467	14,538,467	-	-
Local Government Investment Pool (LGIP)	1,150,344	1,150,344	-	-
Money Market Funds	1,044,205	1,044,205	-	-
Investments with fiscal agent:				
Money Market Funds	<u>21</u>	<u>21</u>	<u>-</u>	<u>-</u>
 Total Investments	 <u>\$ 27,452,270</u>	 <u>25,969,748</u>	 <u>1,190,072</u>	 <u>292,450</u>

Disclosures Relating to Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, Nevada Revised Statutes, TRPA’s investment policy, or debt agreements, and the actual rating as of year end for each investment type.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments (Continued)

	Total	Minimum Legal Rating	Ratings as of Year End			
			AAA	AA+ - AA-	A+ - A-	Not Rated
Treasury Securities	\$ 8,960,835	N/A*	-	-	-	8,960,835
Medium Term Notes	1,758,398	A	-	198,844	1,559,554	-
LAIF	14,538,467	N/A	-	-	-	14,538,467
LGIP	1,150,344	N/A	-	-	-	1,150,344
Money Market Funds	1,044,205	Multiple**	1,044,205	-	-	-
Investments with fiscal agent:						
Money Market Funds	21	AAA-m	21	-	-	-
Total Investments	\$27,452,270		1,044,226	198,844	1,559,554	24,649,646

* - Exempt from disclosure

** - Must receive highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.

Concentration of Credit Risk

Concentration risk is the risk of loss attributed to the magnitude of an investor's investment in a single issue. To limit concentration risk, TRPA places a limit on the amount that can be invested in specific investment types. No investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represents 5% or more of total TRPA investments were held at year year-end.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. TRPA's Investment Policy requires financial institutions to collateralize deposits. TRPA participates in Nevada's collateral pool for public agencies, which is overseen by the Nevada State Treasurer. Amounts with financial institutions are first covered by FDIC insurance and amounts exceeding the limit are collateralized by the bank with the Nevada State Treasurer's office. The minimum collateralization is 102% of the public deposit.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. To address investment custodial credit risk, TRPA's Investment Policy requires the investments be placed with an independent third party for safekeeping and that all trade where applicable will be executed by delivery vs. payment. This ensures that securities are deposited in eligible financial institutions prior to the release of funds.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments (Continued)

TRPA's investment manager and its safekeeping custodian are affiliated with the same bank, but are under separate operational management. To ensure proper internal controls are in place between the manager and the safekeeping custodian, TRPA annually reviews the examination report on controls placed in operation and tests of operating effectiveness for the trust services of the investment safekeeping custodian issued by an independent public accounting firm.

TRPA uses an investment management firm to manage all of its investments that are held in securities form. The investment management firm executes investment purchases within the prescribed allowability and diversification guidelines provided by TRPA's investment policy. The investment manager places buy and sell orders with a number of broker-dealers on behalf of TRPA and in keeping with TRPA's Investment Policy. The investment manager executes all transactions using delivery vs. payment with the securities being held in safekeeping by the trust department affiliated with the investment manager. In addition, all cash and securities in TRPA's portfolio are held in safekeeping in TRPA's name by the safekeeping custodian, acting as agent for TRPA.

For investments identified herein as held by fiscal agent, the fiscal agent selects the investment under the terms of the applicable trust agreement, acquires the investment and holds the investment on behalf of TRPA.

Investment in State Investment Pools

TRPA is a voluntary participant in LAIF that is regulated by the California Government Code under the oversight of the Treasurer of the State of California, and the LGIP that is regulated by the Nevada Revised Statutes under the oversight of the Treasurer of the State of Nevada. The fair value of TRPA's investments in these pools are reported in the accompanying financial statements at an amount based upon TRPA's pro-rata share of the fair value provided by pools. The balance available for withdrawal is based on the accounting records maintained by the pools, which are recorded on an amortized cost basis. Currently, the pools do not have an investment rating.

Investment in County Investment Pool

Funds invested in county investment pools represent Local Transportation Funds and State Transportation Assistance Funds under the Transportation Development Act that are held by the Counties of El Dorado and Placer, who receive the funds from the State of California on behalf of TRPA. The fair value of TRPA's investment in these pools are reported in the accompanying financial statements at an amount based upon TRPA's pro-rata share of the fair value provided by the pools. The balance available for withdrawal is based on the accounting records maintained by the pools. Currently, the pools do not have an investment rating.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments (Continued)

Fair Value Measurement and Application

TRPA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. TRPA’s investments are categorized as follows:

	Total	Fair Value Hierarchy		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)
Investments measured at fair value:				
Treasury Securities	\$ 8,960,835	8,960,835	-	-
Medium Term Notes	<u>1,758,398</u>	-	<u>1,758,398</u>	-
Total investments measured at fair value	<u>10,719,233</u>	<u>8,960,835</u>	<u>1,758,398</u>	<u>-</u>
Investments not measured at fair value:				
LAIF	14,538,467			
LGIP	1,150,344			
Money Market Funds	<u>1,044,226</u>			
Total Investments not measured at fair value	<u>16,733,037</u>			
Total Investments	<u>\$27,452,270</u>			

(3) Interfund Transactions

Interfund Receivables and Payables

Interfund receivable and payable balances at June 30, 2022 are as follows:

Due To	Due From	Amount
General Fund	Non-Major Governmental Funds	\$ 19,719
General Fund	Fiduciary Funds	<u>164,096</u>
Total		<u>\$ 183,815</u>

All interfund receivables and payables resulted from short-term borrowing to cover negative cash balances.

Interfund Transfers

Interfund transfers consisted of the following for the year ended June 30, 2022:

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(3) Interfund Transactions (Continued)

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Transportation Fund	General Fund	\$ 21,950
Aquatic Invasive Species Fund	General Fund	99,138
Nonmajor Governmental Funds	General Fund	11,279
Fiduciary Funds	General Fund	<u>10,421</u>
Total		<u>\$ 142,788</u>

Interfund transfers are primarily used: (1) to reimburse funds that have made an expenditure on behalf of another fund due to statutory requirements; (2) to pay for capital projects or capital outlays, lease or debt service payments and operating expenses; and (3) to finance various programs with unrestricted revenues.

(4) Leases Receivable

TRPA is a lessor in 3 non-cancellable leases for office space rental. The leases require monthly payments of \$2,926, 4,223 and \$5,087. Interest is calculated at 2.50% per year. TRPA recognized \$130,738 in lease revenue and \$15,918 in interest revenue during the current fiscal year related to these agreements. As of June 30, 2022, the lease receivable is \$629,615 and deferred inflows of resources is \$622,389.

TAHOE REGIONAL PLANNING AGENCY
Notes to the Basic Financial Statements
(Continued)

(5) Capital Assets

Capital asset activity for the year ended June 30, 2022 is as follows:

	<u>Balance at June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2022</u>
Capital assets not being depreciated:				
Land	\$ 1,606,706	-	-	1,606,706
Construction in progress	<u>-</u>	<u>33,541</u>	<u>-</u>	<u>33,541</u>
Total capital assets not being depreciated	<u>1,606,706</u>	<u>33,541</u>	<u>-</u>	<u>1,640,247</u>
Capital assets being depreciated:				
Buildings and improvements	10,775,610	-	-	10,775,610
Boats, equipment and furniture	1,780,033	-	(54,889)	1,725,144
Software	<u>978,606</u>	<u>-</u>	<u>(657,457)</u>	<u>321,149</u>
Total capital assets being depreciated	<u>13,534,249</u>	<u>-</u>	<u>(712,346)</u>	<u>12,821,903</u>
Less accumulated depreciation for:				
Buildings and improvements	4,053,958	274,855	-	4,328,813
Boats, equipment and furniture	1,571,371	77,803	(54,889)	1,594,285
Software	<u>720,741</u>	<u>103,090</u>	<u>(657,457)</u>	<u>166,374</u>
Total accumulated depreciation	<u>6,346,070</u>	<u>455,748</u>	<u>(712,346)</u>	<u>6,089,472</u>
Capital assets being depreciated, net	<u>7,188,179</u>	<u>(455,748)</u>	<u>-</u>	<u>6,732,431</u>
Total capital assets	<u>\$ 8,794,885</u>	<u>(422,207)</u>	<u>-</u>	<u>8,372,678</u>

Depreciation expense was charged to functions as follows:

General government:	
Support services	\$ 397,013
Environmental Planning, Implementation and Measurement and Reporting:	
Environmental implementation	56,566
Planning services	<u>2,169</u>
Total Depreciation Expense	<u>\$ 455,748</u>

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(6) Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

	Balance at June 30, 2021	Additions	Deletions	Balance at June 30, 2022	Amount Due in One Year	Beyond One Year
2020 Series A Lease Revenue Bonds	\$ 7,396,000	-	-	7,396,000	-	7,396,000
2020 Series B Lease Revenue Bonds	902,000	-	(100,000)	802,000	226,000	576,000
Compensated Absences	796,926	625,376	(641,569)	780,733	592,885	187,848
 Total	 <u>\$ 9,094,926</u>	 <u>625,376</u>	 <u>(741,569)</u>	 <u>8,978,733</u>	 <u>818,885</u>	 <u>8,159,848</u>

Lease Revenue Refunding Bonds

On June 16, 2020, TRPA issued \$8,298,000 in Lease Revenue Refunding Bonds through the City of Carson, Nevada, comprised of \$7,396,000 in Lease Revenue Refunding Bonds Series 2020A (Tax-Exempt) and \$902,000 in Lease Revenue Refunding Bonds Series 2020B (Taxable). These 2020 Bonds were issued to currently refund the outstanding balances of TRPA's 2007 Lease Revenue Bonds, Series A and B, which were originally issued to fund the acquisition and improvements for the building located at 128 Market Street, Stateline, Nevada, which serves as TRPA's office headquarters. Principal payments for the 2020 Bonds are due annually on December 1 in amounts ranging from \$98,000 to \$530,000. Interest is payable semiannually at 4.00% for the 2020 Series A bonds and at 3.65% for the 2020 Series B bonds.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(6) Long-Term Liabilities (Continued)

Annual debt service requirements to maturity are as follows:

Series A Bonds			
Year Ending June 30	Principal	Interest	Total
2023	\$ -	295,840	295,840
2024	-	295,840	295,840
2025	156,000	295,840	451,840
2026	262,000	289,600	551,600
2027	272,000	279,120	551,120
2028-2032	1,532,000	1,223,440	2,755,440
2033-2037	1,865,000	891,480	2,756,480
2038-2042	2,269,000	487,360	2,756,360
2043-2045	<u>1,040,000</u>	<u>62,800</u>	<u>1,102,800</u>
Total	<u>\$7,396,000</u>	<u>4,121,320</u>	<u>11,517,320</u>

Series B Bonds			
Year Ending June 30	Principal	Interest	Total
2023	\$ 226,000	25,149	251,149
2024	235,000	16,735	251,735
2025	243,000	8,012	251,012
2026	<u>98,000</u>	<u>1,789</u>	<u>99,789</u>
Total	<u>\$ 802,000</u>	<u>51,685</u>	<u>853,685</u>

Compensated Absences

TRPA's policies relating to employee leave benefits are described in Note 1(m). This liability will be paid in future years from future resources from the General Fund.

(7) Pledged Revenue

TRPA's 2007 Series A and Series B Lease Revenue Bonds debt service payments were collateralized by the pledging of rental income. For the current year, debt service payments as a percentage of the pledged gross revenue are indicated in the table below. These percentages also approximate the relationship of debt service to pledged revenue for the remainder of the term of the commitment.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(7) Pledged Revenue (Continued)

<u>Description of Pledged Revenue</u>	<u>Annual Amount of Pledged Revenue</u>	<u>Annual Debt Service Payments (of all Debt Secured by this Revenue)</u>	<u>Debt Service as a Percentage of Pledged Revenue</u>
Rental Income	<u>\$ 311,384</u>	<u>549,989</u>	<u>177.00%</u>

(8) Defined Contribution Pension Plan

Plan Description

TRPA offers regular employees three defined contribution retirement plans. The first is a Social Security Replacement Plan (SSRP). The second is a 401(a) plan with a contribution above the minimum requirements of a Social Security Replacement Plan. The third is a voluntary 457(b) deferred compensation plan. Participation and vesting in all three plans are immediate. Seasonal employees, interns and short-term employees are not eligible.

Contributions

TRPA contributes 8% of the employees' pay into the SSRP plan. Employer contributions are in lieu of contributing to Social Security. TRPA contributes 5.54% to the 401(a) plan. Employee contributions to the 457(b) plan are limited by IRS regulations, updated annually. Benefit provisions are established and may be amended by TRPA's Board of Directors. During the fiscal year ended June 30, 2022, TRPA contributed \$448,841 to the SSRP, \$310,823 to the 401(a) plan and employees contributed \$614,408 to the 457(b) plan.

(9) Risk Management

TRPA is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; and natural disasters. TRPA protects itself against such losses with commercial insurance purchased from independent third parties. Loss exposures retained by TRPA are treated as normal expenditures and include any loss contingency not covered by TRPA's purchased insurance policies. Settlements have not exceeded covered amounts in the previous three fiscal years.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(10) Proposition 1B

As a part of the State of California’s Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by California voters as Proposition 1B (Prop 1B) on November 7, 2006, TRPA was awarded funding from the Public Transportation, Modernization, Improvement and Service Enhancement Account (PTMISEA) and the Transit System Safety, Security and Disaster Response Account (TSSSDRA). Prop 1B activity during the fiscal year ended June 30, 2022 was as follows:

	<u>PTMISEA</u>	<u>TSSSDRA</u>	<u>Total</u>
Unspent Proposition 1B funds as of June 30, 2021	\$ 31,076	188	31,264
Proposition 1B funds received	-	-	-
Interest earned on unspent Proposition 1B funds	62	-	62
Proposition 1B disbursements	<u>(24,655)</u>	<u>-</u>	<u>(24,655)</u>
Unspent Proposition 1B funds as of June 30, 2022	<u>\$ 6,483</u>	<u>188</u>	<u>6,671</u>

(11) Contingencies

Litigation

Various claims and suits have been filed against TRPA in the normal course of business. Although the outcome of these matters is not presently determinable, in the opinion of legal counsel, the resolutions of these matters will not have a material adverse effect on the financial condition of TRPA.

Federal and State Grants

TRPA receives federal and state funds for specific purposes that are subject to audit by the granting agencies. Although the outcome of any such audits cannot be predicted, it is management’s opinion that these audits would not have a material effect on TRPA’s financial position or changes in financial position.

(12) Economic Dependency

During the fiscal year ended June 30, 2022, approximately 65% of TRPA’s total revenue was derived from federal, state, and local government agencies.

TAHOE REGIONAL PLANNING AGENCY

Notes to the Basic Financial Statements

(Continued)

(13) Expenditures Exceeding Appropriations

Expenditures exceeded appropriations in the following funds:

<u>Fund</u>	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Aquatic Invasive Species Fund	\$6,024,698	5,550,720	473,978

(14) Deficit Fund Balances

TRPA has accumulated a fund deficit in the following individual funds:

<u>Fund</u>	<u>Fund Deficit</u>
Placer County Local Transportation Fund	\$19,719

The Placer County Local Transportation Fund deficit will be eliminated in Fiscal Year 22/23 when reimbursements are received for certain costs incurred in Fiscal Year 21/22.

REQUIRED SUPPLEMENTARY INFORMATION

**TAHOE REGIONAL PLANNING AGENCY
General Fund**

Budgetary Comparison Schedule

Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variances with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
State government grants and contracts	\$ 6,356,422	6,356,422	6,356,422	-
Local government grants and contracts	153,600	153,600	225,452	71,852
Charges for services	2,806,620	2,806,620	3,451,874	645,254
Fines and forfeitures	150,000	150,000	124,000	(26,000)
Rental income	245,833	245,833	311,384	65,551
Investment income (loss)	-	-	(125,424)	(125,424)
Miscellaneous revenues	-	-	8,111	8,111
Total revenues	<u>9,712,475</u>	<u>9,712,475</u>	<u>10,351,819</u>	<u>639,344</u>
Expenditures:				
Current:				
General government:				
Administrative services	1,305,312	1,305,312	1,254,818	50,494
Support services	2,795,216	2,795,216	1,698,372	1,096,844
Legal services	393,738	393,738	425,677	(31,939)
Interfund reimbursements	(2,223,002)	(2,223,002)	(583,365)	(1,639,637)
Environmental planning, implementation, and research and analysis:				
Environmental implementation	560,244	560,244	599,196	(38,952)
Planning services	3,601,255	3,601,255	2,791,203	810,052
Long range and transportation planning	849,742	849,742	764,103	85,639
Research and analysis	2,070,455	2,070,455	1,712,724	357,731
Building and rental activities	162,517	162,517	162,373	144
Debt service:				
Principal payment	-	-	100,000	(100,000)
Interest and fiscal charges	426,938	426,938	326,938	100,000
Total expenditures	<u>9,942,415</u>	<u>9,942,415</u>	<u>9,252,039</u>	<u>690,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(229,940)</u>	<u>(229,940)</u>	<u>1,099,780</u>	<u>1,329,720</u>
Other financing sources (uses):				
Transfers out	(171,599)	(171,599)	(142,788)	(28,811)
Total other financing sources (uses)	<u>(171,599)</u>	<u>(171,599)</u>	<u>(142,788)</u>	<u>(28,811)</u>
Net change in fund balance	(401,539)	(401,539)	956,992	1,300,909
Fund balance, beginning of year	<u>5,630,570</u>	<u>5,630,570</u>	<u>5,630,570</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,229,031</u>	<u>5,229,031</u>	<u>6,587,562</u>	<u>1,300,909</u>

See Note to Required Supplementary Information

**TAHOE REGIONAL PLANNING AGENCY
Transportation Fund**

Budgetary Comparison Schedule

Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variances with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Federal grants	\$ 2,245,901	2,245,901	1,571,668	(674,233)
State government grants and contracts	562,864	562,864	341,539	(221,325)
Local government grants and contracts	<u> -</u>	<u> -</u>	<u>51,103</u>	<u>51,103</u>
Total revenues	<u>2,808,765</u>	<u>2,808,765</u>	<u>1,964,310</u>	<u>(844,455)</u>
Expenditures:				
Environmental planning, implementation, and research and analysis:				
Long range and transportation planning	2,835,676	2,835,676	1,871,788	963,888
Capital outlay	<u> -</u>	<u> -</u>	<u>14,680</u>	<u>(14,680)</u>
Total expenditures	<u>2,835,676</u>	<u>2,835,676</u>	<u>1,886,468</u>	<u>949,208</u>
Excess (deficiency) of revenues over (under) expenditures	(26,911)	(26,911)	77,842	104,753
Other financing sources:				
Transfers in	<u>26,901</u>	<u>26,901</u>	<u>21,950</u>	<u>(4,951)</u>
Net change in fund balance	(10)	(10)	99,792	99,802
Fund balance, beginning of year	<u>491,866</u>	<u>491,866</u>	<u>491,866</u>	<u>-</u>
Fund balance, end of year	<u>\$ 491,856</u>	<u>491,856</u>	<u>591,658</u>	<u>99,802</u>

See Note to Required Supplementary Information

**TAHOE REGIONAL PLANNING AGENCY
Aquatic Invasive Species Fund**

Budgetary Comparison Schedule

Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Federal grants	\$ 3,767,830	3,767,830	3,741,873	(25,957)
State government grants and contracts	1,017,668	1,017,668	917,129	(100,539)
Local government grants and contracts	-	-	13,200	13,200
Charges for services	665,437	665,437	918,582	253,145
Total revenues	5,450,935	5,450,935	5,590,784	139,849
Expenditures:				
Current:				
Environmental planning, implementation, and research and analysis:				
Environmental implementation	5,550,720	5,550,720	6,024,698	(473,978)
Total expenditures	5,550,720	5,550,720	6,024,698	(473,978)
Excess (deficiency) of revenues over (under) expenditures	(99,785)	(99,785)	(433,914)	(334,129)
Other financing sources:				
Transfers in	99,784	99,784	99,138	(646)
Net change in fund balance	(1)	(1)	(334,776)	(334,775)
Fund balance, beginning of year	1,393,988	1,393,988	1,393,988	-
Fund balance, end of year	\$ 1,393,987	1,393,987	1,059,212	(334,775)

See Note to Required Supplementary Information

TAHOE REGIONAL PLANNING AGENCY

Note to Required Supplementary Information

Year Ended June 30, 2022

(1) Budgetary Data

TRPA follows the procedures below when establishing the budgetary data reflected in the financial statements:

1. By September 30 of each calendar year, TRPA management submits a proposed operating and capital improvement budget to the Board of Directors for the fiscal year commencing the following July 1. The budget includes the proposed expenditures and means of financing them. In order to obtain state funding, TRPA must submit budget requests to the State of California annually and the State of Nevada biannually.
2. The budget is legally enacted through adoption of a resolution by the Board of Directors.
3. TRPA's Executive Director is authorized to implement the programs as approved in the adopted budget. Within a specific fund, the Executive Director or his designee may transfer appropriations between categories, departments, projects and programs as needed to implement the adopted budget, whereas the Board of Directors must authorize budget increases and decreases, and transfers between funds. Therefore, the legal level of budgetary control is at the fund level.
4. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets were adopted for the General Fund and certain Special Revenue Funds. The budgets for the El Dorado County State Transit Assistance Fund, El Dorado County Local Transportation Fund and Placer County Local Transportation Fund are adopted by the respective County's jurisdictions.

**TAHOE REGIONAL PLANNING AGENCY
General Fund**

Combining Balance Sheet

Year Ended June 30, 2022

	General Fund	128 Market Street Building	Shoreline	Settlements	Charitable Contributions	Mitigation	Total
<u>Assets</u>							
Cash and investments	\$ 10,303,554	2,412,071	572,447	225,751	16,668	1,329,874	14,860,365
Cash and investments with fiscal agent	-	21	-	-	-	-	21
Receivables:							
Accounts	32,038	5,916	-	-	-	-	37,954
Interest	39,316	-	1,489	-	-	3,397	44,202
Leases	-	629,615	-	-	-	-	629,615
Due from other governments	13,459	-	-	900	6,000	-	20,359
Due from other funds	183,815	-	-	-	-	-	183,815
Prepaid items	252,528	35,613	-	-	-	-	288,141
	<u>\$ 10,824,710</u>	<u>3,083,236</u>	<u>573,936</u>	<u>226,651</u>	<u>22,668</u>	<u>1,333,271</u>	<u>16,064,472</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>							
Liabilities:							
Accounts payable	\$ 581,363	20,732	7,549	6,000	6,979	-	622,623
Accrued payroll and benefits	149,878	-	-	-	-	-	149,878
Due to other governments	1,530	-	-	-	-	1,333,271	1,334,801
Unearned revenue	421,115	-	-	-	15,689	-	436,804
Deposits payable	6,258,492	25,656	-	-	-	-	6,284,148
	<u>7,412,378</u>	<u>46,388</u>	<u>7,549</u>	<u>6,000</u>	<u>22,668</u>	<u>1,333,271</u>	<u>8,828,254</u>
Deferred inflows of resources:							
Unavailable revenues	25,139	1,128	-	-	-	-	26,267
Lease related	-	622,389	-	-	-	-	622,389
	<u>25,139</u>	<u>623,517</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>648,656</u>
Fund balances:							
Nonspendable:							
Prepaid items	252,528	35,613	-	-	-	-	288,141
Restricted for:							
Debt service	-	21	-	-	-	-	21
Building improvements	-	500,000	-	-	-	-	500,000
Unassigned	3,134,665	1,877,697	566,387	220,651	-	-	5,799,400
	<u>3,387,193</u>	<u>2,413,331</u>	<u>566,387</u>	<u>220,651</u>	<u>-</u>	<u>-</u>	<u>6,587,562</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,824,710</u>	<u>3,083,236</u>	<u>573,936</u>	<u>226,651</u>	<u>22,668</u>	<u>1,333,271</u>	<u>16,064,472</u>

**TAHOE REGIONAL PLANNING AGENCY
General Fund**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2022

	General Fund	128 Market Street Building	Shoreline	Settlements	Charitable Contributions	Mitigation	Eliminations (1)	Total
Revenues:								
State government grants and contracts	\$ 6,356,422	-	-	-	-	-	-	6,356,422
Local government grants and contracts	150,945	-	-	3,600	70,907	-	-	225,452
Charges for services	3,035,181	4,788	411,905	-	-	-	-	3,451,874
Fines and forfeitures	-	-	-	124,000	-	-	-	124,000
Rental income	-	1,000,364	-	-	-	-	(688,980)	311,384
Investment income (loss)	(137,804)	15,939	(3,559)	-	-	-	-	(125,424)
Miscellaneous revenues	8,111	-	-	-	-	-	-	8,111
Total revenues	9,412,855	1,021,091	408,346	127,600	70,907	-	(688,980)	10,351,819
Expenditures:								
Current:								
General Government:								
Administrative services	1,075,691	-	-	108,370	70,757	-	-	1,254,818
Support services	1,627,090	71,282	-	-	-	-	-	1,698,372
Legal services	425,677	-	-	-	-	-	-	425,677
Interfund reimbursements	(1,638,034)	-	-	-	-	-	1,054,669	(583,365)
Environmental planning, implementation, and research and analysis:								
Environmental implementation	599,196	-	-	-	-	-	-	599,196
Planning services	3,608,575	-	237,297	-	-	-	(1,054,669)	2,791,203
Long range and transportation planning	764,103	-	-	-	-	-	-	764,103
Research and analysis	1,712,724	-	-	-	-	-	-	1,712,724
Building and rental activities	688,979	162,374	-	-	-	-	(688,980)	162,373
Debt service:								
Principal	-	100,000	-	-	-	-	-	100,000
Interest and fiscal charges	-	326,938	-	-	-	-	-	326,938
Total expenditures	8,864,001	660,594	237,297	108,370	70,757	-	(688,980)	9,252,039
Excess (deficiency) of revenues over (under) expenditures	548,854	360,497	171,049	19,230	150	-	-	1,099,780
Other financing sources (uses):								
Transfers in	-	-	-	-	4,430	-	(4,430)	-
Transfers out	(147,218)	-	-	-	-	-	4,430	(142,788)
Total other financing sources (uses)	(147,218)	-	-	-	4,430	-	-	(142,788)
Net change in fund balances	401,636	360,497	171,049	19,230	4,580	-	-	956,992
Fund balances (deficit), beginning of year	2,985,557	2,052,834	395,338	201,421	(4,580)	-	-	5,630,570
Fund balances (deficit), end of year	\$ 3,387,193	2,413,331	566,387	220,651	-	-	-	6,587,562

(1) Transfers, rental income and other interfund charges within the group of funds that are consolidated to form the General Fund for purposes of the combined financial statements have been eliminated on this schedule.

**TAHOE REGIONAL PLANNING AGENCY
Non-Major Governmental Funds**

Combining Balance Sheet

June 30, 2022

(with comparative prior year information)

	SPECIAL REVENUE FUNDS		
	Environmental Improvement Program	Erosion Control Fund	El Dorado County Local Transportation Fund
<u>Assets</u>			
Cash and investments	\$ 199,499	178,966	299,423
Due from other governments	50,768	3,707	-
Total assets	\$ 250,267	182,673	299,423
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ 48,382	-	-
Due to other funds (note 3)	-	-	-
Due to claimants	-	2,845	-
Total liabilities	48,382	2,845	-
Deferred inflows of resources:			
Unavailable revenues	41,050	-	-
Fund balances (deficit):			
Restricted for:			
Environmental implementation	160,835	179,828	-
Long range and transportation planning	-	-	299,423
Unassigned	-	-	-
Total fund balances (deficit)	160,835	179,828	299,423
Total liabilities, deferred inflows of resources, and fund balance	\$ 250,267	182,673	299,423

SPECIAL REVENUE FUNDS

Placer County Local Transportation Fund	El Dorado County State Transit Assistance Fund	Totals	
		2022	2021
-	73	677,961	694,051
-	-	54,475	221,948
-	73	732,436	915,999
-	-	48,382	127,316
19,719	-	19,719	-
-	-	2,845	7,190
19,719	-	70,946	134,506
-	-	41,050	-
-	-	340,663	383,784
-	73	299,496	397,709
(19,719)	-	(19,719)	-
(19,719)	73	620,440	781,493
-	73	732,436	915,999

**TAHOE REGIONAL PLANNING AGENCY
Non-Major Governmental Funds**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2022

(with comparative prior year information)

	SPECIAL REVENUE FUNDS		
	Environmental Improvement Program	Erosion Control Fund	El Dorado County Local Transportation Fund
Revenues:			
Federal grants	\$ 23,994	74,451	-
State government grants and contracts	30,974	-	1,427,321
Investment income	-	-	1,677
	<u>54,968</u>	<u>74,451</u>	<u>1,428,998</u>
Expenditures:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	19,674	82,792	-
Long range and transportation planning	-	-	1,440,432
Research and analysis	81,353	-	-
	<u>101,027</u>	<u>82,792</u>	<u>1,440,432</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(46,059)</u>	<u>(8,341)</u>	<u>(11,434)</u>
Other financing sources:			
Transfers in	3,169	8,110	-
	<u>3,169</u>	<u>8,110</u>	<u>-</u>
Net change in fund balances	(42,890)	(231)	(11,434)
Fund balances, beginning of year	<u>203,725</u>	<u>180,059</u>	<u>310,857</u>
Fund balances (deficit), end of year	<u>\$ 160,835</u>	<u>179,828</u>	<u>299,423</u>

SPECIAL REVENUE FUNDS			
Placer County Local Transportation Fund	El Dorado County State Transit Assistance Fund	Totals	
		2022	2021
-	-	98,445	295,524
995,693	939,159	3,393,147	3,001,215
<u>535</u>	<u>960</u>	<u>3,172</u>	<u>2,005</u>
<u>996,228</u>	<u>940,119</u>	<u>3,494,764</u>	<u>3,298,744</u>
-	-	102,466	171,529
1,102,788	940,057	3,483,277	2,340,133
<u>-</u>	<u>-</u>	<u>81,353</u>	<u>351,960</u>
<u>1,102,788</u>	<u>940,057</u>	<u>3,667,096</u>	<u>2,863,622</u>
<u>(106,560)</u>	<u>62</u>	<u>(172,332)</u>	<u>435,122</u>
-	-	11,279	15,410
<u>-</u>	<u>-</u>	<u>11,279</u>	<u>15,410</u>
(106,560)	62	(161,053)	450,532
<u>86,841</u>	<u>11</u>	<u>781,493</u>	<u>330,961</u>
<u>(19,719)</u>	<u>73</u>	<u>620,440</u>	<u>781,493</u>

**TAHOE REGIONAL PLANNING AGENCY
Environmental Improvement Program**

Budgetary Comparison Schedule

Year Ended June 30, 2022

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Federal grants	\$ 119,376	23,994	(95,382)
State government grants and contracts	<u>216,000</u>	<u>30,974</u>	<u>(185,026)</u>
Total revenues	<u>335,376</u>	<u>54,968</u>	<u>(280,408)</u>
Expenditures:			
Current:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	59,375	19,674	39,701
Research and analysis	<u>276,000</u>	<u>81,353</u>	<u>194,647</u>
Total expenditures	<u>335,375</u>	<u>101,027</u>	<u>234,348</u>
Excess of revenues over expenditures	1	(46,059)	(46,060)
Other financing sources (uses):			
Transfers in	<u>-</u>	<u>3,169</u>	<u>3,169</u>
Net change in fund balance	1	(42,890)	(42,891)
Fund balance, beginning of year	<u>203,725</u>	<u>203,725</u>	<u>-</u>
Fund balance, end of year	<u>\$ 203,726</u>	<u>160,835</u>	<u>(42,891)</u>

**TAHOE REGIONAL PLANNING AGENCY
Erosion Control Fund**

Budgetary Comparison Schedule

Year Ended June 30, 2022

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Federal grants	\$ 300,069	74,451	(225,618)
Total revenues	300,069	74,451	(225,618)
Expenditures:			
Current:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	329,934	82,792	247,142
Total expenditures	329,934	82,792	247,142
Excess (deficiency) of revenues over (under) expenditures	(29,865)	(8,341)	21,524
Other financing sources:			
Transfers in	29,863	8,110	(21,753)
Net change in fund balance	(2)	(231)	(229)
Fund balance, beginning of year	180,059	180,059	-
Fund balance, end of year	\$ 180,057	179,828	(229)

**TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds**

Combining Statement of Fiduciary Funds Net Position

**June 30, 2022
(with comparative prior year information)**

	Custodial Funds					Totals	
	CTRPA Tahoe Keys	CTRPA Indirect Source	Excess Coverage Mitigation	Custodial Funds	Science Advisory Council	2022	2021
<u>Assets</u>							
Cash and investments	\$ 431,123	9,237	7,054,402	7,381,796	416	14,876,974	13,611,574
Receivables:							
Interest	1,116	24	18,180	19,040	-	38,360	10,390
Due from other governments	-	-	-	-	222,180	222,180	138,500
Total assets	\$ 432,239	9,261	7,072,582	7,400,836	222,596	15,137,514	13,760,464
<u>Liabilities, Deferred Inflows of Resources, and Net Position</u>							
Accounts payable	\$ -	-	-	2,515	58,446	60,961	74,574
Due to other funds (note 3)	-	-	-	-	164,096	164,096	71,303
Total liabilities	-	-	-	2,515	222,542	225,057	145,877
Net position:							
Restricted for:							
Water Quality	-	-	-	2,974,007	-	2,974,007	3,100,888
Stream Environment Zone	-	-	-	1,158,725	-	1,158,725	1,142,977
Air Quality	-	-	-	1,492,505	-	1,492,505	1,621,787
Operations and Maintenance	-	-	-	1,686,290	-	1,686,290	1,635,053
Unrestricted	432,239	9,261	7,072,582	86,794	54	7,600,930	6,113,882
Total net position	432,239	9,261	7,072,582	7,398,321	54	14,912,457	13,614,587
Total liabilities, deferred inflows of resources, and net position	\$ 432,239	9,261	7,072,582	7,400,836	222,596	15,137,514	13,760,464

**TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds**

Combining Statement of Changes in Fiduciary Net Position

**Year Ended June 30, 2022
(with comparative prior year information)**

	Custodial Funds					Totals	
	CTRPA Tahoe Keys	CTRPA Indirect Source	Excess Coverage Mitigation	Custodial Funds	Science Advisory Council	2022	2021
	Additions: Federal grants State government grants and contracts Charges for service Investment income (loss) Other Total additions	\$ - - 6,500 (3,596) - <u>2,904</u>	- - - (77) - <u>(77)</u>	- - 1,445,199 (55,202) - <u>1,389,997</u>	- - 907,910 (62,858) - <u>845,052</u>	- 425,869 - - 10,421 <u>436,290</u>	- 425,869 2,359,609 (121,733) 10,421 <u>2,674,166</u>
Deductions: Environmental implementation Total deductions Net changes in fiduciary net position	- - <u>-</u>	- - <u>-</u>	1 1 <u>1</u>	947,436 947,436 <u>(102,384)</u>	428,859 428,859 <u>7,431</u>	1,376,296 1,376,295 <u>1,297,870</u>	3,254,176 1,845,821 <u>687,062</u>
Net position, beginning of year Net position, end of year	<u>429,335</u> <u>\$ 432,239</u>	<u>9,338</u> <u>9,261</u>	<u>5,682,586</u> <u>7,072,582</u>	<u>7,500,705</u> <u>7,398,321</u>	<u>(7,377)</u> <u>54</u>	<u>13,614,587</u> <u>14,912,457</u>	<u>12,927,525</u> <u>13,614,587</u>