

**TAHOE REGIONAL PLANNING AGENCY**

Financial Statements

Year Ended June 30, 2017

(This page intentionally left blank)

# TAHOE REGIONAL PLANNING AGENCY

## Financial Statements

Year Ended June 30, 2017

### TABLE OF CONTENTS

	<u>Page</u>
<b>Independent Auditor's Report</b>	1
<b>Management's Discussion and Analysis</b> (Required Supplementary Information)	4
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position	23
Statement of Activities	24
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	26
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	27
Statement of Revenues, Expenditures and Changes in Fund Balances	28
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Agency Funds:	
Statement of Assets and Liabilities	30
Notes to the Basic Financial Statements	31
<b>Required Supplementary Information:</b>	
Budgetary Comparison Schedules:	
General Fund	54
Transportation Special Revenue Fund	55
Aquatic Invasive Species Special Revenue Fund	56
Note to Required Supplementary Information	57
<b>Supplementary Schedules:</b>	
General Fund:	
Combining Balance Sheet	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	60

# TAHOE REGIONAL PLANNING AGENCY

## Financial Statements

(Continued)

### **TABLE OF CONTENTS (CONTINUED)**

	<u>Page</u>
<b>Supplementary Schedules (Continued):</b>	
Non-Major Governmental Funds:	
Combining Balance Sheet	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	64
Budgetary Comparison Schedules:	
Special Revenue Funds:	
Environmental Improvement Program Fund	66
Erosion Control Fund	67
Agency Funds:	
Combining Statement of Assets and Liabilities	68
Combining Statement of Changes in Assets and Liabilities	70

## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Tahoe Regional Planning Agency  
Stateline, Nevada

### **Report on the Financial Statements**

We have audited the accompanying 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 ended June 30, 2017, and the related notes to the financial statements, which collectively comprise TRPA's basic financial statements as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of TRPA, as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Report on Summarized Comparative Information***

We have previously audited the financial statements of TRPA for the years ended June 30, 2016 and June 30, 2015, and we expressed an unmodified audit opinion on those financial statements in our report dated December 7, 2016. In our opinion, the summarized comparative information presented herein as of and for the years ended June 30, 2016 and June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Schedules for the General Fund and each major special revenue fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other 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 financial statements and individual nonmajor budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and individual nonmajor budgetary comparison schedules 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 5, 2017 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering TRPA's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Davis Lan CP".

Irvine, California  
December 5, 2017

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

The Tahoe Regional Planning Agency (TRPA) was created in 1969 by a Compact between the States of Nevada and California, and ratified by the U.S. Congress, to protect and restore the environment of Lake Tahoe. The bi-state agency is charged with regional planning, development and redevelopment oversight, regulatory enforcement, and implementation of environmental protection and restoration programs for the Region.

TRPA operates in the context of the Tahoe Region which has global reach and impact. Considered a precious natural resource to both states of California and Nevada, and the driver of the area's \$5 billion economy, Lake Tahoe has faced extraordinary challenges in recent years. The Tahoe Basin's economy is rebounding, and a renaissance is underway in pockets around the lake. This positive trend helps strengthen the Region's resolve to protect and restore Lake Tahoe, which is costly and labor-intensive.

The Lake Tahoe region, and TRPA's jurisdiction, covers over 500 square miles. Approximately 90% of the land area is held by the US Forest Service and various other Federal and State entities. Over 50,000 people live in the Region, and the most recent estimates of visitation top 10 million annually. The lake has been designated an Outstanding National Resource Water under the Federal Clean Water Act.

TRPA's vision is for a lake environment that is sustainable, healthy, and safe for the community and future generations. TRPA leads the cooperative effort to preserve, restore, and enhance the unique natural and human environment of the Lake Tahoe Region, while improving local communities, and people's interactions with our irreplaceable environment.

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 management measures that meet and maintain the thresholds and authorizes it to work through a variety of means including land use regulations, growth management, capital improvement programs, and resource management plans. TRPA coordinates the 50+ 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 review of the organization's overall financial activities for the fiscal year ended June 30, 2017. 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 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 include notes to explain financial statement information and



TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

provide more detailed data.

### **TRPA Highlights**

Highlights for Fiscal Year (FY) 2017 include; building on the Regional Plan Update, retiring a significant portion (\$2.9M) of the Agency's long-term debt, and securing financing for scientific monitoring and research in the basin to support decision making.

The passage of the Regional Plan Update in 2012 put a new framework in place to integrate the activities of stakeholders, increasing collaboration and improving processes. The goal of threshold attainment to transform what was a deteriorating environment and community into a thriving, healthy ecosystem remains the same. Basin partnerships are strong, and progress is being made on multiple fronts. Initiatives underway include a revised Shoreline plan, modifying development rights to encourage redevelopment and a shift in the historic land use pattern toward more clustered development, the establishment of a bi-state transportation council, and the creation of a Tahoe Science Advisory Council to link science and decision making. Public restoration funding is rebounding. California and Nevada committed bond monies to the lake's restoration and the federal Lake Tahoe Restoration Act passed in December 2016.

TRPA strengthened the Agency's financial base by retiring \$2.9M of Series B Long Term Bonds in June of 2017. This will reduce annual debt service costs by over \$0.4 million for the next ten years. It also improves the Agency's credit position going forward.

The Tahoe Science Advisory Council became operational during the year with initial funding from California SB 630. The Council is led by both state's Natural Resource agencies, with scientific leadership from a variety of academic institutions including the University of California Davis, University of Nevada Reno, Desert Research Institute, U.S. Geological Survey, and the US Forest Service Pacific Southwest Research Station.

Following adoption of TRPA's strategic plan in June 2014, the Agency's focus in FY 2017 centered on implementing the plan's four pillars of accelerating threshold attainment, using the best available science for decision making, establishing the Agency as a leader in sustainability, and operating as a high-performing team. The TRPA Governing Board established five major strategic initiatives:

- Shoreline Initiative
- Development Rights
- Transportation
- Thresholds Update
- Forest Health

The Agency continues to work on improving internal processes, streamlining permitting, and increasing public access to Agency and partner information.

### **TRPA Organization**

To address the Strategic Plan Objectives, Strategic Initiatives, Internal Initiatives, and Ongoing Annual Activities, TRPA has embraced the adaptive management or continuous improvement "plan-do-check-

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

adjust" approach. The TRPA operations divisions are organized to reflect the adaptive management model.

The Long Range and Transportation Planning Division represents the "plan" function. The Current Planning Division and Environmental Improvement Division correspond to the "do" function. The "check" function is the responsibility of the Research and Analysis Division. TRPA uses this approach on an ongoing basis to "adjust" the day-to-day operations of the Agency. This same approach is used by the TRPA Governing Board to annually "adjust" the focus of the agency through the Operations Work Program and Annual Budget. This is also the concept underlying the ongoing threshold evaluation and regional planning process.

The roles and responsibilities of the Divisions are:

- The Long-Range Planning and Transportation Division primarily keeps the Regional Plan and the Regional Transportation Plan up to date. The division focuses on plan amendments, modifications to TRPA rules and regulations to meet the dynamic needs of the Tahoe environment in the Region, and executing on TRPA's federally designated transportation role as the Tahoe Metropolitan Planning Organization (TMPO) and the California designated Regional Transportation Planning Agency. These functions include reviewing area plans submitted by local jurisdictions as well as periodic revisions of the Regional Transportation Plan (RTP) and transportation improvement projects. Long Range Planning and Transportation is also the lead on the Shoreline, Development Rights, and Transportation strategic initiatives. The Sustainable Communities Program connects to related activities in and outside the Region to accelerate the implementation of the Regional Plan, Regional Transportation Plan, Area Plans, Sustainability Action Plan, and other partner initiatives by pursuing grant funding, legislative action, and building local, regional, national, and global partnerships. A new basin-wide sustainable recreation working group, co-led by TRPA and the US Forest Service, is forming to connect transportation system improvements with strategies to manage growing levels of regional recreation visitation.
- The Current Planning Division is responsible for permitting land use activities in the Tahoe Region, either directly or through delegation of permitting to local jurisdictions. The Division also leads the permit streamlining "Welcome Mat" initiative to dovetail with development rights system improvements needed to make redevelopment more feasible and successful in reaching the goals of the Regional Plan. Current Planning includes the Code Compliance team, whose staff visits work sites, inspects projects, and responds to complaints regarding Code violations, ensuring the conditions of the permits issued by TRPA or through delegation are met. The Code Compliance team reviews and issues tree removal permits and includes a watercraft crew to monitor shoreline conditions and enforce TRPA boating ordinances.
- The Research & Analysis Division is responsible for ensuring that TRPA planning and implementation are guided by the best available scientific information and technical data. The Division manages organizational data and systems, provides key information tools and reports, engages with the scientific community, and provides efficient and timely analysis to support TRPA staff and Governing Board decision making. Research & Analysis coordinates the 4-year Threshold Evaluation to report on progress toward threshold attainment, directs the Agency's

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

development of the LakeTahoelInfo.org platform and also leads the Thresholds Update strategic initiative to bring the Region's thresholds and monitoring systems current with the last 30 years of scientific knowledge.

- The Environmental Improvement Division coordinates a public-private partnership of over 50 funding partners, a collaborative restoration initiative that rivals some of the largest in the United States in scope. The Division's key programs include:
  - Management of the Environmental Improvement Program (EIP), the region-wide, multi-sector capital investment strategy to carry out a multitude of restoration programs and projects designed to implement the adopted Regional Plan and address environmental concerns in the Tahoe Region.
  - Management of the Aquatic Invasive Species (AIS) program including preventing new species introduction, treatment to control existing invasive species, and emergency response to new infestations. This is one of our five strategic initiatives.
  - Stormwater program management through the application of Best Management Practices (BMPs) for residential, commercial, and public properties.
  - Forest Health program management, including fuels reduction to control the risk of destructive wildfires and collaborative planning to promote the health and restoration of the forest resources in and across the region's boundaries.

In addition to these operational divisions, TRPA has staff activities to support the Division 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.

## **Financial Highlights**

### **Agency Revenues**

TRPA revenues for FY 2017 totaled \$14.6 million. The State of California's annual commitment was \$4.5 million and the State of Nevada's commitment was \$1.9 million. State and local annual commitments represent 45% 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 36% of revenues, amounting to \$5.2 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 State Water Resource Control Board (Lahontan Region), Nevada Division of Environmental Protection, California Energy Commission, California State Lands, California Tahoe Conservancy, CalFire, California Department of Boating and Waterways, Nevada Division of State Lands, California Office of Emergency Services, and others.

Fees for services amounted to \$2.3 million or 16% of the Agency's revenues. This includes Planning Fees and reimbursed costs from applicants as well as Watercraft Inspection Fees supporting the AIS program.

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**Agency Expenditures**

Total expenditures for FY 2017 were \$13.7 million. Staff costs accounted for \$5.4 million, or 40% of the total. Contracts comprised \$6.5 million, or 47% of costs including \$1.3 million in funds transferred to the Tahoe Transportation District (9.5% of expenditures). Financing costs, mostly related to the acquisition of the TRPA office building, amounted to \$0.6 million, 4% of total expenditures. This does not include principal payments of \$3.2M on the Series B lease revenue bonds, including the \$2.9M that was retired early.

TRPA works closely with other governmental entities in the basin to fund and execute various environmental initiatives. During FY 2017, TRPA passed through \$1.3 million in funding to the Tahoe Transportation District and \$0.7 million to Placer County for implementation of transportation projects and operation of transit systems throughout the basin. TRPA provided \$0.9 million in funding for roadside inspections of watercraft as part of the Aquatic Invasive Species program to the Tahoe Resource Conservation District, a unit of El Dorado County, California. Excess Coverage Mitigation funds in the amount of \$2.9 million and \$2.3 million in other Mitigation funds collected from applicants were passed on to local jurisdictions to fund projects designed to offset the environmental impact of development.

The TRPA General Fund Balance decreased by 51% or \$2.9 million during FY 2017. This is due to the early retirement of \$2.9 million in Series B Lease Revenue Bonds, partially offset by depreciation.

**Key Operational Accomplishments in FY 2017**

**Long Range and Transportation Planning Division:**

Long Range and Transportation Planning (LRTP) Division continues its work to continuously keep plans and implementing management strategies up to date with the current conditions of the Region. This year the Division furthered the implementation of the 2012 Regional Plan with approval of a fourth local government area plan and advanced three key strategic initiatives—Shoreline adaptation planning, the Transfer of Development Rights system improvements, and transportation planning to address burgeoning regional recreation visitation. TRPA operates under multiple transportation planning mandates, including serving as the Tahoe Metropolitan Planning Organization (TMPO). Funding for the Division includes TRPA General Funds and transportation grants. TRPA received \$1.8 million in grants from the Federal Government and the states of California and Nevada to support these activities. TRPA incurred \$1.0 million in personnel costs and \$1.1 million in contract and operating costs related to LRTP.

- LRTP continues to review and approve area plans in each jurisdiction to implement the Regional Plan. The Placer County Area Plan was approved in January of FY 2017. Several more area plans are currently in development in Douglas County, Nevada; the City of South Lake Tahoe, California; El Dorado County, California; and Washoe County, Nevada.
- The Division spent FY 2017 developing the Regional Transportation Plan (RTP) with new emphasis on managing growing traffic congestion through improvements to regional transit, trails, and technology systems. The RTP was completed and adopted by the TRPA Governing Board in March of FY 2017.
- The Sustainable Communities Program went through a transition in FY 2017 with a change in

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

program management and the completion of a major project funded by the California Strategic Growth Council, an Electric Vehicle Readiness Plan designed to make the Tahoe Region a leader in the transition to new fuels technology. Other sustainability projects are funded by TRPA's General Fund.

**Current Planning Division:**

Current Planning maintained its record of permit review efficiency. The Division received 864 permit applications during FY 2017 and issued 828 permits. One hundred percent (100%) of applications were processed within 120 days of receiving a complete application as required by TRPA's Code of Ordinances. Fees for services totaled \$1.7 million during the fiscal year. TRPA spent \$1.1 million on personnel costs and \$0.7 million on contracts and operating costs in the Current Planning Division. Field inspectors performed 599 project inspections during the year, and 614 tree removal permits. Project inspections resulted in the resolution and return of \$0.7 million in security deposits. An additional \$163 thousand of non-cash securities were also released. The Current Planning team is funded through planning fees.

**Research and Analysis Division:**

The Research & Analysis Division (R&A) collects information from our partner agencies and other Divisions within TRPA to report on TRPA's planning and implementation programs and regional progress toward threshold attainment. During the Fiscal Year R&A completed the sixth comprehensive Threshold Evaluation Report required by the bi-state TRPA Compact. The 2015 Report evaluated the status and trends related to 178 regional Threshold standards for air and water quality, soil conservation, vegetation, fisheries, wildlife, scenic, noise and recreation. The final report was accepted and issued by the TRPA Governing Board at their December 2016 Board meeting.

R&A's ongoing activities include managing and organizing TRPA's data and information systems, 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. Notable accomplishments this year include developing innovative tools and reports, such as new interactive map tools on [www.trpa.org/maps](http://www.trpa.org/maps), multiple enhancements to the LakeTahoeInfo.org public reporting platform in connection with the parcel tracker, the Lake Tahoe Clarity Crediting Program, the EIP Project Tracker, and a public Monitoring Program Dashboard. Taken collectively, this new data and reporting improves the public transparency and openness of TRPA's programs and activities. R&A received \$0.4 million in grant revenue during the fiscal year, to support long-term monitoring of lake clarity and fund the integration of Tahoe Total Maximum Daily Load (TMDL) information management tools into the LakeTahoeInfo.org platform. During FY 2017, expenses included \$0.8 million in personnel and \$1.1 million in contract and operating costs.

**Environmental Improvement Division:**

The Environmental Improvement Program (EIP) continued to implement major public projects in FY 2017. Since 1997, the many private and public organizations working towards environmental threshold attainment in the Lake Tahoe Basin have worked together under the umbrella of the EIP. In 2017 Senator Feinstein hosted the annual Lake Tahoe Federal Summit to highlight accomplishments of the EIP

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

over the last twenty years and to reiterate the strong commitment from the federal, state, and local sectors. EIP projects contribute to continued progress on the Lake Tahoe Clarity Challenge. In 2016 the five-year average Secchi depth was measured at 73 feet, which surpassed the interim restoration target for the Clarity Challenge of 71 feet.

Major EIP projects to highlight this year include Upper Truckee Reach 5 Restoration completed by the U.S. Forest Service, groundbreaking of the Incline to Sand Harbor shared use path, completion of all EIP restoration projects within the Edgewood property, and nearly 5 acres of aquatic invasive plant control treatment. The Lake Tahoe West Forest Health Collaborative, co-led by TRPA to implement a landscape scale forest health and watershed restoration strategy across multiple jurisdictions made substantial progress on a scenario planning and a landscape resilience assessment for the West Shore that will inform the desired management strategies for the project. This project is the current centerpiece of TRPA's Forest Health initiative that aims to increase the scale of forest health projects and bring in a more holistic multi-benefit ecosystem health approach to future forestry projects in the Region and beyond.

TRPA provides strategic coordination for the EIP and works with partners for the effective and efficient delivery of programs, projects, and funding. The Tahoe Interagency Executive Steering Committee (TIE) is the informal oversight and governing body for the EIP. A variety of multi-agency workgroups in specific focus areas support the TIE Steering Committee's consensus decision making. All of the EIP partners work diligently to invest and pursue sustainable funding for the EIP. TRPA received \$0.2 million in grant revenue this year to support the EIP. TRPA incurred \$0.4 million in personnel costs and \$0.2 million in contract and operating costs related to the EIP.

The Lake Tahoe Aquatic Invasive Species (AIS) Program continued implementation of the watercraft inspection program, first started in 2008, to prevent catastrophic infestation of new invasive species. During the last FY 2015, TRPA oversaw watercraft inspections performed by Tahoe Resource Conservation District inspectors at four roadside stations in the Tahoe Basin during the primary boating season and at two launch ramps during the winter months. Launching boats had inspection seals verified by trained inspectors prior to launch at sixteen (16) launch facilities. Outreach has been a critical part of the program, and has been very successful with 70% of boats arriving at an inspection station clean, drained, and dry. The program inspected 8,543 boats with 4,316 requiring decontamination. The states of Nevada and California have contributed funding in the amount of \$0.7 million to support the AIS prevention program. TRPA collected \$0.6 million in inspection fees and received \$0.3 million in grant funds from the U.S. Environmental Protection Agency, CalFire, Nevada Division of Environmental Protection, California State Water Resources Board (Lahontan Region), U.S. Fish and Wildlife Service, California Department of Boating and Waterways, and Nevada Division of State Lands to complement the state funding for the Prevention Program. TRPA incurred \$0.3 million in personnel costs and \$1.2 million in contract and operating costs related to the AIS Program.

The Stormwater Management Team has been working for many years to complete water quality retrofit improvements on all developed properties in the Lake Tahoe region. TRPA permits all BMP retrofit projects either directly or by delegation. Staff worked with private homeowners, commercial property owners, and several public entities (local jurisdictions and U.S. Forest Service) in the Tahoe Region to implement water quality Best Management Practices (BMPs). TRPA issued 315 residential and 20 commercial BMP certificates during FY 2017 reflecting private property owner investments to improve

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

environmental conditions in the Region. Funding for this activity included \$0.2 million in grants from the U.S. Environmental Protection Agency passed through California State Water Resources Control Board and Nevada Division of Environmental Protection. TRPA spent \$0.1 in personnel costs and did not have significant contract and operating costs during the fiscal year. The Stormwater Program Manager's salary is paid for out of the TRPA general fund.

The Forest Health Program is coordinated through the multi-jurisdictional Tahoe Fire and Fuels Team (TFFT). The greater Sierra as well as Tahoe are responding to growing impacts of tree mortality due to drought stress and bark beetle infestation. This fiscal year, the TFFT formed the Tahoe Tree Mortality Task Force and completed a Tahoe Incident Action Plan as an adjunct to the California statewide Task Force formed in response to the Governor's emergency declaration. On public lands, implementing agencies including the U.S. Forest Service, state agencies and local jurisdictions completed 4,331 acres of fuels treatments basin-wide in the 2017 field season. As the TFFT continues progress towards the completion of treatments in the Wildland Urban Interface, the partnership is addressing the emerging threat of bark beetle outbreaks and tree mortality. TRPA also issues tree permits for removal of hazardous trees on private property. After receipt of 725 applications, TRPA issued 714 permits in FY 2017. Tree permits can now be processed entirely online, with almost 60% of applicants choosing to file through the TRPA website. Average time to issue a tree permit is now less than 3 days. Expenditures for the Forest Health program are included in the general Environmental Improvement expenses.

#### **Administrative Financial Highlights**

TRPA continued implementing its strategic plan through staffing and organizational adjustments to achieve goals in an efficient and effective manner. Staffing shortages and other cost underruns resulted in a surplus for FY 2017. That surplus was rolled forward into FY 2018 to fund ongoing multi-year Agency projects.

Long term risks have been addressed and funded to the extent possible. There are only two significant long-term liabilities. 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 two permit-related lawsuits in process at this time, but we do not expect any financial liabilities to arise from them.

TRPA's Governing Board approved the FY 2017 budget in June of 2016. 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 jurisdictions.

TRPA continued scheduled debt service payments for Series A and B Lease Revenue Bonds in the amount of \$310 thousand in principal and \$582 thousand in interest. In addition, the Agency utilized accumulated reserves to call an additional \$2.9 million worth of Series B bonds. This will significantly reduce ongoing debt service expenditures for the next ten (10) years. The bonds were issued through the Nevada Division of Business and Industry to acquire the TRPA office building located at 128 Market Street, Stateline, NV.

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

## **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 similar to 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).

Both of 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. The governmental activities of TRPA include administrative services, support services, legal services, environmental improvement, planning services, 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. All of the funds of the Agency can be divided into two categories: governmental and fiduciary funds.

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. 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



TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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 Planning 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 eight 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.

#### **Fiduciary Funds**

Fiduciary Fund Statements provide information about the financial relationships in which TRPA acts solely as a trustee or agent for the benefit of others and are not reflected in the government-wide financial statements.

#### **TRPA as a Whole**

The Statement of Net Position provides the perspective of TRPA as a whole. Table 1 provides a summary that compares the Agency's Net Position from FY 2017 to FY 2016.

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**Table 1 - Summary of Statement of Net Position**

	2017	2016	Change	%
<b>Assets</b>				
Current & Other Non-Current Assets	13,616,655	16,743,314	(3,126,659)	-19%
Capital Assets	9,443,494	9,751,744	(308,250)	-3%
<b>Total Assets</b>	<u>23,060,149</u>	<u>26,495,058</u>	<u>(3,434,909)</u>	<u>-13%</u>
<b>Liabilities</b>				
Current Liabilities and Other	6,767,712	7,222,589	(454,877)	-6%
Unearned Revenue	2,526,051	2,586,654	(60,603)	-2%
Long Term Liabilities	8,162,563	11,439,338	(3,276,775)	-29%
<b>Total Liabilities</b>	<u>17,456,326</u>	<u>21,248,581</u>	<u>(3,792,255)</u>	<u>-18%</u>
<b>Net Position</b>				
Net Investment in Capital Assets of Debt	2,605,783	(107,542)	2,713,325	
Restricted	2,292,020	1,958,382	333,638	17%
Unrestricted	706,020	3,395,637	(2,689,617)	-79%
<b>Total Net Position</b>	<u>5,603,823</u>	<u>5,246,477</u>	<u>357,346</u>	<u>7%</u>

**Assets:**

Current and Other Noncurrent Assets decreased by \$3.1 million from \$16.7 million and June 30, 2016 to \$13.6 million at June 30, 2017. The largest portion of the decrease was the \$2.9M of cash used to retire Series B bonds.

Capital Assets – Capital assets decreased by \$0.3 million or 3%, from a balance of \$9.8 million at June 30, 2016, to a balance of \$9.4 million at June 30, 2017. This is due to depreciation.

**Liabilities:**

Current Liabilities – Current Liabilities decreased by \$0.5 million from \$7.2 million on June 30, 2016 to \$6.8 million at June 30, 2017. This is due to a significant decrease in accrued Accounts Payables due to the closeout of the half percent transportation grant program and threshold evaluation report before the end of FY 2017.

Unearned Revenue – decreased slightly by \$0.1 million, or 2% from a balance of \$2.6 million as of June 30, 2016 to \$2.5 million as of June 30, 2017.

Long-Term Liabilities – Long-Term Liabilities decreased by \$3.3 million, or 29%, from a balance of \$11.4 million at June 30, 2016, to a balance of \$8.2 million at June 30, 2017. This was due to a scheduled \$0.3 million debt payment in addition to the early retirement of \$2.9 million of the lease revenue bonds used to purchase the TRPA office building.

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**Net Position:**

Net Investment in Capital Assets increased significantly due to the debt retirement. It was (\$0.1) million at June 30, 2016 and is now \$2.6 million at June 30, 2017. The \$3.2M reduction in debt was partially offset by depreciation of \$0.2 million.

Restricted – Restricted Net Position increased \$0.3 million from \$2.0 million as of June 30, 2016 to \$2.3 million on June 30, 2017. This includes \$0.1 million for prepaid project review deposits and \$0.2 million to cover future AIS equipment replacement.

Unrestricted – Unrestricted Net Position decreased significantly from a balance of \$3.4 million at June 30, 2016 to a balance of \$0.7 million at June 30, 2017. TRPA used those funds to reduce long-term debt and associated annual financing expenses.

Table 2 shows the changes in Net Position for fiscal year 2016 and 2017.

<b>Table 2 - Revenue, Expenses, Changes in Net Assets</b>				
	<b>2017</b>	<b>2016</b>	<b>Change</b>	<b>%</b>
<b>Revenues</b>				
<b>Program Revenues</b>				
Charges for Services	2,725,736	2,398,399	327,337	14%
Grants and Contributions	4,659,658	7,428,507	(2,768,849)	-37%
<b>General Revenues</b>				
State Revenue	6,427,187	6,303,136	124,051	2%
Local Revenue	160,001	150,000	10,001	7%
Investment Earnings - Unrestricted	51,051	88,620	(37,569)	-42%
Miscellaneous	14,401	3,484	10,917	313%
<b>Total Revenues</b>	<b>14,038,034</b>	<b>16,372,146</b>	<b>(2,334,112)</b>	<b>-14%</b>
<b>Program Expenses</b>				
General Government	2,202,592	2,323,756	(121,164)	-5%
Env. Planning & Implementation	10,700,876	12,823,758	(2,122,882)	-17%
Building Operations	210,331	259,714	(49,383)	-19%
Interest and Debt Service	566,889	593,052	(26,163)	-4%
<b>Total Expenses</b>	<b>13,680,688</b>	<b>16,000,280</b>	<b>(2,319,592)</b>	<b>-14%</b>
<b>Increase (Decrease) in Net Assets</b>	<b>357,346</b>	<b>371,866</b>	<b>(14,520)</b>	<b>-4%</b>

**Program Revenues:**

Charges for Services – Charges for Services Revenue increased by \$0.3 million, or 14%, from \$2.4 million

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

for the year ended June 30, 2016, to \$2.7 million for the year ended June 30, 2017.

- There was a \$0.1 million increase in reimbursed planning fee revenue.
- Watercraft Inspection and Decontamination Fee revenue increased by \$0.1 million.
- The remaining amount is explained by a change in unavailable revenue.

Grants and Contributions - Grants and Contributions Revenue decreased by \$2.8 million, or 37%, from \$7.4 million for the year ended June 30, 2016, to \$4.7 million for the year ended June 30, 2017.

- Planning Services grants and contributions decreased by \$2.3 million.
  - The largest reduction was due to the elimination of the half percent funding for Transportation programs. That funding source has been eliminated, reducing revenue in FY 2017 by \$1.5 million. These funds were passed through to the Tahoe Transportation District in prior years.
  - Proposition 1B funding decreased by \$0.3
  - The remaining can be explained by an offset to deferred revenue from FY 2016 to FY 2017.
- Environmental Implementation grants and contributions dropped by \$0.5 million
  - Aquatic Invasive Species revenue from the States was reclassified in FY 2017 from this category to State Revenue in the amount of \$750 thousand.
  - Additional grants in FY 2017 resulted in an increase of \$0.3 million including grants for Plug-in Electric vehicles, CalFire defensible space and outreach, and work on LakeTahoeInfo.org.
  - Stormwater revenue from the State of California decreased by \$55 thousand.

**General Revenues:**

State Revenue, Investment Earnings, Local Revenue and Miscellaneous Earnings were essentially unchanged.

**Program Expenses:**

The cost of all Program Expenses decreased by \$2.3 million, or 14% from \$16.0 million for the year ended June 30, 2016, to \$13.7 million for the year ended June 30, 2017. Some of the key factors that resulted in the decrease include:

- Long Range Transportation Planning contracts declined by \$2.0M due primarily to the loss of the half percent money passed on to the Tahoe Transportation District.
- Proposition 1B Transportation grants decreased by \$0.1 million. There was a push to spend PTMISEA funding in FY 2016 due to that program being phased out. Going forward it will be replaced by the CA SB1 SGR program.
- Research and Analysis Division had a decrease of \$0.2 million in FY 2017 due to the quadrennial Threshold Evaluation contracting expenses primarily going to FY 2016.

**Fund Balances:**

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

TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**Table 3 - Summary of Fund Balances**

	2017	2016	Change	%
General Fund	2,821,007	5,706,351	(2,885,344)	-51%
Aquatic Invasive Species Fund	1,066,424	911,838	154,586	17%
Transportation Fund	854,526	267,014	587,512	220%
Other Nonmajor Governmental Funds	279,271	119,706	159,565	133%
Total Fund Balance	5,021,228	7,004,909	(1,983,681)	-28%

TRPA's governmental funds report a combined fund balance of \$5.0 million as of June 30, 2017, a \$2.0 million, or 28% reduction from last year's \$7.0 million totals. Some key factors that resulted in the increase include:

- General Fund balance decreased by \$2.9 million for the retirement of the Series B Lease Revenue Bonds.
- The Aquatic Invasive Species Fund balance increased by \$0.2 million. The increased fund balance is primarily due to an operational surplus. The Agency believes it is prudent to maintain a reserve in this fund for capital needs to replace equipment and safeguard against variability of inspection revenue.
- An increase of \$0.6 million in the Transportation Fund is due receiving revenue that was deferred in the prior year. Per GASB standards, revenue received more than 120 days past the end of the fiscal year must be deferred. At the end of FY 2016, we had billing issues with the State of California that lead to a substantial deferral of \$0.6 million. Those issues have been resolved and the outstanding balance has been collected.
- Other non-major governmental funds increased by \$0.2 million due to a variety of small changes.

### General Fund Budgeting Highlights

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

TRPA adopted the FY 2017 budget in June of 2016. The budget contained the following assumptions concerning revenue and expenses:

- State Revenues were essentially unchanged from FY 2016.
- The Planning Fund fee for service revenue was budgeted at \$1.3 million, consistent with the prior year.

The budget to actual comparison for the General Fund for the year ended June 30, 2017 includes the following items:

- Revenues were \$0.3 million higher than budgeted.
  - Higher permitting activity generated an increase of \$0.2 million of revenue. An estimate of this revenue and the associated expenses, were budgeted at the beginning of FY 2017.

**TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

- Miscellaneous revenues were up \$0.1 million for a variety of reasons.
- Overall expenditures were \$3.2 million above budget.
  - In June 2017, TRPA retired \$2.9 million in Series B Lease Revenue Bonds. This early retirement was approved by the Governing Board as a deviation from budget.
  - Contract expenses were \$0.3 million above projections. This is primarily due to increased sub-contracting of plan reviews reflecting an increase in applications for permits.

**Capital Assets**

For the year ended June 30, 2017, TRPA had \$9.4 million invested in capital assets. Table 4 shows June 30, 2017 balances compared to June 30, 2016.

**Table 4 - Summary of Capital Assets Net of Depreciation**

	<b>2017</b>	<b>2016</b>	<b>Change</b>	<b>%</b>
Land	1,606,706	1,606,706		
Buildings & Improvements	10,749,152	10,749,152		
Boats, Equipment and Furniture	1,834,909	1,884,521	(49,612)	
Software	733,245	840,749	(107,504)	
Accumulated Depreciation	(5,480,518)	(5,320,861)	(159,657)	3%
Total Capital Assets - Net	<u>9,443,494</u>	<u>9,760,267</u>	<u>(316,773)</u>	<u>-3%</u>

Overall capital assets decreased by \$0.3 million or 3%, from \$9.8 million for the year ended June 30, 2016, to \$9.4 million for the year ended June 30, 2017 based on depreciation. No significant capital investments were made during FY 2017.

**Long Term Debt**

**Table 5 - Summary of Long Term Debt**

	<b>2017</b>	<b>2016</b>	<b>Change</b>	<b>%</b>
Lease Revenue Bonds	8,445,000	11,655,000	(3,210,000)	-28%
Capital Lease Obligations				
Long Term Loans				
Compensated Absences	<u>475,583</u>	<u>468,393</u>	<u>7,190</u>	<u>2%</u>
Total Long Term Debt	<u>8,920,583</u>	<u>12,123,393</u>	<u>(3,202,810)</u>	<u>-26%</u>

TRPA's debt, considered a liability of governmental activities, decreased by \$3.2 million, or 26%, from \$12.1 million for the year ended June 30, 2016, to \$8.9 million for the year ended June 30, 2017. TRPA retired \$2.9 million of Series B Lease Revenue Bonds in June of 2017. In addition, there was a regularly scheduled principal payment of \$0.3 million on the Series B Lease Revenue Bonds. Compensated absences have remained constant.

**TAHOE REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**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 Fiscal Year 2018 is secured, and the Agency is working with California on the Fiscal Year 2019 budget. Nevada follows a 2-year budget cycle, and the next budget cycle will start in the Spring of 2018.

In 2007, TRPA issued \$13.5 million in General Lease Revenue Bonds to finance the acquisition of the Agency's headquarters. These bonds have a 30-year maturity schedule. From June of 2017 on TRPA has the right to call all or part of these bonds. In June of 2017, TRPA called \$2.9M of the bonds, significantly reducing annual debt service costs by over \$400 thousand per year through 2027.

The key assumptions in the General Fund revenue and expenditure budget for fiscal year 2018 were:

1. The California appropriated budget increased their annual contribution to TRPA by \$0.3 million, to help fund the Shoreline Initiative. TRPA has already received these funds for FY 2018.
2. The Nevada appropriated budget was approved by the Legislature in 2017, as part of the biennial budget process. Funding increased by \$0.3 million to fund the Shoreline Initiative. TRPA has already received these funds for FY 2018.
3. The local support from the counties is fixed at \$150,000 per the Tahoe Regional Planning Compact.
4. 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 2017 assumes a similar level to FY 2017. These fees may not equal actual 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.

(This page intentionally left blank)



## **BASIC FINANCIAL STATEMENTS**

(This page intentionally left blank)

# TAHOE REGIONAL PLANNING AGENCY

## Statement of Net Position

June 30, 2017

(with comparative prior year information)

	Governmental Activities		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Assets:			
Cash and investments (note 2)	\$ 11,221,072	13,377,070	13,414,145
Cash and investments with fiscal agent (note 2)	893,934	892,835	892,850
Receivables:			
Accounts	711	1,158	11,888
Interest	37,591	35,487	18,606
Due from other governments	1,218,765	2,336,794	2,262,245
Prepaid items	244,582	99,970	136,260
Capital assets not being depreciated (note 4)	1,606,706	1,606,706	1,606,706
Capital assets, net of accumulated depreciation (note 4)	<u>7,836,788</u>	<u>8,145,038</u>	<u>8,477,002</u>
 Total assets	 <u>23,060,149</u>	 <u>26,495,058</u>	 <u>26,819,702</u>
Liabilities:			
Accounts payable	1,016,790	1,754,800	2,367,710
Accrued payroll and benefits	361,613	166,171	138,834
Interest payable	32,662	48,222	49,530
Due to other governments	1,530	1,530	1,530
Due to claimants	10,190	10,190	10,190
Unearned revenue	2,526,051	2,586,654	2,915,697
Deposits payable	4,586,907	4,557,621	4,055,656
Long-term liabilities (note 5):			
Due within one year	758,020	684,055	637,959
Due in more than one year	<u>8,162,563</u>	<u>11,439,338</u>	<u>11,783,697</u>
 Total liabilities	 <u>17,456,326</u>	 <u>21,248,581</u>	 <u>21,960,803</u>
Net position:			
Net investment in capital assets	2,605,783	(107,542)	(70,563)
Restricted for:			
Planning and evaluation services	959,698	853,444	731,309
Environmental implementation	1,332,322	1,104,938	765,274
Unrestricted	<u>706,020</u>	<u>3,395,637</u>	<u>3,432,879</u>
 Total net position	 <u>\$ 5,603,823</u>	 <u>5,246,477</u>	 <u>4,858,899</u>

See Notes to the Basic Financial Statements

# TAHOE REGIONAL PLANNING AGENCY

## Statement of Activities

Year Ended June 30, 2017

(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	\$ 962,862	(213,335)	-	43,989	-
Support services	1,597,166	(353,874)	123,187	-	-
Legal services	269,480	(59,707)	-	-	-
Environmental planning, implementation, and research and analysis:					
Developmental services	-	-	-	-	-
Environmental implementation	2,314,070	270,160	614,708	1,079,061	-
Planning services	5,068,316	355,847	1,653,466	3,233,352	123,489
Research and analysis	1,923,210	909	-	179,767	-
Regional plan implementation	768,364	-	-	-	-
Building and rental activities	210,331	-	334,375	-	-
Interest and fiscal charges	566,889	-	-	-	-
Total governmental activities	\$ 13,680,688	-	2,725,736	4,536,169	123,489

### General revenues:

State revenue

Local revenue

Investment earnings, unrestricted

Miscellaneous

Total general revenues

Changes in net position

Net position, beginning of year

Net position, end of year

See Notes to the Basic Financial Statements

Net (Expense) Revenue and Changes in Net Position		
2017	2016	2015
(705,538)	(727,301)	(742,709)
(1,120,105)	(1,075,097)	(1,067,273)
(209,773)	(143,884)	(347,046)
-	-	1,163,363
(890,461)	(734,537)	(1,248,528)
(413,856)	(474,027)	(1,244,358)
(1,744,352)	(1,960,712)	(1,126,653)
(768,364)	(514,321)	(313,783)
124,044	49,557	175,634
(566,889)	(593,052)	(612,384)
(6,295,294)	(6,173,374)	(5,363,737)
\$ 6,427,187	6,303,136	5,648,553
160,001	150,000	150,000
51,051	88,620	26,161
14,401	3,484	12,131
6,652,640	6,545,240	5,836,845
357,346	371,866	473,108
5,246,477	4,874,611	4,385,791
\$ 5,603,823	5,246,477	4,858,899

**TAHOE REGIONAL PLANNING AGENCY**

Governmental Funds

Balance Sheet

June 30, 2017

(with comparative prior year information)

	Special Revenue Funds			Non-Major	Totals		
	General	Transportation Fund	Aquatic Invasive Species	Governmental Funds	2017	2016	2015
<u>Assets</u>							
Cash and investments	\$ 7,717,819	2,054,912	1,265,143	183,198	11,221,072	13,377,070	13,414,145
Cash and investments with fiscal agent	893,934	-	-	-	893,934	892,835	892,850
Receivables:							
Accounts	686	24	-	1	711	1,158	11,888
Interest	33,499	4,092	-	-	37,591	35,487	18,606
Due from other governments	15,456	580,065	211,662	411,582	1,218,765	2,336,794	2,262,245
Due from other funds (note 3)	71,118	-	-	547	71,665	170,602	369,885
Prepaid items	241,499	-	3,083	-	244,582	99,970	136,260
<b>Total assets</b>	<b>\$ 8,974,011</b>	<b>2,639,093</b>	<b>1,479,888</b>	<b>595,328</b>	<b>13,688,320</b>	<b>16,913,916</b>	<b>17,105,879</b>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>							
Liabilities:							
Accounts payable	\$ 428,467	31,935	413,464	142,924	1,016,790	1,754,800	2,367,710
Accrued payroll and benefits	361,613	-	-	-	361,613	166,171	138,834
Due to other funds (note 3)	-	-	-	71,665	71,665	170,602	369,885
Due to other governments	1,530	-	-	-	1,530	1,530	1,530
Due to claimants	-	-	-	10,190	10,190	10,190	10,190
Unearned revenue	773,419	1,752,632	-	-	2,526,051	2,586,654	2,915,697
Deposits payable	4,586,907	-	-	-	4,586,907	4,557,621	4,055,656
<b>Total liabilities</b>	<b>6,151,936</b>	<b>1,784,567</b>	<b>413,464</b>	<b>224,779</b>	<b>8,574,746</b>	<b>9,247,568</b>	<b>9,859,502</b>
Deferred inflows of resources:							
Unavailable revenues	1,068	-	-	91,278	92,346	661,439	324,695
<b>Total deferred inflows of resources</b>	<b>1,068</b>	<b>-</b>	<b>-</b>	<b>91,278</b>	<b>92,346</b>	<b>661,439</b>	<b>324,695</b>
Fund balances:							
Nonspendable:							
Prepaid items	241,499	-	3,083	-	244,582	99,970	136,260
Restricted for:							
Environmental implementation	-	-	1,063,341	265,898	1,329,239	1,092,881	798,069
Planning and evaluation services	-	854,526	-	23,329	877,855	301,276	731,309
Debt service	884,484	-	-	-	884,484	892,835	892,850
Committed to:							
Building Maintenance	-	-	-	-	-	290,532	312,000
Assigned to:							
Debt restructuring	1,487,972	-	-	-	1,487,972	3,770,000	-
Capital projects	-	-	-	547	547	547	100,547
Unassigned	207,052	-	-	(10,503)	196,549	556,868	3,950,647
<b>Total fund balances</b>	<b>2,821,007</b>	<b>854,526</b>	<b>1,066,424</b>	<b>279,271</b>	<b>5,021,228</b>	<b>7,004,909</b>	<b>6,921,682</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 8,974,011</b>	<b>2,639,093</b>	<b>1,479,888</b>	<b>595,328</b>	<b>13,688,320</b>	<b>16,913,916</b>	<b>17,105,879</b>

See Notes to the Basic Financial Statements

## TAHOE REGIONAL PLANNING AGENCY

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

June 30, 2017

Fund balances of governmental funds	\$ 5,021,228
-------------------------------------	--------------

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	14,924,012
Accumulated depreciation	(5,480,518)

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	(475,583)
Lease revenue bonds	(8,445,000)

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.	(32,662)
--	----------

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>92,346</u>
---	---------------

Net position of governmental activities	<u>\$ 5,603,823</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, 2017

(with comparative prior year information)

		Special Revenue Funds		Non-Major	Totals		
	General	Transportation Fund	Aquatic Invasive Species	Governmental Funds	2017	2016	2015
Revenues:							
Federal grants	\$ -	1,627,770	67,555	482,391	2,177,716	2,728,117	5,812,684
State government grants and contracts	5,677,187	198,489	972,270	2,588,064	9,436,010	10,272,524	9,158,271
Local government grants and contracts	203,990	-	-	-	203,990	193,217	269,241
Charges for services	1,715,876	-	614,708	-	2,330,584	2,279,907	2,369,920
Fines and forfeitures	63,006	-	-	-	63,006	125,000	175,938
Rental income	330,369	-	-	-	330,369	334,624	300,975
Investment income	47,594	-	-	3,457	51,051	88,620	26,161
Miscellaneous revenues	14,401	-	-	-	14,401	13,393	2,971
Total revenues	<u>8,052,423</u>	<u>1,826,259</u>	<u>1,654,533</u>	<u>3,073,912</u>	<u>14,607,127</u>	<u>16,035,402</u>	<u>18,116,161</u>
Expenditures:							
Current:							
General government:							
Administrative services	964,196	-	-	-	964,196	962,130	933,762
Support services	1,281,793	-	-	-	1,281,793	1,259,759	1,217,163
Legal services	269,480	-	-	-	269,480	363,803	444,188
Interfund reimbursements	(627,408)	-	-	-	(627,408)	(599,048)	(582,965)
Environmental planning, implementation and research and analysis							
Environmental implementation	483,038	-	1,673,505	427,687	2,584,230	2,704,653	2,844,307
Planning services	1,928,024	1,238,747	-	2,257,392	5,424,163	7,527,855	9,007,789
Research and analysis	1,477,987	-	-	445,223	1,923,210	2,076,804	1,256,124
Regional plan implementation	768,364	-	-	-	768,364	514,321	313,783
Building and rental activities	210,331	-	-	-	210,331	259,714	129,689
Capital outlay	-	-	-	-	-	8,536	21,622
Debt service:							
Principal payments	3,210,000	-	-	-	3,210,000	295,000	396,540
Interest and fiscal charges	582,449	-	-	-	582,449	594,360	613,796
Pass-through expenditures	-	-	-	-	-	-	1,749
Total expenditures	<u>10,548,254</u>	<u>1,238,747</u>	<u>1,673,505</u>	<u>3,130,302</u>	<u>16,590,808</u>	<u>15,967,887</u>	<u>16,597,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,495,831)</u>	<u>587,512</u>	<u>(18,972)</u>	<u>(56,390)</u>	<u>(1,983,681)</u>	<u>67,515</u>	<u>1,518,614</u>
Other financing sources (uses):							
Transfers in (note 3)	-	-	173,558	215,955	389,513	297,227	144,528
Transfers out (note 3)	<u>(389,513)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(389,513)</u>	<u>(297,227)</u>	<u>(144,528)</u>
Total other financing sources (uses)	<u>(389,513)</u>	<u>-</u>	<u>173,558</u>	<u>215,955</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(2,885,344)</u>	<u>587,512</u>	<u>154,586</u>	<u>159,565</u>	<u>(1,983,681)</u>	<u>67,515</u>	<u>1,518,614</u>
Fund balances, beginning of year	<u>5,706,351</u>	<u>267,014</u>	<u>911,838</u>	<u>119,706</u>	<u>7,004,909</u>	<u>6,937,394</u>	<u>5,403,068</u>
Fund balances, end of year	<u>\$ 2,821,007</u>	<u>854,526</u>	<u>1,066,424</u>	<u>279,271</u>	<u>5,021,228</u>	<u>7,004,909</u>	<u>6,921,682</u>

See Notes to the Basic Financial Statements



## 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, 2017

Net change in fund balances - total governmental funds	\$ (1,983,681)
--	----------------

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the 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:

Depreciation	(316,774)
Capital asset deletion	8,524

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. Also, governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Principal payments for lease revenue bonds	3,210,000
--	-----------

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.	15,560
--	--------

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.	(7,190)
---	---------

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.	<u>(569,093)</u>
--	------------------

Change in net position of governmental activities	<u><u>\$ 357,346</u></u>
---	--------------------------

See Notes to the Basic Financial Statements

**TAHOE REGIONAL PLANNING AGENCY**

Agency Funds

Statement of Assets and Liabilities

June 30, 2017

Assets

Cash and investments (note 2)	\$	9,730,946
Receivables:		
Interest		24,683
Due from other governments		<u>36,500</u>
Total assets	\$	<u><u>9,792,129</u></u>

Liabilities

Accounts payable	\$	24,044
Due to other governments		9,646,494
Due to other funds		12,456
Deposits payable		<u>109,135</u>
Total liabilities	\$	<u><u>9,792,129</u></u>

See Notes to the Basic Financial Statements

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

Year Ended June 30, 2017

### (1) Summary of Significant Accounting Policies

#### (a) Reporting Entity

The 91<sup>st</sup> 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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (b) Financial Statement Presentation (Continued)

##### 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.

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 – The Aquatic Invasive Species 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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (c) Major Funds (Continued)

Additionally, TRPA reports the following fund types:

##### Capital Projects Funds

These funds are used to account for financial resources that are restricted, committed, or assigned for expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

##### Agency Funds

These funds are used to account for assets held by TRPA as an agent for other governments. The financial activities of these funds are excluded from the government-wide financial statements but are presented in a separate fiduciary fund financial statement. The financial statements include the following Agency Funds:

- California Tahoe Regional Planning Agency Tahoe Keys Fund – This fund was established during the existence of the California Tahoe Regional Planning Agency (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.
- California Tahoe Regional Planning Agency Securities Fund – This fund was established during the existence of CTRPA as a mechanism of enforcement concerning project applications, project approvals and conditions of approval ensuring compliance with certain conditions as set forth by TRPA.
- California Tahoe Regional Planning Agency Indirect Source Fund – This fund was established during the existence of CTRPA to collect environmental mitigation fees paid by projects directly effecting 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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (c) Major Funds (Continued)

- 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.
- Mitigation Fund – 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.

#### (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.

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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (d) Measurement Focus and Basis of Accounting (Continued)

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.

#### (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.

#### (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;

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (f) Fair value Measurements (Continued)

- 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.

#### (h) 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.

#### (i) 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 fair market 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.

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:



# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (i) Capital Assets (Continued)

<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

#### (j) Deferred Outflows and Inflows of Resources

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. TRPA currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. TRPA has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category, and is reported as unavailable revenue. Unavailable revenue arises when potential revenues do not meet both the measureable and availability criteria for recognition in the current period. In subsequent periods, when the revenue recognition criteria are met, the deferred inflow of resources is removed from the balance sheet and revenue is recognized.

#### (k) 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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (l) Compensated Absences

Compensated absences include accumulated vacation and other compensatory leave balances that are accrued as earned. The employee's 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.

#### (m) 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.

#### (n) 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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (n) Fund Balances (Continued)

- 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.

#### (o) 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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies (Continued)

#### (p) 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.

#### (q) 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 years ended June 30, 2016 and 2015, 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.

### (2) Cash and Investments

Cash and investments as of June 30, 2017 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$11,221,072
Cash and investments with fiscal agent	893,934
Agency Funds:	
Cash and investments	<u>9,730,946</u>
Total cash and investments	<u>\$21,845,952</u>

Cash and investments as of June 30, 2017 consist of the following:

Cash on hand	\$ 300
Deposits with financial institutions	2,204,601
Investments	<u>19,641,051</u>
Total cash and investments	<u>\$21,845,952</u>

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (2) Cash and Investments (Continued)

#### Investments Authorized by the California Government Code 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 <u>Maturity*</u>	Maximum Percentage <u>of Portfolio*</u>	Maximum Investment <u>In One Issuer*</u>
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
Reverse repurchase agreements	No	N/A	N/A	N/A
Medium-term notes	Yes	5 years	20%	10%
Mutual funds	Yes	N/A	10%	10%
Money market mutual funds	Yes	N/A	20%	10%
Mortgage pass-through securities	No	N/A	N/A	N/A
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.

As of June 30, 2017, the percentage of the portfolio TRPA had invested in medium-term notes was 24%.

#### 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. The table below identifies the investment types that are authorized for investments held by the fiscal agent. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (2) Cash and Investments (Continued)

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
Defeasance securities	None	None	None
U.S. Treasury obligations	None	None	None
Federal agency securities	None	None	None
Banker's acceptances	360 days	None	None
Commercial paper	270 days	None	None
Money market mutual funds	None	None	None
Investment agreements	None	None	None
Municipal obligations	None	None	None
Pre-refunded municipal obligations	None	None	None

### 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>Maturities (in Months)</u>			
	<u>Total</u>	<u>12 Months or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
State investment pool	\$7,480,537	7,480,537	-	-	-
County investment pool	12,826	12,826	-	-	-
Federal agencies securities	1,046,990	599,862	247,500	199,628	-
U.S. Treasury notes	4,396,786	1,996,275	2,400,511	-	-
Medium-term notes	4,488,277	1,666,358	1,480,729	1,341,190	-
Money market mutual funds	1,321,701	1,321,701	-	-	-
Held by fiscal agent:					
Money market mutual funds	<u>893,934</u>	<u>893,934</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$19,641,051</u>	<u>13,971,493</u>	<u>4,128,740</u>	<u>1,540,818</u>	<u>-</u>

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (2) Cash and Investments (Continued)

#### Disclosures Relating to Credit Risk

Generally, 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.

	Total	Minimum Legal Rating	Exempt from Disclosure	Rating as of Year End				
				AAA	AA+ - AA-	A+ - A-	B	Not Rated
State investment pool	\$7,480,537	N/A	-	-	-	-	-	7,480,537
County investment pool	12,826	N/A	-	-	-	-	-	12,826
Federal agency securities	1,046,990	N/A	-	-	1,046,990	-	-	-
U.S. Treasury notes	4,396,786	N/A	4,396,786	-	-	-	-	-
Medium-term notes	4,488,277	A	-	250,804	902,827	3,022,914	105,502	-
Money market mutual funds	1,321,701	N/A	-	1,321,701	-	-	-	-
Held by fiscal agent:								
Money market mutual funds	893,934	AAA-m	-	892,835	-	-	-	-
Total investments	\$19,641,051		4,396,786	2,466,439	1,949,817	3,229,144	105,502	7,493,363

#### 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 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.

## TAHOE REGIONAL PLANNING AGENCY

### Notes to the Basic Financial Statements

(Continued)

#### (2) Cash and Investments (Continued)

##### Custodial Credit Risk (Continued)

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.

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 audit 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 (Statement on Standards for Attestation Engagements No. 16 audit report).

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. As of June 30, 2017, total investments held by the safekeeping custodian on behalf of TRPA were \$11,253,754.

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.



# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (2) Cash and Investments (Continued)

#### Investment in State Investment Pools

TRPA is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California, and the Local Government Investment Pool (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 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.

#### 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. As of June 30, 2017, TRPA has no nonrecurring fair value measurement on its assets.

<u>Investments</u>	<u>Total</u>	<u>Fair Value Hierarchy</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Federal agency securities	\$ 1,046,990	-	1,046,990	-
U.S. Treasury notes	4,396,786	4,396,786	-	-
Medium-term notes	<u>4,488,277</u>	<u>-</u>	<u>4,488,277</u>	<u>-</u>
Totals	<u>\$9,932,053</u>	<u>4,396,786</u>	<u>5,535,267</u>	<u>-</u>

## TAHOE REGIONAL PLANNING AGENCY

### Notes to the Basic Financial Statements

(Continued)

#### (3) Interfund Transactions

##### Due From/Due to Other Funds

The composition of balances related to due from other funds and due to other funds at June 30, 2017 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 71,118
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>547</u>
	Total	<u>\$ 71,665</u>

The amounts due to the General Fund and Nonmajor Governmental Funds represent temporary cash borrowings that will be repaid when reimbursements from granting agencies are received.

##### Interfund Transfers

Interfund transfers consisted of the following for the year ended June 30, 2017:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Aquatic Invasive Species Fund	General Fund	\$173,558
Nonmajor Governmental Funds	General Fund	<u>215,955</u>
Total transfers		<u>\$389,513</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.

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (4) Capital Assets

Capital asset activity for the year ended June 30, 2017 is as follows:

	Balance at June 30, 2016	Additions	Deletions	Balance at June 30, 2017
Capital assets not being depreciated:				
Land	\$ <u>1,606,706</u>	<u>-</u>	<u>-</u>	<u>1,606,706</u>
Total capital assets not being depreciated	<u>1,606,706</u>	<u>-</u>	<u>-</u>	<u>1,606,706</u>
Capital assets being depreciated:				
Buildings and improvements	10,749,152	-	-	10,749,152
Boats, equipment and furniture	1,884,521	-	(49,612)	1,834,909
Software	<u>840,749</u>	<u>-</u>	<u>(107,504)</u>	<u>733,245</u>
Total capital assets being depreciated	<u>13,474,422</u>	<u>-</u>	<u>(157,116)</u>	<u>13,317,306</u>
Less accumulated depreciation for:				
Buildings and improvements	(2,679,684)	(274,646)	-	(2,954,330)
Boats, equipment and furniture	(1,816,819)	(29,347)	53,223	(1,792,943)
Software	<u>(832,881)</u>	<u>(12,781)</u>	<u>112,417</u>	<u>(733,245)</u>
Total accumulated depreciation	<u>(5,329,384)</u>	<u>(316,774)</u>	<u>165,640</u>	<u>(5,480,518)</u>
Capital assets being depreciated, net	<u>8,145,038</u>	<u>(316,774)</u>	<u>8,524</u>	<u>7,836,788</u>
Total capital assets	<u>\$9,751,744</u>	<u>(316,774)</u>	<u>8,524</u>	<u>9,443,494</u>

Depreciation expense was charged to functions as follows:

Support services	<u>\$316,774</u>
Total depreciation	<u>\$316,774</u>

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (5) Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

	Balance at <u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	Balance at <u>June 30, 2017</u>	Amount Due In <u>One Year</u>	Amount Due Beyond <u>One Year</u>
Series A Lease Revenue Bonds	\$ 7,575,000	-	-	7,575,000	-	7,575,000
Series B Lease Revenue Bonds	4,080,000	-	(3,210,000)	870,000	330,000	540,000
Compensated Absences	<u>468,393</u>	<u>528,146</u>	<u>(520,956)</u>	<u>475,583</u>	<u>428,020</u>	<u>47,563</u>
Total	<u>\$12,123,393</u>	<u>528,146</u>	<u>(3,730,956)</u>	<u>8,920,583</u>	<u>758,020</u>	<u>8,162,563</u>

#### Lease Revenue Bonds

On May 1, 2007, TRPA issued Lease Revenue Bonds, Series A and B, in the amounts of \$7,575,000 and \$6,245,000, respectively. The bonds were 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 are due annually on June 1 in amounts ranging from \$15,000 to \$362,000. Interest is payable semiannually at 4.5% for the Series A bonds and rates ranging from 5.32% to 5.87% for the Series B bonds. As of June 30, 2017, cash and investments held in the reserve account for the series A and B bonds was equal to the reserve requirement of \$884,484.

\$8,445,000

Annual debt service requirements to maturity are as follows:

Series A Bonds			
Year Ending			
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	340,875	340,875
2019	-	340,875	340,875
2020	-	340,875	340,875
2021	-	340,875	340,875
2022	-	340,875	340,875
2023-2027	535,000	1,692,338	2,227,338
2028-2032	3,135,000	1,244,138	4,379,138
2033-2037	<u>3,905,000</u>	<u>454,613</u>	<u>4,359,613</u>
Total	<u>\$7,575,000</u>	<u>5,095,464</u>	<u>12,670,464</u>

# TAHOE REGIONAL PLANNING AGENCY

## Notes to the Basic Financial Statements

(Continued)

### (5) Long-Term Liabilities

#### Lease Revenue Bonds (Continued)

Series B Bonds			
Year Ending			
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	51,069	51,069
2019	-	51,069	51,069
2020	-	51,069	51,069
2021	-	51,069	51,069
2022	-	51,069	51,069
2023-2027	<u>870,000</u>	<u>185,492</u>	<u>1,055,492</u>
Total	<u>\$870,000</u>	<u>440,837</u>	<u>1,310,837</u>

#### Compensated Absences

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

\$475,583

### (6) Pledged Revenue

TRPA's Series A and Series B Lease Revenue Bonds are collateralized by the pledging of rental income. See Note 5 for the amount and term of the remainder of these commitments, which are indicated in the debt service to maturity tables, and also the purposes of the related debt issuances utilized disclosed in the debt descriptions. 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.

<u>Description of</u> <u>Pledged Revenue</u>	<u>Annual amount</u> <u>of Pledged</u> <u>Revenue</u>	<u>Annual Debt Service</u>	
		<u>Payments (of all</u> <u>Debt Secured by this</u> <u>Revenues)</u>	<u>Debt Service as a</u> <u>Percentage of</u> <u>Pledged Revenue</u>
Rental Income	\$1,019,349	3,792,449	372%

## TAHOE REGIONAL PLANNING AGENCY

### Notes to the Basic Financial Statements

(Continued)

#### **(7) Defined Contribution Pension Plan**

##### Plan Description

TRPA offers regular employees two defined contribution retirement plans. The first is a Money Purchase Plan (MPP) which is TRPA's Social Security Replacement Plan. The second is a voluntary 457(b) deferred compensation plan. Participation and vesting in both plans is immediate. Seasonal employees, interns, and short-term employees are not eligible.

##### Contributions

TRPA contributes 8% of the employees pay into the MPP plan. Employer contributions are in lieu of contributing to Social Security. 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, 2017, TRPA contributed \$329,627 to the MPP and employees contributed \$336,391 to the 457(b) plan.

#### **(8) 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.

#### **(9) Deficit Fund Balances**

The Placer County Local Transportation Fund reported a deficit as of June 30, 2017 in the amount of \$10,503. This deficit will be remedied when outstanding receivables are collected from granting agencies.

#### **(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, 2017 was as follows:

## TAHOE REGIONAL PLANNING AGENCY

### Notes to the Basic Financial Statements

(Continued)

**(10) Proposition 1B (Continued)**

	<u>PTMISEA</u>	<u>TSSSDRA</u>	<u>Total</u>
Unspent Prop 1B funds as of June 30, 2016	\$1,601,090	186,247	1,787,337
Prop 1B funds received	-	75,431	75,431
Interest earned	11,593	1,761	13,354
Prop 1B expenditures incurred	<u>(79,352)</u>	<u>(44,137)</u>	<u>(123,489)</u>
Unspent Prop 1B funds as of June 30, 2017	<u>\$1,533,331</u>	<u>219,302</u>	<u>1,752,633</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, 2017, approximately 74% of TRPA's total revenue was derived from federal, state, and local government agencies.

**(13) Expenditures Exceeding Appropriations**

Expenditures exceed appropriations in the following funds:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
General Fund	\$10,595,510	7,435,804	3,159,706
Environmental Improvement	899,860	557,115	342,747

(This page intentionally left blank)



**REQUIRED SUPPLEMENTARY INFORMATION**

# TAHOE REGIONAL PLANNING AGENCY

General Fund

## Budgetary Comparison Schedule

Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State government grants and contracts	\$ 5,677,187	5,677,187	5,677,187	-
Local government grants and contracts	150,000	150,000	203,990	53,990
Charges for services	1,528,605	1,528,605	1,715,876	187,271
Fines and forfeitures	150,000	150,000	63,006	(86,994)
Rental income	301,258	301,258	330,369	29,111
Investment income	-	-	47,594	47,594
Miscellaneous revenues	-	-	14,401	14,401
Total revenues	<u>7,807,050</u>	<u>7,807,050</u>	<u>8,052,423</u>	<u>245,373</u>
Expenditures:				
Current:				
General government:				
Administrative services	803,059	803,059	964,196	(161,137)
Support services	1,423,203	1,423,203	1,281,793	141,410
Legal services	442,603	442,603	269,480	173,123
Interfund reimbursements	(832,407)	(832,407)	(627,408)	(204,999)
Environmental planning, implementation, and research and analysis:				
Environmental implementation	628,400	628,400	483,038	145,362
Planning services	1,445,126	1,445,126	1,928,024	(482,898)
Research and analysis	1,603,517	1,603,517	1,477,987	125,530
Regional plan implementation	821,526	821,526	768,364	53,162
Building and rental activities	138,529	138,529	210,331	(71,802)
Capital outlay	10,243	10,243	-	10,243
Debt service:				
Principal payments	330,000	330,000	3,210,000	(2,880,000)
Interest and fiscal charges	<u>578,666</u>	<u>578,666</u>	<u>582,449</u>	<u>(3,783)</u>
Total expenditures	<u>7,392,465</u>	<u>7,392,465</u>	<u>10,548,254</u>	<u>(3,155,789)</u>
Excess of revenues over expenditures	414,585	414,585	(2,495,831)	(2,910,416)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	<u>(274,955)</u>	<u>(274,955)</u>	<u>(389,513)</u>	<u>(114,558)</u>
Total other financing sources (uses)	<u>(274,955)</u>	<u>(274,955)</u>	<u>(389,513)</u>	<u>(114,558)</u>
Net change in fund balance	139,630	139,630	(2,885,344)	(3,024,974)
Fund balance, beginning of year	<u>5,706,351</u>	<u>5,706,351</u>	<u>5,706,351</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,845,981</u>	<u>5,845,981</u>	<u>2,821,007</u>	<u>(3,024,974)</u>

See Note to Required Supplementary Information

# TAHOE REGIONAL PLANNING AGENCY

## Transportation Fund

### Budgetary Comparison Schedule

Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Federal grants	\$ 1,457,001	1,457,001	1,627,770	170,769
State government grants and contracts	75,000	75,000	198,489	123,489
Total revenues	<u>1,532,001</u>	<u>1,532,001</u>	<u>1,826,259</u>	<u>294,258</u>
Expenditures:				
Current:				
Environmental planning, implementation, and research and analysis:				
Planning services	<u>1,532,001</u>	<u>1,532,001</u>	<u>1,238,747</u>	<u>293,254</u>
Total expenditures	<u>1,532,001</u>	<u>1,532,001</u>	<u>1,238,747</u>	<u>293,254</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	587,512	587,512
Fund balance, beginning of year	<u>267,014</u>	<u>267,014</u>	<u>267,014</u>	<u>-</u>
Fund balance, end of year	<u>\$ 267,014</u>	<u>267,014</u>	<u>854,526</u>	<u>587,512</u>

See Note to Required Supplementary Information

# TAHOE REGIONAL PLANNING AGENCY

## Aquatic Invasive Species Fund

### Budgetary Comparison Schedule

Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Federal grants	\$ 481,171	481,171	67,555	(413,616)
State government grants and contracts	-	965,000	972,270	7,270
Charges for services	450,000	450,000	614,708	164,708
Total revenues	931,171	1,896,171	1,654,533	(241,638)
Expenditures:				
Current:				
Environmental planning, implementation, and research and analysis:				
Environmental implementation	1,984,167	1,984,167	1,673,505	310,662
Total expenditures	1,984,167	1,984,167	1,673,505	310,662
Excess (deficiency) of revenues over (under) expenditures	(1,052,996)	(87,996)	(18,972)	69,024
Other financing sources:				
Transfers in	177,289	177,289	173,558	(3,731)
Net change in fund balance	(875,707)	89,293	154,586	65,293
Fund balance, beginning of year	911,838	911,838	911,838	-
Fund balance, end of year	\$ 36,131	1,001,131	1,066,424	65,293

See Note to Required Supplementary Information

## **TAHOE REGIONAL PLANNING AGENCY**

### **Note to Required Supplementary Information**

**Year Ended June 30, 2017**

#### **(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's 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

June 30, 2017

	General Fund	128 Market Street Building	Shoreline	Settlements
<u>Assets</u>				
Cash and investments	\$ 6,392,759	-	1,018,433	306,627
Cash and investments with fiscal agent	-	893,934	-	-
Receivables:				
Accounts	-	686	-	-
Interest	33,499	-	-	-
Due from other governments	12,456	-	-	-
Due from other funds	55,447	-	-	-
Prepaid items	227,389	14,110	-	-
 Total assets	<u>\$ 6,721,550</u>	<u>908,730</u>	<u>1,018,433</u>	<u>306,627</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 408,661	17,695	361	1,750
Accrued payroll and benefits	361,613	-	-	-
Due to other governments	1,530	-	-	-
Unearned revenue	770,961	-	-	-
Deposits payable	4,559,184	27,723	-	-
 Total liabilities	<u>6,101,949</u>	<u>45,418</u>	<u>361</u>	<u>1,750</u>
Deferred inflows of resources:				
Unavailable revenues	810	-	-	-
 Total deferred inflows of resources	<u>810</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Prepaid items	227,389	14,110	-	-
Restricted for:				
Debt service	-	884,484	-	-
Assigned to:				
Debt restructuring	165,023	-	1,018,072	304,877
Unassigned	226,379	(35,282)	-	-
 Total fund balances	<u>618,791</u>	<u>863,312</u>	<u>1,018,072</u>	<u>304,877</u>
 Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,721,550</u>	<u>908,730</u>	<u>1,018,433</u>	<u>306,627</u>

(1) Interfund balances 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.

Charitable Contributions	Eliminations (1)	Total
-	-	7,717,819
-	-	893,934
-	-	686
-	-	33,499
3,000	-	15,456
15,671	-	71,118
-	-	241,499
<u>18,671</u>	<u>-</u>	<u>8,974,011</u>
-	-	428,467
-	-	361,613
-	-	1,530
2,458	-	773,419
-	-	4,586,907
<u>2,458</u>	<u>-</u>	<u>6,151,936</u>
<u>258</u>	<u>-</u>	<u>1,068</u>
<u>258</u>	<u>-</u>	<u>1,068</u>
-	-	241,499
-	-	884,484
-	-	1,487,972
15,955	-	207,052
<u>15,955</u>	<u>-</u>	<u>2,821,007</u>
<u>18,671</u>	<u>-</u>	<u>8,974,011</u>

**TAHOE REGIONAL PLANNING AGENCY**

General Fund

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2017

	General Fund	128 Market Street Building	Shoreline	Settlements
Revenues:				
State government grants and contracts	\$ 5,553,187	-	124,000	-
Local government grants and contracts	160,001	-	-	-
Charges for services	1,711,870	4,006	-	-
Fines and forfeitures	-	-	-	63,006
Rental income	-	1,019,349	-	-
Investment income	45,786	1,208	600	-
Miscellaneous revenues	14,401	-	-	-
Total revenues	<u>7,485,245</u>	<u>1,024,563</u>	<u>124,600</u>	<u>63,006</u>
Expenditures:				
Current:				
General Government:				
Administrative services	824,088	-	-	78,376
Support services	1,281,793	-	-	-
Legal services	269,480	-	-	-
Interfund reimbursements	(627,408)	-	-	-
Environmental planning, implementation, and research and analysis:				
Environmental implementation	480,301	-	2,737	-
Planning services	1,928,024	-	-	-
Research and analysis	1,477,987	-	-	-
Regional plan implementation	768,364	-	-	-
Building and rental activities	688,980	210,331	-	-
Debt service:				
Principal payments	-	3,210,000	-	-
Interest and fiscal charges	-	582,449	-	-
Total expenditures	<u>7,091,609</u>	<u>4,002,780</u>	<u>2,737</u>	<u>78,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>393,636</u>	<u>(2,978,217)</u>	<u>121,863</u>	<u>(15,370)</u>
Other financing sources (uses):				
Transfers in	-	3,110,956	83,960	-
Transfers out	(3,618,758)	-	-	-
Total other financing sources (uses)	<u>(3,618,758)</u>	<u>3,110,956</u>	<u>83,960</u>	<u>-</u>
Net change in fund balances	(3,225,122)	132,739	205,823	(15,370)
Fund balances (deficit), beginning of year	<u>3,843,913</u>	<u>730,573</u>	<u>812,249</u>	<u>320,247</u>
Fund balances, end of year	<u>\$ 618,791</u>	<u>863,312</u>	<u>1,018,072</u>	<u>304,877</u>

(1) Transfers and rental income 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.



Charitable Contributions	Eliminations (1)	Total
-	-	5,677,187
43,989	-	203,990
-	-	1,715,876
-	-	63,006
-	(688,980)	330,369
-	-	47,594
-	-	14,401
<u>43,989</u>	<u>(688,980)</u>	<u>8,052,423</u>
61,732	-	964,196
-	-	1,281,793
-	-	269,480
-	-	(627,408)
-	-	483,038
-	-	1,928,024
-	-	1,477,987
-	-	768,364
-	(688,980)	210,331
-	-	3,210,000
-	-	582,449
<u>61,732</u>	<u>(688,980)</u>	<u>10,548,254</u>
<u>(17,743)</u>	<u>-</u>	<u>(2,495,831)</u>
34,329	(3,229,245)	-
-	3,229,245	(389,513)
<u>34,329</u>	<u>-</u>	<u>(389,513)</u>
16,586	-	(2,885,344)
<u>(631)</u>	<u>-</u>	<u>5,706,351</u>
<u>15,955</u>	<u>-</u>	<u>2,821,007</u>

# TAHOE REGIONAL PLANNING AGENCY

## Non-Major Governmental Funds

### Combining Balance Sheet

June 30, 2017

	SPECIAL REVENUE FUNDS		
	Environmental Improvement Program	Erosion Control Fund	El Dorado County Local Transportation Fund
<u>Assets</u>			
Cash and investments	\$ -	159,869	23,283
Receivables:			
Accounts	1	-	-
Due from other governments	380,526	31,056	-
Due from other funds	-	-	-
Total assets	<u>\$ 380,527</u>	<u>190,925</u>	<u>23,283</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ 142,588	336	-
Due to other funds	61,162	-	-
Due to claimants	-	10,190	-
Total liabilities	<u>203,750</u>	<u>10,526</u>	<u>-</u>
Deferred inflows of resources:			
Unavailable revenues	<u>91,278</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>91,278</u>	<u>-</u>	<u>-</u>
Fund balances (deficit):			
Restricted for:			
Environmental implementation	85,499	180,399	-
Planning and evaluation services	-	-	23,283
Assigned to:			
Capital projects	-	-	-
Unassigned	-	-	-
Total fund balances (deficit)	<u>85,499</u>	<u>180,399</u>	<u>23,283</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 380,527</u>	<u>190,925</u>	<u>23,283</u>

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUND			
Placer County Local Transportation Fund	El Dorado County State Transit Assistance Fund	Capital Outlay	Totals		
			2017	2016	2015
-	46	-	183,198	201,087	469,546
-	-	-	1	1	-
-	-	-	411,582	262,946	241,009
-	-	547	547	547	547
-	46	547	595,328	464,581	711,102
-	-	-	142,924	55,880	62,802
10,503	-	-	71,665	170,602	355,293
-	-	-	10,190	10,190	10,190
10,503	-	-	224,779	236,672	428,285
-	-	-	91,278	108,203	-
-	-	-	91,278	108,203	-
-	-	-	265,898	181,043	179,025
-	46	-	23,329	34,262	37,601
-	-	547	547	547	100,547
(10,503)	-	-	(10,503)	(96,146)	(34,356)
(10,503)	46	547	279,271	119,706	282,817
-	46	547	595,328	464,581	711,102

**TAHOE REGIONAL PLANNING AGENCY**

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2017

	SPECIAL REVENUE FUNDS		
	Environmental Improvement Program	Erosion Control Fund	El Dorado County Local Transportation Fund
Revenues:			
Federal grants	\$ 311,814	170,577	-
State government grants and contracts	595,326	-	910,888
Investment income	-	-	479
Total revenues	<u>907,140</u>	<u>170,577</u>	<u>911,367</u>
Expenditures:			
Current:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	214,876	212,811	-
Planning services	239,761	-	918,591
Research and analysis	<u>445,223</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>899,860</u>	<u>212,811</u>	<u>918,591</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,280</u>	<u>(42,234)</u>	<u>(7,224)</u>
Other financing sources:			
Transfers in	174,365	41,590	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>174,365</u>	<u>41,590</u>	<u>-</u>
Net change in fund balances	181,645	(644)	(7,224)
Fund balances (deficit), beginning of year	<u>(96,146)</u>	<u>181,043</u>	<u>30,507</u>
Fund balances (deficit), end of year	<u><u>\$ 85,499</u></u>	<u><u>180,399</u></u>	<u><u>23,283</u></u>

SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUND			
Placer County Local Transportation Fund	El Dorado County State Transit Assistance Fund	Capital Outlay	Totals		
			2017	2016	2015
-	-	-	482,391	270,357	344,106
610,332	471,518	-	2,588,064	2,287,640	2,414,454
2,821	157	-	3,457	2,889	1,721
<u>613,153</u>	<u>471,675</u>	<u>-</u>	<u>3,073,912</u>	<u>2,560,886</u>	<u>2,760,281</u>
-	-	-	427,687	673,800	639,876
627,379	471,661	-	2,257,392	1,980,848	2,109,980
-	-	-	445,223	50,444	-
<u>627,379</u>	<u>471,661</u>	<u>-</u>	<u>3,130,302</u>	<u>2,705,092</u>	<u>2,749,856</u>
<u>(14,226)</u>	<u>14</u>	<u>-</u>	<u>(56,390)</u>	<u>(144,206)</u>	<u>10,425</u>
-	-	-	215,955	65,383	70,716
-	-	-	-	(100,000)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>215,955</u>	<u>(34,617)</u>	<u>70,716</u>
<u>(14,226)</u>	<u>14</u>	<u>-</u>	<u>159,565</u>	<u>(178,823)</u>	<u>81,141</u>
<u>3,723</u>	<u>32</u>	<u>547</u>	<u>119,706</u>	<u>298,529</u>	<u>201,676</u>
<u>(10,503)</u>	<u>46</u>	<u>547</u>	<u>279,271</u>	<u>119,706</u>	<u>282,817</u>

# TAHOE REGIONAL PLANNING AGENCY

## Environmental Improvement Program

### Budgetary Comparison Schedule

Year Ended June 30, 2017

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Federal grants	\$ 163,077	311,814	148,737
State government grants and contracts	477,143	595,326	118,183
Total revenues	640,220	907,140	266,920
Expenditures:			
Current:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	276,113	214,876	61,237
Planning services	93,792	239,761	(145,969)
Research and analysis	187,210	445,223	(258,013)
Total expenditures	557,115	899,860	(342,745)
Excess (deficiency) of revenues over (under) expenditures	83,105	7,280	(75,825)
Other financing sources (uses):			
Transfers in	210	174,365	174,155
Net change in fund balance	83,315	181,645	98,330
Fund balance (deficit), beginning of year	(96,146)	(96,146)	-
Fund balance (deficit), end of year	\$ (12,831)	85,499	98,330

**TAHOE REGIONAL PLANNING AGENCY**

## Erosion Control Fund

## Budgetary Comparison Schedule

Year Ended June 30, 2017

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
State government grants and contracts	\$ -	-	-
Total revenues	<u>294,203</u>	<u>170,577</u>	<u>(123,626)</u>
Expenditures:			
Current:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	<u>381,560</u>	<u>212,811</u>	<u>168,749</u>
Total expenditures	<u>381,560</u>	<u>212,811</u>	<u>168,749</u>
Excess (deficiency) of revenues over (under) expenditures	(87,357)	(42,234)	45,123
Other financing sources:			
Transfers in	<u>97,457</u>	<u>41,590</u>	<u>(55,867)</u>
Net change in fund balance	10,100	(644)	(10,744)
Fund balance, beginning of year	<u>181,043</u>	<u>181,043</u>	-
Fund balance, end of year	<u>\$ 191,143</u>	<u>180,399</u>	<u>(10,744)</u>

**TAHOE REGIONAL PLANNING AGENCY**

## Agency Funds

## Combining Statement of Assets and Liabilities

Year Ended June 30, 2017

	CTRPA Tahoe Keys	CTRPA Securities	CTRPA Indirect Source	Excess Coverage Mitigation
<u>Assets</u>				
Cash and investments	\$ 376,123	108,837	8,853	2,654,454
Receivables:				
Interest	1,028	298	24	5,760
Due from other governments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 377,151</u>	<u>109,135</u>	<u>8,877</u>	<u>2,660,214</u>
<u>Liabilities</u>				
Accounts payable	\$ -	-	-	-
Due to other governments	377,151	-	8,877	2,660,214
Due to other funds	-	-	-	-
Deposits payable	-	109,135	-	-
	<u>-</u>	<u>109,135</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 377,151</u>	<u>109,135</u>	<u>8,877</u>	<u>2,660,214</u>



Mitigation	Science Advisory Council	Totals		
		2017	2016	2015
6,582,679	-	9,730,946	7,565,994	12,470,605
17,573	-	24,683	14,285	12,927
-	36,500	36,500	-	-
<u>6,600,252</u>	<u>36,500</u>	<u>9,792,129</u>	<u>7,580,279</u>	<u>12,483,532</u>
-	24,044	24,044	-	20,000
6,600,252	-	9,646,494	7,472,196	12,356,172
-	12,456	12,456	-	-
-	-	109,135	108,083	107,360
<u>6,600,252</u>	<u>36,500</u>	<u>9,792,129</u>	<u>7,580,279</u>	<u>12,483,532</u>

# TAHOE REGIONAL PLANNING AGENCY

## Agency Funds

### Combining Statement of Changes in Assets and Liabilities

Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b><u>CTRPA Tahoe Keys</u></b>				
<u>Assets</u>				
Cash and Investments	\$ 374,810	1,594	281	376,123
Receivables:				
Interest	940	1,028	940	1,028
Total assets	<u>\$ 375,750</u>	<u>2,622</u>	<u>1,221</u>	<u>377,151</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ 375,750</u>	<u>3,014</u>	<u>1,613</u>	<u>377,151</u>
Total liabilities	<u>\$ 375,750</u>	<u>3,014</u>	<u>1,613</u>	<u>377,151</u>
 <b><u>CTRPA Securities</u></b>				
<u>Assets</u>				
Cash and Investments	\$ 108,457	461	81	108,837
Receivables:				
Interest	272	298	272	298
Total assets	<u>\$ 108,729</u>	<u>759</u>	<u>353</u>	<u>109,135</u>
<u>Liabilities</u>				
Deposits payable	<u>\$ 108,729</u>	<u>872</u>	<u>466</u>	<u>109,135</u>
Total liabilities	<u>\$ 108,729</u>	<u>872</u>	<u>466</u>	<u>109,135</u>

(Continued)

**TAHOE REGIONAL PLANNING AGENCY**

Agency Funds

Combining Statement of Changes in Assets and Liabilities

(Continued)

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b><u>CTRPA Indirect Source</u></b>				
<u>Assets</u>				
Cash and Investments	\$ 8,822	38	7	8,853
Receivables:				
Interest	<u>22</u>	<u>24</u>	<u>22</u>	<u>24</u>
Total assets	<u>\$ 8,844</u>	<u>62</u>	<u>29</u>	<u>8,877</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ 8,844</u>	<u>71</u>	<u>38</u>	<u>8,877</u>
Total liabilities	<u>\$ 8,844</u>	<u>71</u>	<u>38</u>	<u>8,877</u>
<b><u>Excess Coverage Mitigation</u></b>				
<u>Assets</u>				
Cash and Investments	\$ 1,551,224	2,361,239	1,258,009	2,654,454
Receivables:				
Interest	<u>2,993</u>	<u>5,759</u>	<u>2,992</u>	<u>5,760</u>
Total assets	<u>\$ 1,554,217</u>	<u>2,366,998</u>	<u>1,261,001</u>	<u>2,660,214</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ 1,554,217</u>	<u>1,113,258</u>	<u>7,261</u>	<u>2,660,214</u>
Total liabilities	<u>\$ 1,554,217</u>	<u>1,113,258</u>	<u>7,261</u>	<u>2,660,214</u>

(Continued)

**TAHOE REGIONAL PLANNING AGENCY**

Agency Funds

Combining Statement of Changes in Assets and Liabilities

(Continued)

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b><u>Mitigation</u></b>				
<u>Assets</u>				
Cash and Investments	\$ 6,248,783	1,415,509	1,081,613	6,582,679
Receivables:				
Interest	<u>15,704</u>	<u>17,573</u>	<u>15,704</u>	<u>17,573</u>
Total assets	<u>\$ 6,264,487</u>	<u>1,433,082</u>	<u>1,097,317</u>	<u>6,600,252</u>
<u>Liabilities</u>				
Accounts payable	\$ -	587,343	587,343	-
Due to other governments	<u>6,264,487</u>	<u>1,283,807</u>	<u>948,042</u>	<u>6,600,252</u>
Total liabilities	<u>\$ 6,264,487</u>	<u>1,871,150</u>	<u>1,535,385</u>	<u>6,600,252</u>
<b><u>Science Advisory Council</u></b>				
<u>Assets</u>				
Due from other governments	<u>-</u>	<u>36,500</u>	<u>-</u>	<u>36,500</u>
Total assets	<u>-</u>	<u>36,500</u>	<u>-</u>	<u>36,500</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ -</u>	<u>49,393</u>	<u>12,893</u>	<u>36,500</u>
Total liabilities	<u>\$ -</u>	<u>49,393</u>	<u>12,893</u>	<u>36,500</u>

(Continued)

# TAHOE REGIONAL PLANNING AGENCY

## Agency Funds

### Combining Statement of Changes in Assets and Liabilities

(Continued)

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
<u>Assets</u>				
Cash and Investments	\$ 8,292,096	3,778,841	2,339,991	9,730,946
Receivables:				
Interest	19,931	24,682	19,930	24,683
Due from other governments	-	36,500	-	36,500
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 8,312,027</u>	<u>3,840,023</u>	<u>2,359,921</u>	<u>9,792,129</u>
<u>Liabilities</u>				
Accounts payable	\$ -	587,343	587,343	-
Due to other governments	8,203,298	2,449,543	969,847	9,682,994
Due to other funds	-	-	-	-
Deposits payable	108,729	872	466	109,135
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>\$ 8,312,027</u>	<u>3,037,758</u>	<u>1,557,656</u>	<u>9,792,129</u>